

Gladiator Stocks

New recommendations

Date	Scrip	I-Direct Code	Buying Range	Target	Stoploss	Upside (%)	Duration
3-Jul-23	State Bank of India	STABAN	573-584	650.00	540.00	11.00	3 Months

Open recommendations

Date	Scrip	Avg Rec Price	Target	Stoploss	CMP	Return till date (%)	Duration
20-Jun-23	Jamna Auto	101	119.00	94.00	103.50	2%	3 Months
19-Jun-23	Lemon Tree	94	106.00	87.70	93.70	0%	3 Months
14-Jun-23	Tata Steel	111.00	125.00	106.00	113.20	2%	3 Months
7-Jun-23	IRFC	33.2	38.00	30.80	32.80	-1%	3 Months
23-May-23	Eicher Motors	3561	3,940.00	3,345.00	3,633.00	2%	3 Months
18-May-23	Siyaram Silk Mills	560	640.00	510.00	541.00	-3%	3 Months

All the recommendations are in Cash segment

Open Recommendations

Momentum Picks

Scrip	Time Frame
Indian Bank	14 days
RaiiTel	14 days
GMDC	14 days

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July 3, 2023

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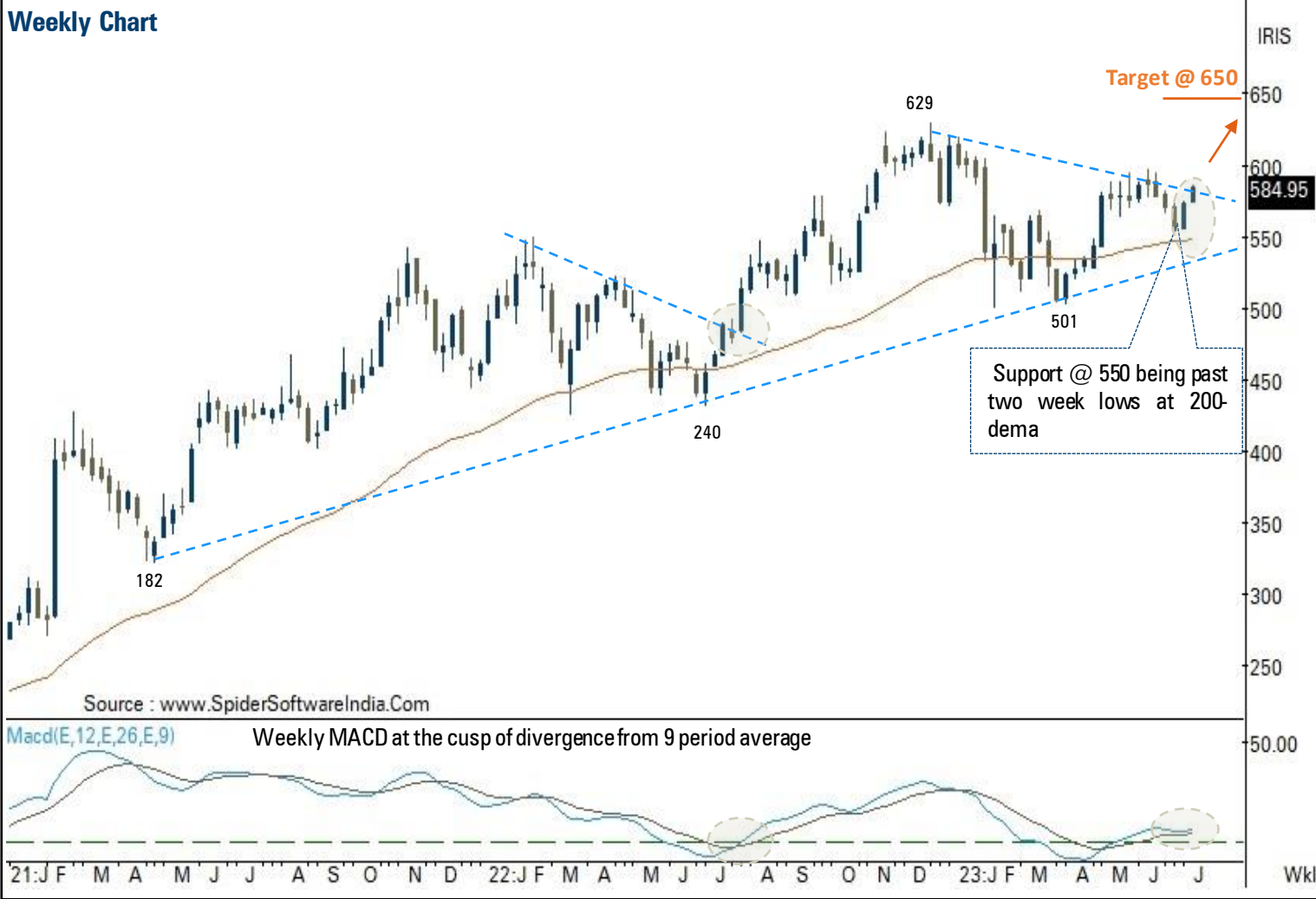
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State Bank of India (STABAN): at the cusp of breakout

Rec. Price	573-584	Target	650	Stop loss	540
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Upside	12%
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- PSU banks have been under healthy consolidation since late November 2022 as they factored in peak interest rate cycle and fund raise. SBI, a leader of the pack is poised for breakout from key resistance offering fresh entry opportunity
- Structurally, share price has undergone healthy price/time correction over past six months wherein it formed a higher base in the vicinity of rising 200-dema
- Over next few months we expect share price to challenge life highs of 629 and head towards 650 which is 123.6% retracement of November – March decline (629-501)

