

# WEALTH WEEKLY

## Weekly Alerts You Can Use!

### Weekly View: Nifty, Bank Nifty:

| Indices    | CMP   | Support | Resistance | 50 DMA | 200 DMA | Range       | Preferred Trade   |
|------------|-------|---------|------------|--------|---------|-------------|---|
| NIFTY      | 25357 | 25000   | 25751      | 24692  | 22781   | 25088-25644 | Buy between 25291-25322 zone. Targets at 25557/25701. Aggressive targets at 26000. Stop at 24998. |
| BANK NIFTY | 51938 | 49851   | 53357      | 51339  | 48656   | 49225-51451 | Buy at CMP. Targets at 52888/53366. Aggressive targets at 54000 zone. Stop 49821.                 |

### Medium Term Pick:

| Stocks | CMP  | Support | Resistance | 50 DMA | 200 DMA | Bias     | Preferred Trade  |
|--------|------|---------|------------|--------|---------|----------|--|
| LTTS   | 5778 | 5159    | 6000       | 5261   | 5146    | Positive | Incorporated in 2012, <b>L&amp;T Technology Services Limited (LTTS)</b> is a global leader in Engineering and R&D (ER&D) services. LTTS had a quarter of strong deal wins across all five segments, the highlight being a \$50M plus deal in Telecom and Hitech as customers continue to spend on transformational technologies and seek ER&D partners who can deliver innovation, speed-to-market and cost synergies. With the addition of Smart World and Communication, LTTS is now better positioned to play in the Next generation communications space. The early wins and critical partnerships with telecom service providers, equipment manufacturers and cyber security providers shall create a robust foundation for our future growth. <b>Simply buy at CMP, and on dips between 5200-5350 zone, targeting 6000/6251 mark and then targets at psychological 6500 with stop below 5159. Aggressive 18-month targets seen at 7000 zone.</b> |

#### BUY LTTS at CMP 5778, Target 6000

|                            |                  |
|----------------------------|------------------|
| CMP                        | 5778             |
| Target Price               | 6000             |
| 52 Week H/L                | 6000/4111        |
| P/E                        | 48.11            |
| EPS (TTM)                  | 120.10           |
| Promoter Holding/DIIs/FIIs | 73.69/17.8/4.5   |
| Book Value                 | 497.72           |
| Market Cap (INR)           | 61,147.63 crores |

**Theme:** Incorporated in 2012, **L&T Technology Services Limited (LTTS)** is a global leader in Engineering and R&D (ER&D) services. LTTS is a leading pure-play engineering services company listed subsidiary of Larsen & Toubro Limited focused on consultancy, design, development and testing services across the product and process development life cycle. LTTS customer base includes 69 Fortune 500 companies and 57 of the world's top ER&D companies, across industrial products, medical

devices, transportation, telecom & hi-tech, and the process industries. Headquartered in India, LTTS has over 23,300 employees spread across 22 global design centers, 28 global sales offices and 102 innovation labs as of June 30, 2023.

With 913 patents filed for 57 of the Global Top 100 ER&D spenders, LTTS lives and breathes engineering. With regards to – World's 1st Autonomous Welding Robot, Solar 'Connectivity' Drone, and the Smartest Campus in the World.

LTTS as our top pick in the Tier II IT Services space amidst its expertise in engineering design, product development, smart manufacturing, and digitalization touches every area of human lives – as they have 89 Innovation and R&D design centers globally, we specialize in disruptive technology spaces such as 5G, Artificial Intelligence, Collaborative Robots, Digital Factory, and Autonomous Transport.

Highlights for Q1FY24 include:

"LTTS had a quarter of strong deal wins across all five segments, the highlight being a \$50M plus deal in Telecom and Hitech as customers continue to spend on transformational technologies and seek ER&D partners who can deliver innovation, speed-to-market and cost synergies. With the addition of Smart World and Communication, LTTS is now better positioned to play in the Next generation communications space. The early wins and critical partnerships with telecom service providers, equipment manufacturers and cyber security providers shall create a robust foundation for our future growth.

Revenue at 23,014 million; growth of 15% YoY

USD Revenue at \$280 million; growth of 10% YoY in constant currency

EBIT margin at 17.2%

Net profit at ₹ 3,111 million; growth of 13% YoY

During the quarter, LTTS won a USD 50 million plus deal, and additionally five deals with TCV of more than USD 10 million each.

**Technical Outlook:** Technically, brace yourselves with a major breakout play from a higher consolidation zone seen forming on the weekly and monthly time scale. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 5146-5150 zone.

**Preferred Strategy:** Simply buy at CMP, and on dips between 5200-5350 zone, targeting 6000/6251 mark and then targets at psychological 6500 with stop below 5159. Aggressive 18-month targets seen at 7000 zone.

#### Daily Chart of LTTS :

