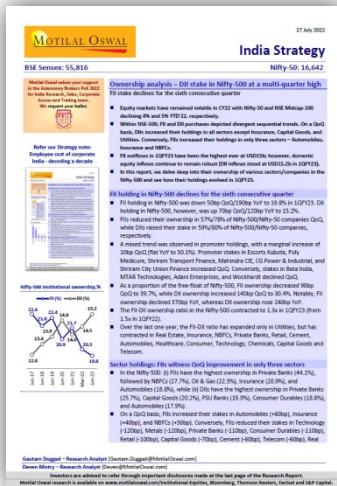
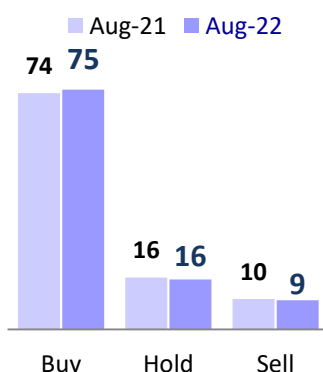


Refer to our recent Strategy note: Ownership analysis



Consensus sentiments for Nifty-50 (%)



Cherry-picking the Nifty-50 'Chartbusters'...

...by gauging their 'Popularity Quotient' from a consensus perspective!

As a part of our continued effort to provide a broad and informative perspective of the market, we, in this report, will pore over the Nifty consensus data sourced from Bloomberg to take note of which stocks are most favored on the street, and the possible target of the Nifty at the market, sector and stock levels.

Market at a crossroads; Nifty stands out among global peers

- Despite a multitude of headwinds e.g., adverse macros, rising rates, tightening liquidity and volatile commodity costs, the Nifty has outperformed global markets YTD'CY22.
- As we look ahead, we note that commodity costs have corrected over the last few weeks, offering some respite to the adverse macros. Further, global bond yields have moderated from their recent highs and earnings estimates for the Nifty stocks have not seen any worthwhile cuts.
- As the benefit of the recent moderation in commodity costs start accruing in 2HFY23E, we expect other sectors to contribute too. Markets have bounced back smartly in Jul'22 with Nifty-50 rising 9% MoM and almost wiping out the entire YTD'CY22 decline. Nifty is now flat for YTD'CY22 and strongly outperforming the global markets despite the sharp FII selling witnessed during Oct'21-June'22. FIIs recorded inflows of USD0.8b in Jul'22 after nine consecutive months of outflows worth USD33.3b; YTD'22 outflows stood at USD25.9b.
- As the first earnings season of FY23 culminates soon, we examine the marquee benchmark from a consensus perspective and gauge the popularity of the same.

Nifty-50 – Evaluating the 'Popularity' quotient

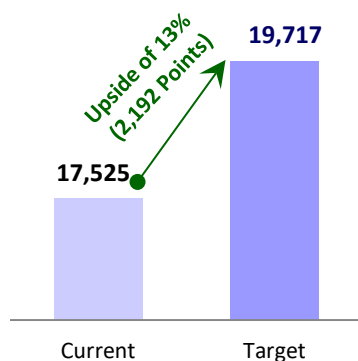
- Analyst sentiment, which is measured by the proportion of Buy/Hold/Sell ratings, has improved over the past year with the percentage of Buy ratings increasing to 75% from 74% a year ago. Further, the percentages of Hold have remained stable. While Sell ratings declined to 9% from 10%, a year ago.
- Sentiments on Autos, Cement, and Healthcare have been positive with their coverage improving 8%, 6% and 5% YoY, respectively. NBFCs (due to a drop in coverage of HDFC), Insurance, and Retail have taken a hit, with their coverage slumping 16%, 8% and 6% YoY, respectively.
- Among the Nifty constituents, Maruti Suzuki and Bajaj Auto are the most widely covered stocks on the Street (54 analysts covering the stocks), while Grasim Industries and Bajaj Finserv are the least covered stocks (10 analysts covering these stocks).
- ICICI Bank is covered by 51 analysts on the Street and it enjoys 98% Buy ratings, followed by L&T (98%), ITC (97%), SBI (96%) and HDFC (96%).
- Conversely, JSW Steel (24%), Wipro (33%), Shree Cement (38%), TCS (47%), and Asian Paints (48%) have the lowest percentage of Buy ratings.

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Deven Mistry – Research Analyst (Deven@MotilalOswal.com)

Investors are advised to refer through important disclosures made at the last page of the Research Report.

Motilal Oswal research is available on www.motilaloswal.com/Institutional-Equities, Bloomberg, Thomson Reuters, Factset and S&P Capital.

Nifty-50 target based on consensus

- Some of the most popular non-Nifty stocks with the maximum coverage are: TVS Motors (covered by 48 analysts; 60% Buy), Ashok Leyland (47 analysts; 83% Buy), ACC (46 analysts; 52% Buy), Ambuja Cements (46 analysts; 39% Buy), and Havells (46 analysts; 54% Buy).

Consensus target prices point to 13% upside for the Nifty-50

- Based on the consensus target prices for the Nifty-50 companies, there is a potential upside of 13% (2,192 points) for Nifty-50 to 19,717.
- Private Banks (+774 points), Oil & Gas (+291), NBFCs (+243), Technology (+151), PSU Banks (+105), Telecom (+103) and Consumer (+97) are likely to contribute the most to the Nifty-50's upside.
- However, we note that Oil & Gas, Autos, Consumer, PSU Banks and Private Banks have outperformed the markets YTD'CY22 with 18%, 18%, 14%, 11% and 8% returns, respectively.
- Stocks with the highest target upsides are UPL (+36%), ONGC (+32%), HDFC Life Insurance (+28%), Axis Bank (+25%), and Bharti Airtel (+25%).
- Stocks with the most target downsides are JSW Steel (-18%), Asian Paints (-4%), Eicher Motors (-3%), Coal India (-2%), and Wipro (-1%).
- The top-10 stocks will likely contribute 72% to the Nifty's target upside.

