



BAJAJ BROKING

MTF STOCK PICK HDFC Bank

(Stock is eligible for Margin funding)

 bajajbroking.in |  | 



Date: 11th November 2024

Stock Recommendation

Company Information

- ❑ HDFC Bank's performance in Q2FY25 was characterized by stable margins and strong deposit growth, positioning the bank to take advantage of economic improvements and credit growth opportunities. This is achieved through its efforts to optimize the loan-deposit ratio and gradually replace high-cost borrowings.
- ❑ The bank's future performance is expected to benefit from an improved portfolio mix and an expanded retail loan mix, which will lead to a better credit-deposit ratio and steady margins in the medium term.
- ❑ Consequently, we remain optimistic about the company's long-term growth. In Q2FY25, HDFC Bank expanded its nationwide presence by adding 240 new branches, in line with its strategic plans to capitalize on ongoing credit growth opportunities. Management aims to restore its credit-deposit (C/D) ratio to pre-merger levels of 86-87% within 2-3 years by leveraging controlled loan expansion and deposit optimization.

HDFC Bank

CMP	:	₹ 1772
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Buying range	:	₹ 1740 – 1772
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Target	:	₹ 1947
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Stoploss	:	₹ 1678
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Upside	:	10%
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Duration	:	35 Days

Technical

- ❑ The share price of HDFC Bank is in steady up trend in the last 9 months after forming a bottom around 1363 during February 2024. In the process it has registered a breakout above the multiple highs of the last three year signaling a structural turnaround thus offers fresh entry opportunity.
- ❑ Among all the oscillators, the weekly MACD is in up trend and is rebounding taking support at its nine periods average thus validates positive bias. We expect the stock to extend up move and head towards 1947 in the coming months being the 161.8% external retracement of the entire breather (1725-1363).



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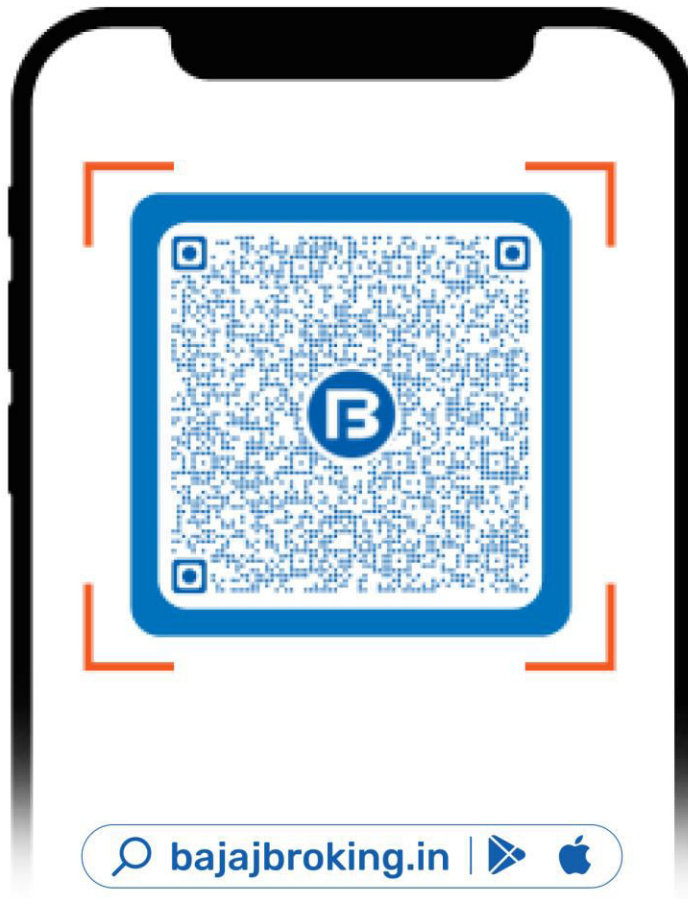
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