

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	26175	25849	26351	24955	23047	25895-26444	Buy between 26091-26121 zone. Targets at 26300/26551. Aggressive targets at 26750. Stop at 25691.
BANK NIFTY	53834	52000	55351	51526	49048	53000-55000	Buy at CMP. Targets at 54777/55351. Aggressive targets at 55777 zone. Stop 51888.

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
DR REDDY'S LAB	6750	6211	7500	6805	6251	Positive	Incorporated in the year 1984, Dr. Reddy's Laboratories Ltd (DRL) is an Indian pharmaceutical manufacturer headquartered in Hyderabad, India products and services including APIs, generics, branded generics, biosimilars and OTC. DLR major therapeutic areas of focus are gastrointestinal, cardiovascular, diabetology, oncology, pain management and dermatology. The firms' major markets include – USA, India, Russia & CIS countries, China, Brazil and Europe. Dr Reddy's (DRL) revenue consists of US (47%), India (17%), Europe Market Generic (7%), Emerging Markets Generic (+18%) PSAI (+10%). Q1FY25 consolidated revenues at 76.7 billion, YoY growth of 14% and QoQ growth of 8%. The growth was largely driven by growth in global generics revenues in North America as well as India. Simply buy at CMP, targeting 7107/7551 mark and then at 8100 mark. Stop below 6211. Holding Period: 9-12 Months.

BUY DRREDDY'S at CMP 6750, Target 7500

CMP	6750
Target Price	7500
52 Week H/L	7101/5212.10
P/E	27.33
EPS (TTM)	246.88
Promoter Holding/DIIs/FIIs	26.65/63/27.7
Book Value	1529.67
Market Cap (INR)	1,12,576.02 crores

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Key Business Highlights:

- Acquired Nicotinell® and related brands in the Nicotine Replacement Therapy category in markets outside the US from Haleon plc for a total consideration of GBP 500 million, with an upfront cash payment of GBP 458 million and performance-based contingent payments of up to GBP 42 million, payable in 2025 and 2026. The transaction is expected to close in early Q4 of calendar year 2024.
- Entered into a joint venture agreement with Nestlé India to bring science-backed nutritional portfolio to more consumers in India. The JV is expected to become operational in Q2FY25.
- Partnered with Novartis Pharma LLC to distribute two of their leading anti-diabetes brands, Galvus® and Galvus Met®, in the Russian retail market.
- Received exclusive rights from Ingenus Pharmaceuticals to commercialize Cyclophosphamide Injection in the US.
- Collaborated with Alvotect for commercialization of their denosumab biosimilar candidate in the US on an exclusive basis, as well as in Europe and UK.
- Launched drug-free migraine management device, Nerivio®, in Germany, Spain, UK and South Africa.
- Inaugurated a 70,000 sq.ft. state-of-the-art Biologics facility of Aurigene Pharmaceutical Services in Genome Valley, Hyderabad, India. The process and analytical development laboratories are operational while the commissioning of manufacturing capacity will be completed in 2024.

Technically, brace yourselves for an impulse uptrend seen forming on the daily time scale, with positive SAR series. The sequence of higher high/low intact on all time frames.

Add to that a bullish divergence and a rising stochastic signal (on weekly charts) with recent increase in volumes signaling a larger rebound. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 6251-6260 zone. Any sharp corrective declines to 6200-6250 zone will be an opportunity to initiate aggressive long positions.

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Daily Chart of DRREDDY'S LABS :