Domestic Cyclical sector gains the most in the recent bottom

- Nifty-50, Nifty Midcap-100, and Nifty Smallcap-100 indices are up 15%, 17% and 13% from their recent lows, respectively.
- Utilities, Capital Goods, Metals, Automobiles, PSU Banks, Consumer, Private Banks, Real Estate, and Media were the outperformers; while Telecom, Healthcare, Infrastructure, Oil & Gas, and Technology were the underperformers.
- Of the Nifty-50 companies, 29 have outperformed the benchmark from their recent lows.
- Of the Nifty-50/Nifty Midcap-100 companies, 14/31 companies are up 20% from their recent lows, respectively.

Valuations above their long-period averages

- The Nifty-50, after three consecutive months of decline, bounced back smartly in Jul'22 with 8.7% MoM gain – the highest since Dec'20.
- The Nifty-50 trades at a trailing P/E of 22.4x, at 5% premium to its own long-period average (LPA) P/E of 21.3x. Nifty-50's P/B at 3.4x is also above its LPA (at a 16% premium).
- Nifty-50's RoE stands at 15%, above its long-term average of 13.8%.
- Nifty-50's Market cap-to-GDP ratio at 104% (FY23E GDP) is above its LPA.



Nifty-50 – Evaluating the ‘Popularity’ quotient

Maruti Suzuki and Bajaj Auto has largest coverage on the street, while Grasim and Bajaj Finserv are least covered stock

- Analyst sentiment, which is measured by the proportion of Buy/Hold/Sell ratings, has improved over the past year with the percentage of Buy ratings increasing to 75% from 74% a year ago. Further, the percentages of Hold have remained stable. While Sell ratings declined to 9% from 10%, a year ago.
- Maruti Suzuki and Bajaj Auto are the most widely covered stocks on the Street (54 analysts covering the stocks), while Grasim Industries and Bajaj Finserv are the least covered stocks (10 analysts covering these stocks).
- ICICI Bank is covered by 51 analysts on the Street and it enjoys 98% Buy ratings, followed by L&T (98%), ITC (97%), SBI (96%) and HDFC (96%).
- Conversely, JSW Steel (24%), Wipro (33%), Shree Cement (38%), TCS (47%), and Asian Paints (48%) have the lowest percentage of Buy ratings.

Exhibit 1: Nifty-50's popular stocks with coverage data

| Company | Covered by analyst | Buy | Sell | Hold | Company | Covered by analyst | Buy | Sell | Hold |
|---------------|--------------------|-----|------|------|----------------|--------------------|-----|------|------|
| Maruti Suzuki | 54 | 39 | 7 | 8 | Britannia Ind. | 39 | 20 | 4 | 15 |
| Bajaj Auto | 54 | 32 | 6 | 16 | BPCL | 38 | 28 | 3 | 7 |
| ICICI Bk | 51 | 50 | 0 | 1 | Nestle | 37 | 20 | 6 | 11 |
| SBI | 50 | 48 | 0 | 2 | ITC | 36 | 35 | 0 | 1 |
| Axis Bank | 50 | 45 | 0 | 5 | SBI Life Ins | 35 | 33 | 0 | 2 |
| IndusInd | 49 | 44 | 1 | 4 | HDFC Life Ins. | 34 | 30 | 0 | 4 |
| Hero Moto | 49 | 34 | 5 | 10 | Tata Steel | 34 | 24 | 6 | 4 |
| TCS | 49 | 23 | 11 | 15 | Bharti Airtel | 33 | 30 | 1 | 2 |
| Infosys | 49 | 42 | 2 | 5 | Tata Motors | 33 | 27 | 3 | 3 |
| UltraTech | 48 | 41 | 2 | 5 | JSW Steel | 33 | 8 | 16 | 9 |
| HCL Tech | 48 | 28 | 6 | 14 | Titan Co | 31 | 23 | 3 | 5 |
| Shree Cement | 47 | 18 | 11 | 18 | Bajaj Fin | 30 | 19 | 5 | 6 |
| Tech Mah | 47 | 32 | 6 | 9 | UPL | 29 | 27 | 1 | 1 |
| Eicher Motors | 46 | 30 | 4 | 12 | ONGC | 29 | 21 | 4 | 4 |
| M&M | 46 | 40 | 2 | 4 | HDFC | 28 | 27 | 0 | 1 |
| Wipro | 46 | 15 | 18 | 13 | NTPC | 27 | 25 | 0 | 2 |
| HDFC Bank | 45 | 40 | 0 | 5 | Power Grid | 27 | 22 | 1 | 4 |
| Sun Pharma | 44 | 40 | 1 | 3 | Coal India | 27 | 22 | 3 | 2 |
| Cipla | 43 | 35 | 3 | 5 | Apollo Hosp. | 26 | 24 | 1 | 1 |
| Dr Reddy's | 42 | 35 | 1 | 6 | Hindalco | 25 | 23 | 1 | 1 |
| Kotak Mah Bk | 42 | 26 | 2 | 14 | Adani Ports | 24 | 21 | 1 | 2 |
| L&T | 41 | 40 | 1 | 0 | Divi's Lab | 24 | 14 | 6 | 4 |
| HUL | 41 | 31 | 2 | 8 | Tata Consumer | 22 | 18 | 1 | 3 |
| Asian Paints | 40 | 19 | 10 | 11 | Grasim Inds | 10 | 9 | 0 | 1 |
| Reliance Ind | 39 | 31 | 3 | 5 | Bajaj Finserv | 10 | 7 | 2 | 1 |

