

BAJAJ BROKING TOP PICKS PORTFOLIO BASKET

07th August 2024



Portfolio Highlights (Time Horizon: 1 year) – Average return expected: 24%

Company	Sector	Close as on 6 th Aug	MCAP (In Cr.)	Weight	Upside Target
HDFC Bank	Banking	1601.2	1238566	11%	1940
SBI	Banking	797.7	732309	11%	1020
HUL	FMCG	2750.05	645221	9%	3280
HCL Tech	IT-Software	1582.75	435109	11%	1920
Zomato	E-commerce	249.08	233567	9%	340
DLF	Realty	820.7	207431	11%	1070
Tech Mahindra	IT-Software	1483.4	145799	10%	1820
Natco Pharma	Pharma	1351.65	23991	9%	1660
Deepak Fertilizer	Chemicals	948.65	11964	10%	1188
Paras Defence	Defence	1232.3	4840	8%	1560

Inception 07th Aug 2024

Target 23-25% at portfolio level

Stoploss 13% at portfolio level

Benchmark: Nifty 500

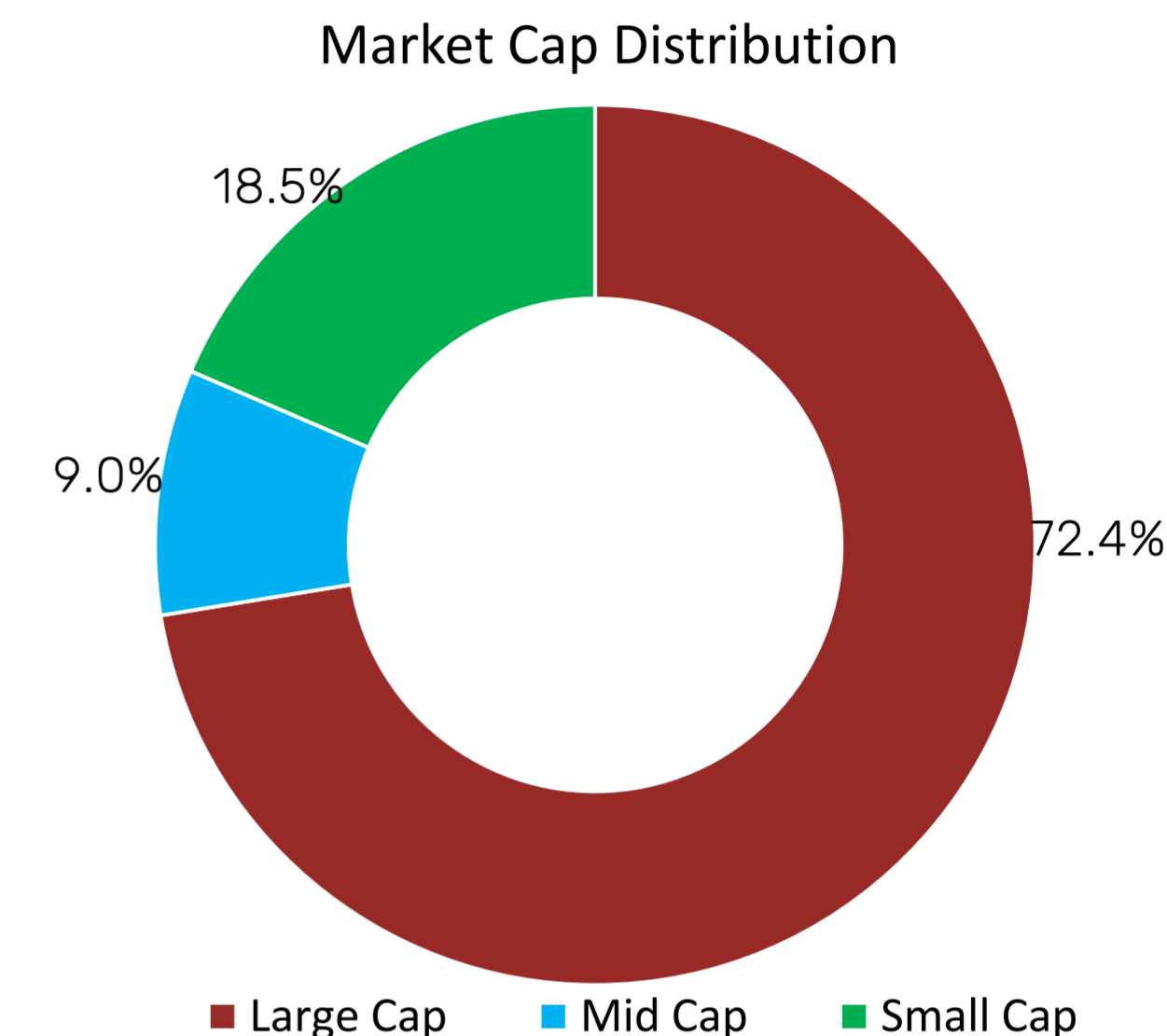
Global Equity Market has turned cautious during last 2 weeks after they plunged sharply on tepid economic data. US weekly jobless claims rose and manufacturing growth contracted more-than-expected which raised concerns regarding the strength of the economy. These data points stoked fears over a possible recession and apprehensions that the Federal Reserve could be too late in cutting interest rates. In addition to the above, geopolitical tension in the middle east and fears of a reverse Yen carry trade added to the worries.