Source: Spider Software, ICICI Direct Research

Recommended on I-click to gain on 21st June 2023 at 14:26

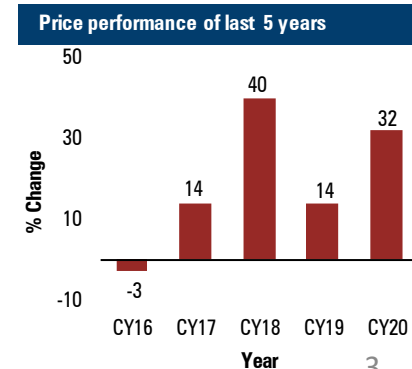
Fundamental View: State Bank of India (STABAN)

- SBI is a public sector bank and also the largest bank in India with a balance sheet size of over ~ ₹ 55 lakh crore. SBI has strong retail portfolios, best operating metrics in the PSU banking space. Large subsidiaries coupled with healthy outlook adds value to the bank
- The management provided credit growth guidance of ~12-16%, in-line with industry. Further, NIM are expected to remain steady without substantial dip anticipated owing to some headroom to increase MCLR further. Continued focus on retail segment with healthy traction in unsecured segment (Xpress credit), continued growth in housing loans and healthy pipeline in corporate segment is seen to aid business growth as well as maintain margins trajectory ahead.
- Strong liabilities franchise with focus on low cost deposit to aid support to margins trajectory. Anticipation of healthy recoveries in the coming quarter (to the tune of ₹ 3000-3500 crore) along with adequate provision buffer to aid earnings growth ahead. Management is comfortable on ECL provisions and adequate buffer to aid healthy earnings and, thus, RoA trajectory of >1% to continue ahead
- Continued traction in customer & business accretion via “Yono”. Unlocking of subsidiaries value to act as positive surprise
- SBI has demonstrated its strength in the last few quarters both on core operating performance and asset quality. Management confidence on growth, maintenance of margins and return ratios reaching >1% RoA in coming years too warrant a re-rating, which is long due and should see strong positive momentum. Plough-back of profits leading to improving RoE of ~16-17% further adds to valuation.

Particulars	
Particulars	Amount
Market Capitalisation	₹ 520146 Crore
52 week H/L	630/466
Networth	₹ 327600 Crore
Face value	₹ 1
DII Holding (%)	25.2
FII Holding (%)	9.9

Financials				
₹ Bn	FY22	FY23	FY24E	FY25E
NII	1207	1448	1788	1984
PPP	753	837	1014	1236
PAT	317	502	614	712
ABV (₹)	282.6	343.2	411.0	484.9
P/E	16.4	10.4	8.5	7.3
P/ABV	2.1	1.7	1.4	1.2
RoA	0.7	1.0	1.1	1.1
RoE	11.9	16.5	17.2	16.9

Valuation				
	FY22	FY23	FY24E	FY25E
P/E	16.4	10.4	8.5	7.3
P/ABV	2.1	1.7	1.4	1.2
RoA	0.7	1.0	1.1	1.1
RoE	11.9	16.5	17.2	16.9



Summary Performance - Recommendations till date

Total Recommendations	882	Open	6
Closed Recommendations	876	Yield on Positive recommendations	15.0%
Positive Recommendations	660	Yield on Negative recommendations	-8.0%
Closed at cost	27		
Strike Rate	78%		

Momentum Picks open recommendations

Date	Scrip Name	Strategy	Recommendations Price	Target	Stoploss	Time Frame
30-Jun-23	Indian Bank	Buy	286-292	312.00	279.00	14 Days
27-Jun-23	RailTel Corporation	Buy	131-134	144.00	127.00	14 Days
21-Jun-23	GMDC	Buy	164-169	182.00	162.80	14 Days
21-Jun-23	Balmer Lawrie	Buy	139-143	155.00	136.00	14 Days
20-Jun-23	Hindustan Copper	Buy	114-117	125.00	110.00	14 Days
14-Jun-23	Oberoi Realty	Buy	988-1012	1082.00	967.00	14 Days

All recommendations are in cash market

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Source: ICICI Direct Research

Price history of past three years

State Bank of India



- It is recommended to enter in a staggered manner within the prescribed range provided in the report
- Once the recommendation is executed, it is advisable to keep strict stop loss as provided in the report on closing basis
- The recommendations are valid for three to six months as specified on first page of report and in case we intend to carry forward the position, it will be communicated through separate mail

Trading portfolio allocation

- It is recommended to spread out the trading corpus in a proportionate manner between the various technical research products
- Please avoid allocating the entire trading corpus to a single stock or a single product segment
- Within each product segment it is advisable to allocate equal amount to each recommendation
- For example: The 'Momentum Picks' product carries 2 intraday recommendations. It is advisable to allocate equal amount to each recommendation

Recommended product wise trading portfolio allocation

Product	Allocations		Number of Calls	Return Objective	Duration
	Product wise allocation	Max allocation In 1 Stock			
Momentum Picks- Intraday	10%	30-50%	2 Stocks	1-2%	Intraday
Momentum Picks- Positional	25%	8-10%	8-10 Per Month	5-8%	14 Days
Gladiator Stocks	35%	10-13%	Opportunity Based	15-20%	6 Months
Yearly Technical	25%	12-15%	7-9 Per Year	20-30%	1 Year
Cash	5%				
	100%				



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