Exhibit 2: Stocks with maximum Buy ratings

| Company | Buy (%) | Sell (%) | Hold (%) | Covered by Analyst | % Upside |
|--------------|---------|----------|----------|--------------------|----------|
| ICICI Bk | 98 | 0 | 2 | 51 | 19 |
| L&T | 98 | 2 | 0 | 41 | 10 |
| ITC | 97 | 0 | 3 | 36 | 10 |
| SBI | 96 | 0 | 4 | 50 | 23 |
| HDFC | 96 | 0 | 4 | 28 | 22 |
| SBI Life Ins | 94 | 0 | 6 | 35 | 23 |
| UPL | 93 | 3 | 3 | 29 | 36 |
| NTPC | 93 | 0 | 7 | 27 | 16 |
| Apollo Hosp. | 92 | 4 | 4 | 26 | 9 |
| Hindalco | 92 | 4 | 4 | 25 | 20 |

Exhibit 3: Stocks with a relatively low share of Buy ratings

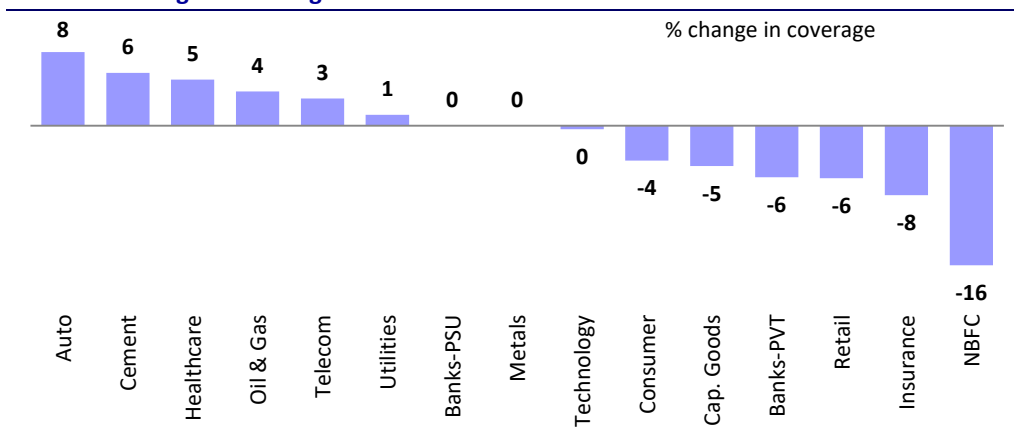
| Company | Buy (%) | Sell (%) | Hold (%) | Covered by Analyst | % Up / by Analyst downside |
|----------------|---------|----------|----------|--------------------|----------------------------|
| JSW Steel | 24 | 48 | 27 | 33 | -18 |
| Wipro | 33 | 39 | 28 | 46 | -1 |
| Shree Cement | 38 | 23 | 38 | 47 | 1 |
| TCS | 47 | 22 | 31 | 49 | 3 |
| Asian Paints | 48 | 25 | 28 | 40 | -4 |
| Britannia Ind. | 51 | 10 | 38 | 39 | 7 |
| Nestle | 54 | 16 | 30 | 37 | 1 |
| Divi's Lab | 58 | 25 | 17 | 24 | 8 |
| HCL Tech | 58 | 13 | 29 | 48 | 9 |
| Bajaj Auto | 59 | 11 | 30 | 54 | 5 |

Source: Bloomberg, MOFSL

Increase in Autos, Cement and Healthcare coverage, but a decline in NBFCs, Insurance, and Retail coverage

- Sentiments on Autos, Cement, and Healthcare have been positive with their coverage improving 8%, 6% and 5% YoY, respectively.
- NBFCs (due to a drop in coverage of HDFC), Insurance, and Retail have taken a hit, with their coverage slumping 16%, 8% and 6% YoY, respectively.
- Some of the most popular non-Nifty stocks with the maximum coverage are: TVS Motors (covered by 48 analysts; 60% Buy), Ashok Leyland (47 analysts; 83% Buy), ACC (46 analysts; 52% Buy), Ambuja Cements (46 analysts; 39% Buy), and Havells (46 analysts; 54% Buy).

Exhibit 4: Change in coverage over the last 12 months



Source: Bloomberg, MOFSL

Exhibit 5: Non-Nifty-50 popular stocks

| Company | Mkt Cap (INR b) | Covered by Analyst | Buy (%) | Sell (%) | Hold (%) |
|------------------|-----------------|--------------------|---------|----------|----------|
| TVS Motor Co. | 455 | 48 | 60 | 19 | 21 |
| Ashok Leyland | 426 | 47 | 83 | 2 | 15 |
| ACC | 418 | 46 | 52 | 24 | 24 |
| Ambuja Cements | 755 | 46 | 39 | 26 | 35 |
| Havells India | 818 | 46 | 54 | 13 | 33 |
| Crompton Gr. Con | 238 | 44 | 91 | 5 | 5 |
| Dabur India | 1039 | 43 | 70 | 2 | 28 |
| Lupin | 303 | 42 | 26 | 33 | 40 |
| Marico | 677 | 42 | 76 | 7 | 17 |
| Voltas | 325 | 42 | 40 | 17 | 43 |
| Mindtree | 582 | 41 | 54 | 20 | 27 |
| Petronet LNG | 316 | 38 | 63 | 16 | 21 |
| H P C L | 339 | 37 | 70 | 14 | 16 |
| Bank of Baroda | 612 | 36 | 86 | 6 | 8 |
| Federal Bank | 231 | 36 | 92 | 0 | 8 |
| I O C L | 1036 | 36 | 69 | 8 | 22 |
| L & T Infotech | 859 | 36 | 56 | 25 | 19 |
| The Ramco Cement | 178 | 36 | 47 | 31 | 22 |
| Container Corpn. | 424 | 35 | 77 | 6 | 17 |
| Godrej Consumer | 888 | 35 | 86 | 6 | 9 |

