

Weekly View: Nifty, Bank Nifty:

Indices	CMP	Support	Resistance	50 DMA	200 DMA	Range
NIFTY	23852	23501	24175	22972	24051	23611-24122
BANK NIFTY	54290	52851	55001	49884	51019	53100-54975

Medium Term Pick:

Stocks	CMP	Support	Resistance	50 DMA	200 DMA	Bias	Preferred Trade
NTPC	364	309	407	333	370	Positive	Incorporated in the year 1975, NTPC is India's largest power generation company in India and contributes 25% of total power generation of India. The focus will be more on renewable/clean energy. NTPC is likely to benefit from the upcoming investments in the power sector given its robust thermal portfolio. NTPC's Robust Thermal Assets also provide Cash Flow visibility. NTPC has also advantage as it can mobilise funds at a lower cost of debt to private peers puts it in a competitive position. Furthermore, Considering a thrust on renewables and simultaneous enhancement of thermal capacity. We believe NTPC is a good portfolio bet given its stable dividend yield, and a further rerating potential could be on cards as its annual revenue growth of 31.84% outperformed its 3-year CAGR of 16.39%. Net profit increases by 10% QoQ to ₹5,209 crore. Simply buy at CMP, and on dips between 325-335 zone, targeting 383/407 mark and then at 448 mark. Stop below 309. Holding Period: 9-12 Months.

BUY NTPC CMP 364, Target 407

CMP	364
Target Price	407
52 Week H/L	448.45/292.80
P/E	19.44
EPS (TTM)	18.72
Promoter Holding/DIIs/FIIs	51.1/45.1/17.8
Book Value	166.11
Market Cap (INR)	3,52,958.65 crores

Incorporated in the year 1975, NTPC is India's largest power generation company in India and contributes 25% of total power generation of India.

NTPC is likely to be in limelight amid soaring temperatures and remains our top pick in the power sector given its strong earnings growth visibility. As on June 30, 2024, India witnessed a record power demand of almost 240 GW. As a leader in the power sector, NTPC is aiming to generate efficient and affordable power, aiming to achieve 130 GW by 2032.

NTPC also provides consultancy services to entities in the power domain and is engaged in power trading through its subsidiary.

As on 31 March 2024, the commercial capacity of NTPC stands at 59078 MW on a standalone basis and 75958 MW for the Group.

NTPC Group generated 315 Billion Units in 9M FY24 as compared to 295 Billion Units in 9M FY23, an increase of 7%. NTPC's standalone gross generation in 9M FY24 is 268 Billion Units as compared to 255 Billion Units in the corresponding previous period, an increase of 5%.

The Indian government is targeting to double power generation capacities to 900 GW by 2030, which will require significant investments in power generation and transmission infrastructure.

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NTPC posted a net profit of ₹4,711.4 crore for the third quarter of the financial year 2024-25. NTPC's profit after tax (PAT) came in below a CNBC-TV18 poll estimate of ₹4,822.3 crore but grew 3.1% year-on-year (YoY) from ₹4,571.9 crore in Q3FY24.

NTPC's revenue for the quarter amounted to ₹41,352.3 crore, marking a growth of 4.8% YoY, compared to ₹39,455 crore in the same period last year. The revenue, however, fell short of the CNBC-TV18 poll estimate of ₹41,740 crore.

NTPC's EBITDA (Earnings Before Interest, Taxes, Depreciation, and Amortization) jumped significantly by 20.3% YoY to ₹11,960.6 crore, from ₹9,941 crore in Q3 FY23.

The growth in EBITDA was driven by improved operational efficiency and a favorable power demand environment.

The company's EBITDA margin also improved to 28.9% from 25.2% in the same quarter last year, exceeding the street's expectation of 27.5%.

Technically, brace yourselves for a major rebound play from a probable 'oversold zone' on the weekly charts. An impulse uptrend is seen forming on the daily time scale, with positive SAR series, with major support placed at Rs. 300-325 zone.

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 349 zone. The level of Rs 347-351 zone will act as a strong support.

Simply buy at CMP, and on dips between 325-335 zone, targeting 383/407 mark and then at 448 mark. Stop below 309. Holding Period: 9-12 Months

Daily Chart of NTPC :

