



# WEALTH WEEKLY

## Weekly Alerts You Can Use!

### Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range	Preferred Trade
NIFTY	24176	23651	24602	23994	25071	23822-24395	Sell at CMP. Targets at 23651/23242. Aggressive targets at 23250-23400. Stop at 24603.
BANK NIFTY	55311	53500	56000	55851	57190	53600-55988	Sell at CMP. Targets 53501/52001. Aggressive targets at 52000. Stop at 56000.

### Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
TORRENT PHARMA	4381	3777	4851	4248	3864	Positive	Torrent Pharmaceuticals is one of India's leading branded pharmaceutical companies with a strong presence in: Cardiovascular (CV), Central Nervous System (CNS), Gastrointestinal, Diabetes therapies. The most significant catalyst for 2025-2026 is the strategic acquisition and merger with J.B. Chemicals & Pharmaceuticals (JBCP), which is expected to propel Torrent into the top 5 largest players in the domestic market. The stock is signalling a massive breakout on the long term charts with recent sequence of higher high/low is intact on all time frames. Buy TORRENT PHARMA (4381). Buy at CMP and on dips between 4000-4050 zone. Targets 4500/4621. Aggressive targets at 4800-4851. Stop at 3777. Holding Period: 9-12 Months. Rationale: Signalling a massive breakout from a higher consolidation zone on the daily/weekly charts. Key intermonth support 3879 and then intermonth support at 3550. Major hurdles only at 4500 mark. 200-DMA at 3864.

Torrent Pharmaceuticals	BUY
CMP	4381
Target Price	4700
Stop	3777
52 Week H/L	4480/3101
P/E	64.30
EPS (TTM)	64.97
Promoter Holding/FIIs/DIIs/Public	68.31%/16.18%/8.96%/6.55%
Book Value	250
Market Cap (INR)	148266

#### Torrent Pharmaceuticals: Technically Massive Breakout Play on Cards.

# Torrent Pharmaceuticals is one of India's leading branded pharmaceutical companies with a strong presence in:

- 1) Cardiovascular (CV)
- 2) Central Nervous System (CNS)
- 3) Gastrointestinal
- 4) Diabetes therapies

# The most significant catalyst for 2025-2026 is the strategic acquisition and merger with J.B. Chemicals & Pharmaceuticals (JBCP), which is expected to propel Torrent into the top 5 largest players in the domestic market and open new

growth avenues in the CDMO (Contract Development and Manufacturing) vertical.

Synergy Guidance: Management expects ₹4-4.5 billion in cost synergies over the next 3 years.

Portfolio Expansion: Entry into the Ophthalmology segment and strengthening of the cardiac and gastro-intestinal portfolios.

New Verticals: Integration of JBCP's CDMO capabilities, diversifying Torrent's revenue streams beyond traditional branded generics.

# The company also has a growing international footprint across: Brazil | Germany | US generics | Emerging markets

#### # Investment Positives

1) Strong Domestic Franchise

India business remains the biggest strength.

Torrent has leadership in: Cardiac therapies | CNS segment | Gastro therapies

Chronic therapies provide: Stable demand | Better margins | Lower cyclicality

2) Consistent Margin Profile

Compared to many pharma peers, Torrent enjoys: Healthy EBITDA margins | Strong pricing power | Better product mix | Operational discipline remains a key positive.

3) Robust Cash Flows

The company consistently generates: Strong operating cash flow | Healthy return ratios | Lower balance-sheet stress

This improves long-term compounding potential.

4) India (Domestic): Outperforming the Indian Pharma Market (IPM) with chronic segments (cardiac, diabetes, CNS) growing at 14% vs. the industry's 9%. Field force is being expanded to 7,500 representatives by FY2027.

Brazil: Strong performance with constant currency growth of ~10%. Torrent has 60 products currently under review by ANVISA.

New Launches: Recent launch of oral and injectable formulations of Semaglutide (March 2026) positions Torrent in the high-growth metabolic/obesity market.

5) Key Risks

1) USFDA Regulatory Risk: Like all pharma companies, any: Plant observation | Warning letter | Import alert | can impact earnings sentiment sharply.

2) Pricing Pressure in US Market: US generic pharma continues facing: Competition | Price erosion | Margin pressure

3) Currency & Export Risks: Global operations expose the company to: Currency fluctuations | Geopolitical uncertainties | Supply chain risks

4) High Valuation: The stock trades at a premium (P/E of ~60-65x), which leaves limited room for execution errors. Debt Integration: The JBCP acquisition is debt-funded; while net debt/EBITDA is expected to cool to 1.1x by FY27, integration friction remains a risk.

#### Long-Term View

Torrent Pharma continues to remain a:

"High-quality pharma compounder with strong domestic leadership and stable long-term growth visibility."

The stock may continue attracting interest during volatile market phases due to its defensive earnings profile.

# **Technical View:** The stock is signalling a massive breakout on the long term charts with recent sequence of higher high/low is intact on all time frames.

# **Preferred Strategy:** Buy TORRENT PHARMA (4381). Buy at CMP and on dips between 4000-4050 zone. Targets 4500/4621. Aggressive targets at 4800-4851. Stop at 3777. Holding Period: 9-12 Months. Rationale: Signalling a massive breakout from a higher consolidation zone on the daily/weekly charts. Key intermonth support 3879 and then intermonth support at 3550. Major hurdles only at 4500 mark. 200-DMA at 3864.

#### Daily Chart of TORRENT PHARMA :



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