Source: Bloomberg, MOFSL

Exhibit 6: Evaluating the popularity of Nifty-50 stocks

| Company | Sector | Weight | CMP | TP | % Up / | TP Points | Current Analyst Rating | | | | ANR (%) | | | |
|-------------------|-----------------|------------|---------------|---------------|-----------|-------------|------------------------|------------|------------|-------------|-----------|----------|-----------|------------|
| | | (%) | (INR) | (INR) | downside | Contrib | Buy | Sell | Hold | Total | Buy | Sell | Hold | Total |
| Bajaj Auto | Automobiles | 0.7 | 4,023 | 4,206 | 5 | 5 | 32 | 6 | 16 | 54 | 59 | 11 | 30 | 100 |
| Eicher Motors | Automobiles | 0.6 | 3,117 | 3,013 | -3 | -3 | 30 | 4 | 12 | 46 | 65 | 9 | 26 | 100 |
| Hero Motocorp | Automobiles | 0.5 | 2,738 | 2,961 | 8 | 7 | 34 | 5 | 10 | 49 | 69 | 10 | 20 | 100 |
| M & M | Automobiles | 1.6 | 1,277 | 1,415 | 11 | 30 | 40 | 2 | 4 | 46 | 87 | 4 | 9 | 100 |
| Maruti Suzuki | Automobiles | 1.5 | 8,922 | 9,560 | 7 | 19 | 39 | 7 | 8 | 54 | 72 | 13 | 15 | 100 |
| Tata Motors | Automobiles | 1.1 | 468 | 525 | 12 | 23 | 27 | 3 | 3 | 33 | 82 | 9 | 9 | 100 |
| Axis Bank | Banks - Private | 2.6 | 746 | 934 | 25 | 114 | 45 | 0 | 5 | 50 | 90 | 0 | 10 | 100 |
| HDFC Bank | Banks - Private | 8.3 | 1,462 | 1,782 | 22 | 320 | 40 | 0 | 5 | 45 | 89 | 0 | 11 | 100 |
| ICICI Bank | Banks - Private | 7.6 | 837 | 994 | 19 | 248 | 50 | 0 | 1 | 51 | 98 | 0 | 2 | 100 |
| IndusInd Bank | Banks - Private | 0.9 | 1,050 | 1,204 | 15 | 23 | 44 | 1 | 4 | 49 | 90 | 2 | 8 | 100 |
| Kotak Mah. Bank | Banks - Private | 3.5 | 1,845 | 2,051 | 11 | 69 | 26 | 2 | 14 | 42 | 62 | 5 | 33 | 100 |
| St Bk of India | Banks - Public | 2.6 | 520 | 640 | 23 | 105 | 48 | 0 | 2 | 50 | 96 | 0 | 4 | 100 |
| Bajaj Finance | NBFC | 2.5 | 7,342 | 7,629 | 4 | 17 | 19 | 5 | 6 | 30 | 63 | 17 | 20 | 100 |
| Bajaj Finserv | NBFC | 1.2 | 15,531 | 15,904 | 2 | 5 | 7 | 2 | 1 | 10 | 70 | 20 | 10 | 100 |
| H D F C | NBFC | 5.6 | 2,394 | 2,927 | 22 | 220 | 27 | 0 | 1 | 28 | 96 | 0 | 4 | 100 |
| HDFC Life Insur. | Insurance | 0.6 | 537 | 686 | 28 | 32 | 30 | 0 | 4 | 34 | 88 | 0 | 12 | 100 |
| SBI Life Insuran | Insurance | 0.7 | 1,270 | 1,567 | 23 | 30 | 33 | 0 | 2 | 35 | 94 | 0 | 6 | 100 |
| Larsen & Toubro | Capital Goods | 2.9 | 1,830 | 2,022 | 10 | 53 | 40 | 1 | 0 | 41 | 98 | 2 | 0 | 100 |
| Grasim Inds | Cement | 0.8 | 1,599 | 1,654 | 3 | 5 | 9 | 0 | 1 | 10 | 90 | 0 | 10 | 100 |
| UltraTech Cem. | Cement | 1.0 | 6,678 | 7,457 | 12 | 20 | 41 | 2 | 5 | 48 | 85 | 4 | 10 | 100 |
| Shree Cement | Cement | 0.4 | 21,196 | 21,478 | 1 | 1 | 18 | 11 | 18 | 47 | 38 | 23 | 38 | 100 |
| Asian Paints | Consumer | 2.0 | 3,458 | 3,315 | -4 | -15 | 19 | 10 | 11 | 40 | 48 | 25 | 28 | 100 |