Indian stock market is much more resilient in the face of a US downturn and related Wall Street sell-off than the likes of Japan. India's stock market has been driven by domestic money, whereas the opposite remains the case in Japan. It is the only stock market globally where there is unambiguously healthy demand for equity. We expect the Nifty to gradually head higher towards our year end Target of 25800-26000. From medium term perspective key support for the index is placed at 23500-23000 levels.

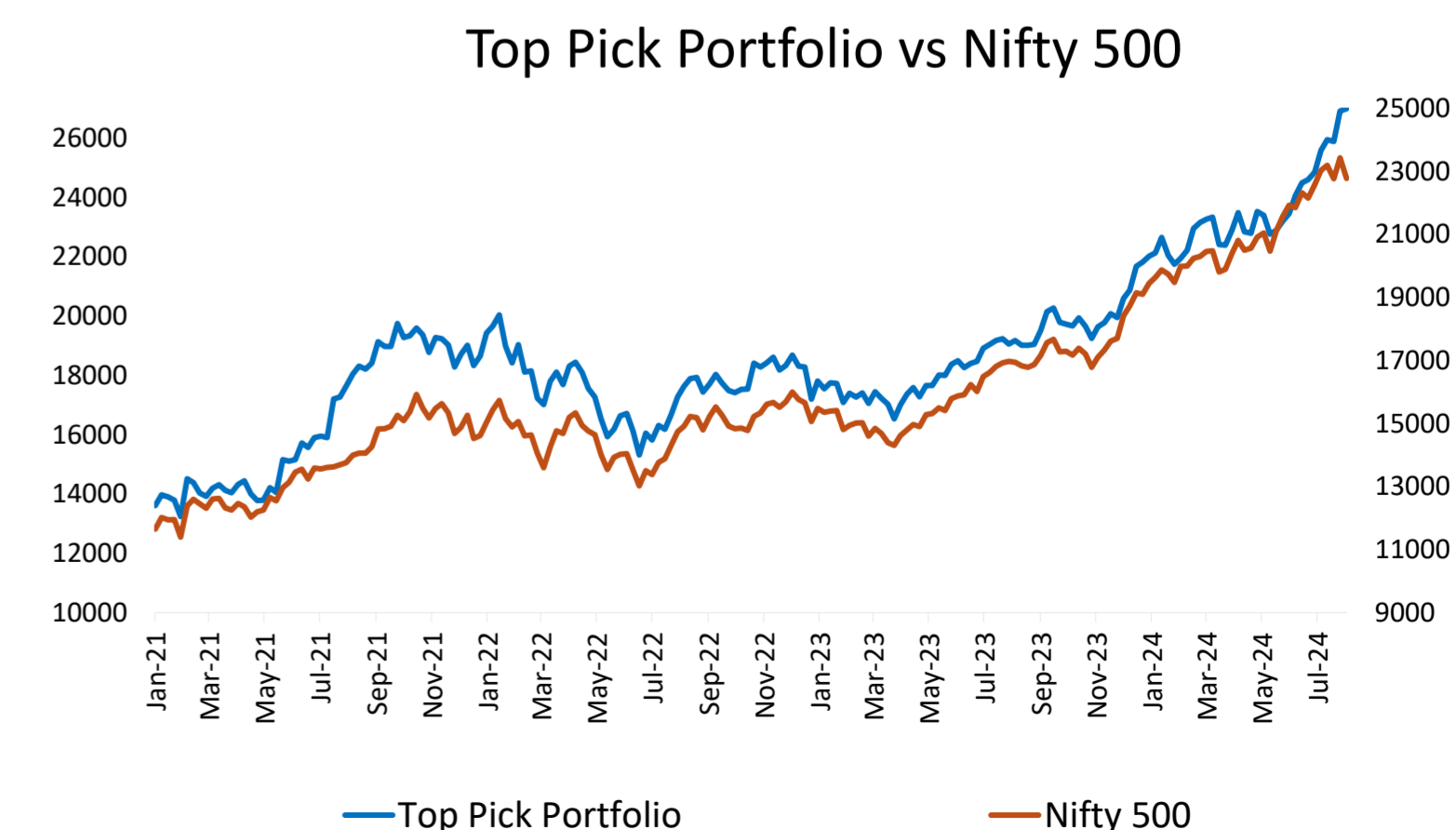
Given the global headwinds, we expect the market to remain volatile in the near term. We believe that large cap stocks will be better placed to withstand the storm. Our "Top Picks Portfolio Basket" is expected to outperform the market in the medium to long term.