| Hind. Unilever | Consumer | 3.1 | 2,650 | 2,782 | 5 | 27 | 31 | 2 | 8 | 41 | 76 | 5 | 20 | 100 |
| ITC | Consumer | 3.6 | 313 | 346 | 10 | 65 | 35 | 0 | 1 | 36 | 97 | 0 | 3 | 100 |
| Britannia Inds. | Consumer | 0.6 | 3,631 | 3,884 | 7 | 7 | 20 | 4 | 15 | 39 | 51 | 10 | 38 | 100 |
| Nestle India | Consumer | 0.9 | 19,653 | 19,813 | 1 | 1 | 20 | 6 | 11 | 37 | 54 | 16 | 30 | 100 |
| Tata Consumer | Consumer | 0.6 | 789 | 876 | 11 | 12 | 18 | 1 | 3 | 22 | 82 | 5 | 14 | 100 |
| Cipla | Healthcare | 0.7 | 1,030 | 1,097 | 7 | 8 | 35 | 3 | 5 | 43 | 81 | 7 | 12 | 100 |
| Dr Reddy's Labs | Healthcare | 0.7 | 4,223 | 4,878 | 16 | 18 | 35 | 1 | 6 | 42 | 83 | 2 | 14 | 100 |
| Sun Pharma.Inds. | Healthcare | 1.3 | 910 | 1,061 | 17 | 37 | 40 | 1 | 3 | 44 | 91 | 2 | 7 | 100 |
| Apollo Hospitals | Healthcare | 0.6 | 4,427 | 4,832 | 9 | 9 | 24 | 1 | 1 | 26 | 92 | 4 | 4 | 100 |
| Divi's Lab. | Healthcare | 0.7 | 3,938 | 4,240 | 8 | 9 | 14 | 6 | 4 | 24 | 58 | 25 | 17 | 100 |
| Hindalco Inds. | Metals | 0.8 | 421 | 506 | 20 | 28 | 23 | 1 | 1 | 25 | 92 | 4 | 4 | 100 |
| JSW Steel | Metals | 0.8 | 669 | 549 | -18 | -26 | 8 | 16 | 9 | 33 | 24 | 48 | 27 | 100 |
| Tata Steel | Metals | 1.1 | 107 | 118 | 10 | 20 | 24 | 6 | 4 | 34 | 71 | 18 | 12 | 100 |
| Titan Company | Retail | 1.3 | 2,447 | 2,656 | 9 | 20 | 23 | 3 | 5 | 31 | 74 | 10 | 16 | 100 |
| B P C L | Oil & Gas | 0.4 | 326 | 399 | 23 | 16 | 28 | 3 | 7 | 38 | 74 | 8 | 18 | 100 |
| O N G C | Oil & Gas | 0.7 | 137 | 180 | 32 | 39 | 21 | 4 | 4 | 29 | 72 | 14 | 14 | 100 |
| Reliance Industr | Oil & Gas | 11.5 | 2,567 | 2,868 | 12 | 237 | 31 | 3 | 5 | 39 | 79 | 8 | 13 | 100 |
| HCL Technologies | Technology | 1.3 | 966 | 1,056 | 9 | 22 | 28 | 6 | 14 | 48 | 58 | 13 | 29 | 100 |
| Infosys | Technology | 7.7 | 1,619 | 1,732 | 7 | 94 | 42 | 2 | 5 | 49 | 86 | 4 | 10 | 100 |
| TCS | Technology | 4.5 | 3,374 | 3,467 | 3 | 22 | 23 | 11 | 15 | 49 | 47 | 22 | 31 | 100 |
| Tech Mahindra | Technology | 0.9 | 1,057 | 1,167 | 10 | 16 | 32 | 6 | 9 | 47 | 68 | 13 | 19 | 100 |
| Wipro | Technology | 0.8 | 436 | 430 | -1 | -2 | 15 | 18 | 13 | 46 | 33 | 39 | 28 | 100 |
| Bharti Airtel | Telecom | 2.2 | 704 | 880 | 25 | 103 | 30 | 1 | 2 | 33 | 91 | 3 | 6 | 100 |
| Coal India | Utilities | 0.6 | 215 | 211 | -2 | -2 | 22 | 3 | 2 | 27 | 81 | 11 | 7 | 100 |
| NTPC | Utilities | 1.0 | 159 | 185 | 16 | 28 | 25 | 0 | 2 | 27 | 93 | 0 | 7 | 100 |
| Power Grid Corp'n | Utilities | 1.0 | 222 | 237 | 7 | 12 | 22 | 1 | 4 | 27 | 81 | 4 | 15 | 100 |
| Adani Ports | Misc | 0.7 | 802 | 867 | 8 | 11 | 21 | 1 | 2 | 24 | 88 | 4 | 8 | 100 |
| UPL | Misc | 0.5 | 749 | 1,021 | 36 | 33 | 27 | 1 | 1 | 29 | 93 | 3 | 3 | 100 |
| NIFTY-50 | | 100 | 17,525 | 19,717 | 13 | 2192 | 1415 | 172 | 294 | 1881 | 75 | 9 | 16 | 100 |



Consensus target prices point to 13% upside for the Nifty-50

Private Banks, Oil & Gas, and NBFCs to contribute more than half of Nifty-50's target upside

- Based on the consensus target prices for the Nifty-50 companies, there is a potential upside of 13% (2,192 points) for Nifty-50 to 19,717.
- Private Banks (+774 points), Oil & Gas (+291), NBFCs (+243), Technology (+151), PSU Banks (+105), Telecom (+103) and Consumer (+97) are likely to contribute the most to the Nifty-50's upside.
- Stocks with the highest target upsides are UPL (+36%), ONGC (+32%), HDFC Life Insurance (+28%), Axis Bank (+25%), and Bharti Airtel (+25%).
- Stocks with the most target downsides are JSW Steel (-18%), Asian Paints (-4%), Eicher Motors (-3%), Coal India (-2%), and Wipro (-1%).
- The top-10 stocks will likely contribute 72% to the Nifty's target upside.

Nifty target based on consensus

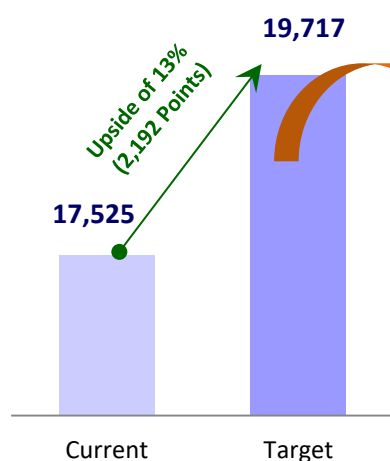
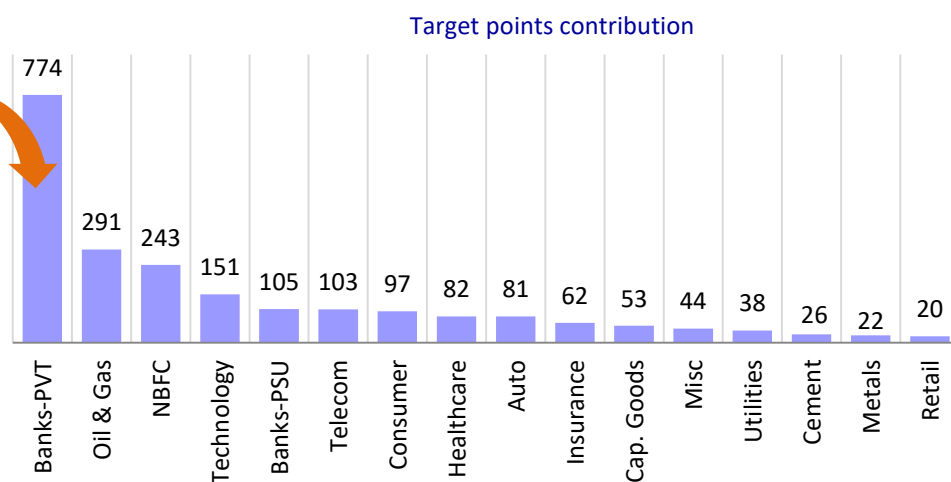
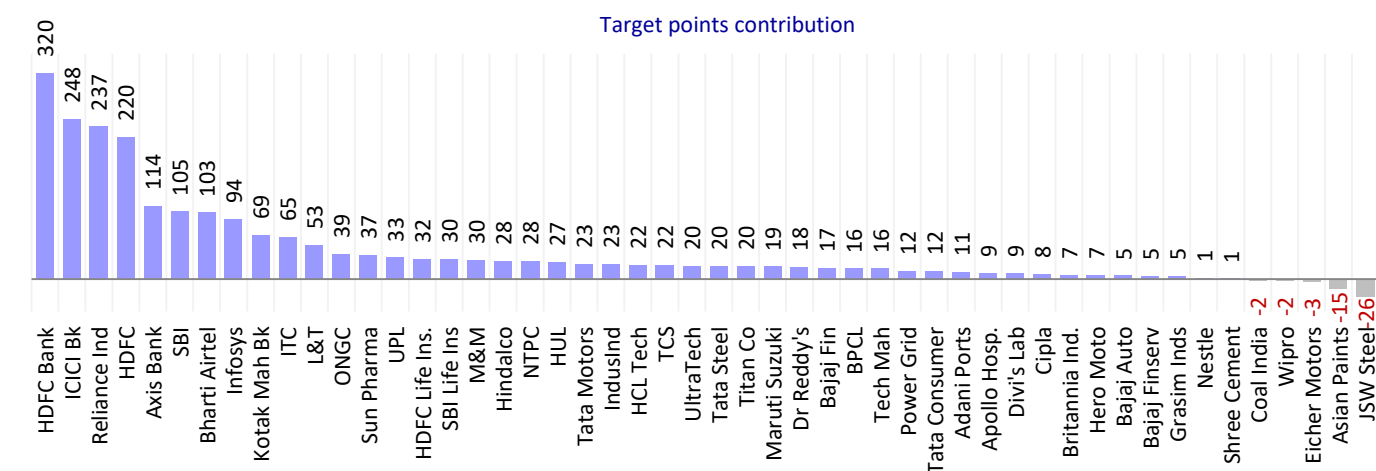


Exhibit 7: Sector-wise contributors to index target



Source: Bloomberg, MOFSL

Exhibit 8: Top-10 stocks likely to contribute 72% to the Nifty's target upside



Source: Bloomberg, MOFSL

Exhibit 9: Stocks with 10%+ upside

| Company | CMP (INR) | TP (INR) | % Upside |
|----------------|-----------|----------|----------|
| UPL | 749 | 1,021 | 36 |
| ONGC | 137 | 180 | 32 |
| HDFC Life Ins. | 537 | 686 | 28 |
| Axis Bank | 746 | 934 | 25 |
| Bharti Airtel | 704 | 880 | 25 |
| SBI Life Ins | 1,270 | 1,567 | 23 |
| SBI | 520 | 640 | 23 |
| BPCL | 326 | 399 | 23 |
| HDFC | 2,394 | 2,927 | 22 |
| HDFC Bank | 1,462 | 1,782 | 22 |
| Hindalco | 421 | 506 | 20 |
| ICICI Bk | 837 | 994 | 19 |
| Sun Pharma | 910 | 1,061 | 17 |
| NTPC | 159 | 185 | 16 |
| Dr Reddy's | 4,223 | 4,878 | 16 |
| IndusInd | 1,050 | 1,204 | 15 |
| Tata Motors | 468 | 525 | 12 |
| Reliance Ind | 2,567 | 2,868 | 12 |
| UltraTech | 6,678 | 7,457 | 12 |
| Kotak Mah Bk | 1,845 | 2,051 | 11 |
| Tata Consumer | 789 | 876 | 11 |
| M&M | 1,277 | 1,415 | 11 |
| L&T | 1,830 | 2,022 | 10 |
| Tech Mah | 1,057 | 1,167 | 10 |
| ITC | 313 | 346 | 10 |
| Tata Steel | 107 | 118 | 10 |

Exhibit 10: Stocks with downside

| Company | CMP (INR) | TP (INR) | % downside |
|---------------|-----------|----------|------------|
| Wipro | 436 | 430 | -1 |
| Coal India | 215 | 211 | -2 |
| Eicher Motors | 3,117 | 3,013 | -3 |
| Asian Paints | 3,458 | 3,315 | -4 |
| JSW Steel | 669 | 549 | -18 |

Domestic Cyclicals sector gains the most in the recent bottom

- Nifty-50, Nifty Midcap-100, and Nifty Smallcap-100 indices are up 15%, 17% and 13% from their recent lows, respectively.
- Utilities, Capital Goods, Metals, Automobiles, PSU Banks, Consumer, Private Banks, Real Estate, and Media were the outperformers; while Telecom, Healthcare, Infrastructure, Oil & Gas, and Technology were the underperformers.
- Of the Nifty-50 companies, 29 have outperformed the benchmark from their recent lows.
- Of the Nifty-50/Nifty Midcap-100 companies, 14/31 companies are up 20% from their recent lows, respectively.