We advise to buy above set of stocks in equal weightage with a stoploss of 13% at portfolio level with an average upside potential of 23-25% at portfolio levels.

Market Cap Distribution



Top Picks Portfolio vs Nifty 500



Methodology:

The Bajaj Broking Research team handpicks the stocks after undergoing extensive Techno-Funda research across universe of stocks listed on NSE. The specified universe undergoes various screeners based on broad technical concepts encompassing price structure analysis, relative strength ranking, Dow theory, in-house bottom-up model.

We stick to companies with credible business history over business cycles, reasonable business model with decent management pedigree, robust balance sheet.

Investment Method:

We have created a portfolio with the Top Picks of Bajaj Broking, suggest to invest in the portfolio and not as an individual stock pick. We suggest to create an equal weightage portfolio that is investing equal amount in each of the above stocks. The minimum amount to invest in this portfolio is around Rs. 30,000 and thereafter one can invest in the multiples of 30,000. Some of the scenario is highlighted below for your reference.

For Investment of 30,000				For Investment of 60,000				For Investment of 1,50,000				For Investment of 3,00,000				For Investment of 9,00,000			
Company	CMP	No of Stocks	Value Invested	Company	CMP	No of Stocks	Value Invested	Company	CMP	No of Stocks	Value Invested	Company	CMP	No of Stocks	Value Invested	Company	CMP	No of Stocks	Value Invested
HDFC Bank	1601.2	2	3202.4	HDFC Bank	1601.2	4	6404.8	HDFC Bank	1601.2	10	16012	HDFC Bank	1601.2	20	32024	HDFC Bank	1601.2	60	96072
SBI	797.7	4	3190.8	SBI	797.7	8	6381.6	SBI	797.7	20	15954	SBI	797.7	40	31908	SBI	797.7	120	95724
HUL	2750.05	1	2750.05	HUL	2750.05	2	5500.1	HUL	2750.05	5	13750.25	HUL	2750.05	10	27500.5	HUL	2750.05	30	82501.5
HCL Tech	1582.75	2	3165.5	HCL Tech	1582.75	4	6331	HCL Tech	1582.75	10	15827.5	HCL Tech	1582.75	20	31655	HCL Tech	1582.75	60	94965
Zomato	249.08	11	2739.88	Zomato	249.08	22	5479.76	Zomato	249.08	55	13699.4	Zomato	249.08	110	27398.8	Zomato	249.08	330	82196.4
DLF	820.7	4	3282.8	DLF	820.7	8	6565.6	DLF	820.7	20	16414	DLF	820.7	40	32828	DLF	820.7	120	98484
Tech Mahindra	1483.4	2	2966.8	Tech Mahindra	1483.4	4	5933.6	Tech Mahindra	1483.4	10	14834	Tech Mahindra	1483.4	20	29668	Tech Mahindra	1483.4	60	89004
Natco Pharma	1351.65	2	2703.3	Natco Pharma	1351.65	4	5406.6	Natco Pharma	1351.65	10	13516.5	Natco Pharma	1351.65	20	27033	Natco Pharma	1351.65	60	81099
Deepak Fertilizer	948.65	3	2845.95	Deepak Fertilizer	948.65	6	5691.9	Deepak Fertilizer	948.65	15	14229.75	Deepak Fertilizer	948.65	30	28459.5	Deepak Fertilizer	948.65	90	85378.5
Paras Defence	1232.3	2	2464.6	Paras Defence	1232.3	4	4929.2	Paras Defence	1232.3	10	12323	Paras Defence	1232.3	20	24646	Paras Defence	1232.3	60	73938
Total Investment			29,312	Total Investment			58,624	Total Investment			1,46,560	Total Investment			2,93,121	Total Investment			8,79,362

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