Exhibit 11: Midcap index outperformed Nifty; Utilities, Capital Goods, Metals, and Automobiles were the top performers in the recent rise

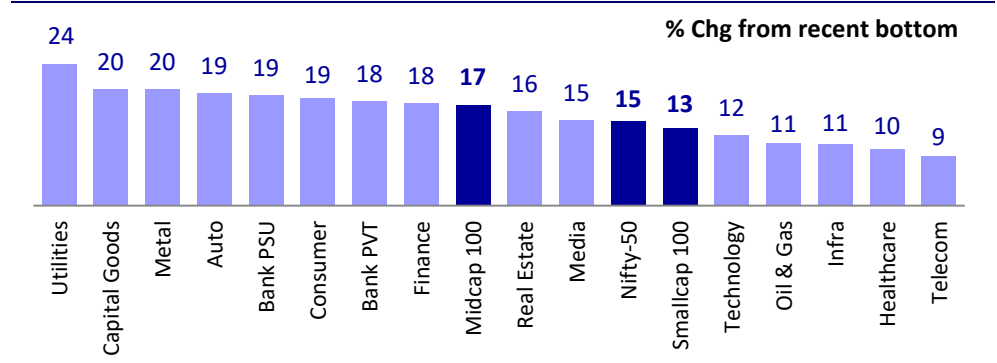


Exhibit 1: Nifty-50 – Top gainers and laggards from their recent lows (%)*

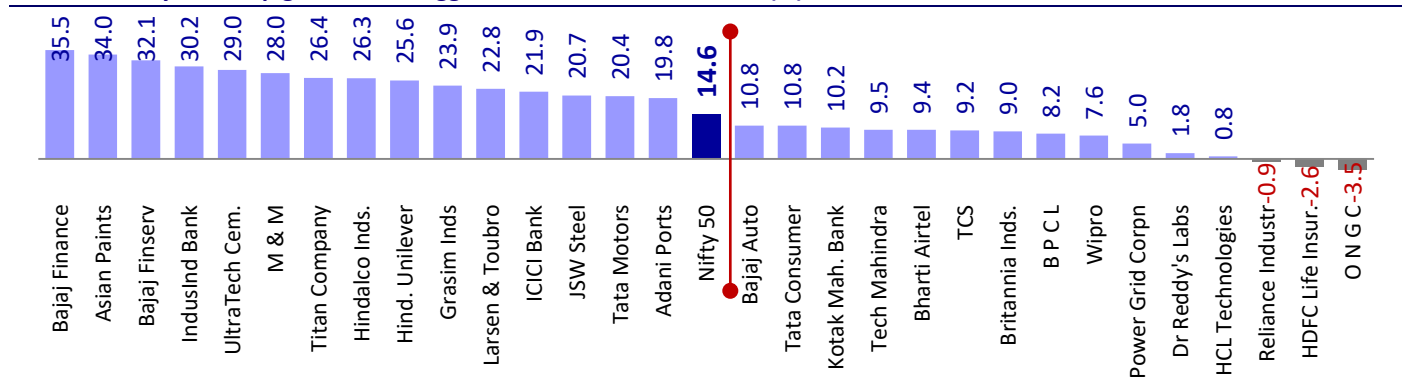
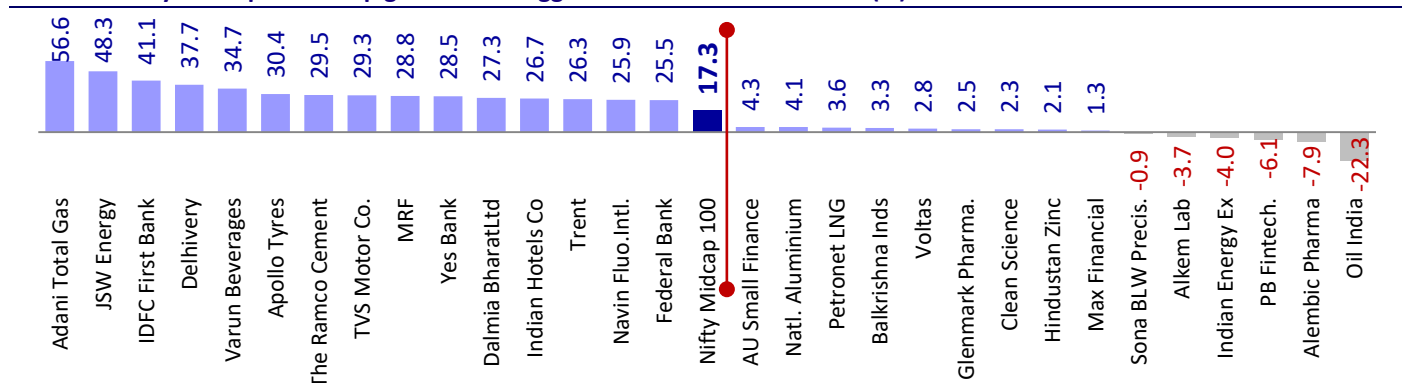


Exhibit 2: Nifty Midcap-100 – Top gainers and laggards from their recent lows (%)*



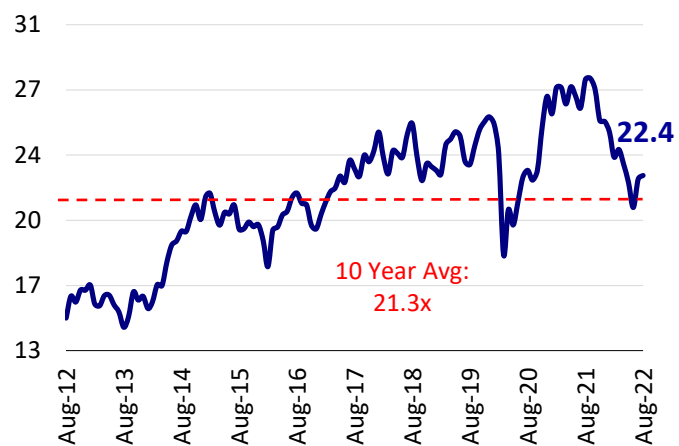
*Change from recent bottom of 17th June 2022



Valuations above their long-period averages

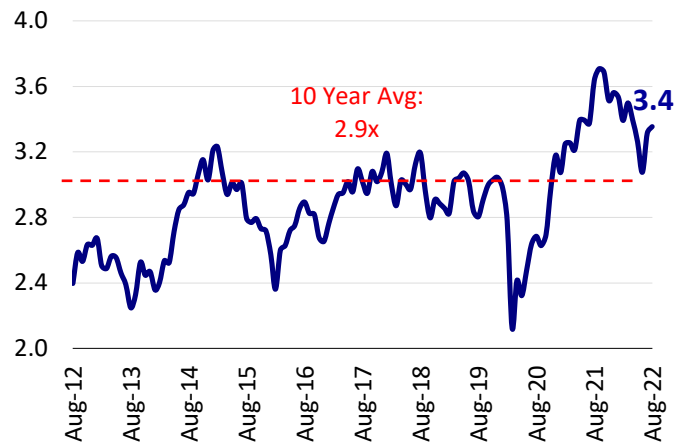
- The Nifty-50, after three consecutive months of decline, bounced back smartly in Jul'22 with 8.7% MoM gain – the highest since Dec'20.
- The Nifty-50 trades at a trailing P/E of 22.4x, at 5% premium to its own long-period average (LPA) P/E of 21.3x. Nifty-50's P/B at 3.4x is also above its LPA (at a 16% premium).
- Nifty-50's RoE stands at 15%, above its long-term average of 13.8%.
- Nifty-50's Market cap-to-GDP ratio at 104% (FY23E GDP) is above its LPA.

Exhibit 3: Trailing Nifty P/E (x)



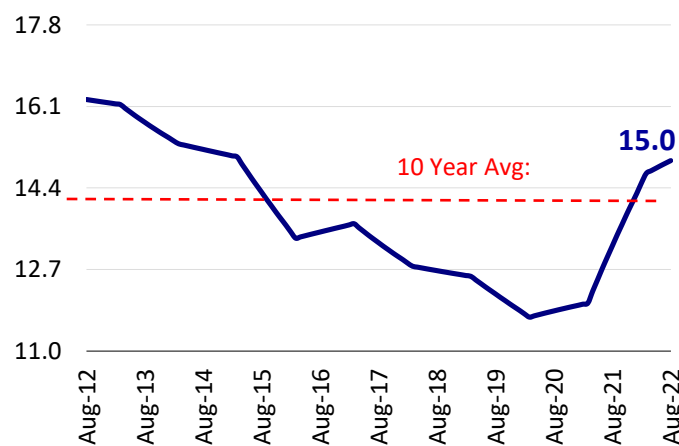
Source: MOFSL

Exhibit 4: Trailing Nifty P/B (x)



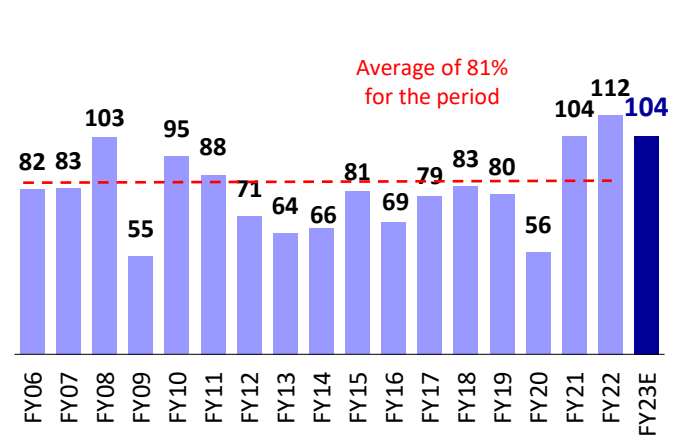
Source: MOFSL

Exhibit 5: Trailing Nifty RoE (%)



Source: MOFSL

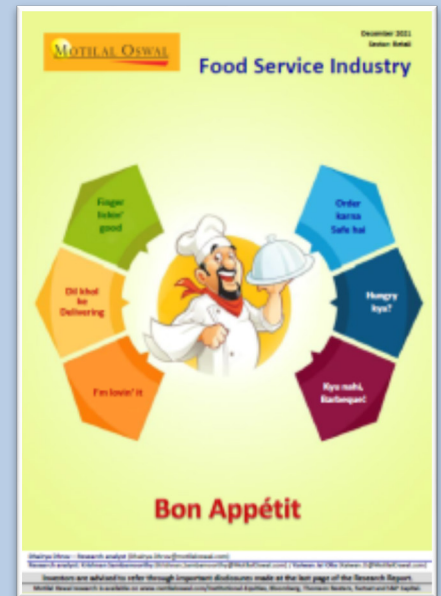
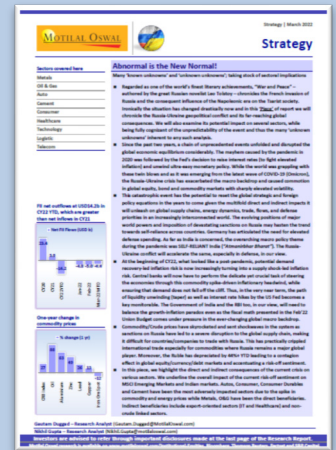
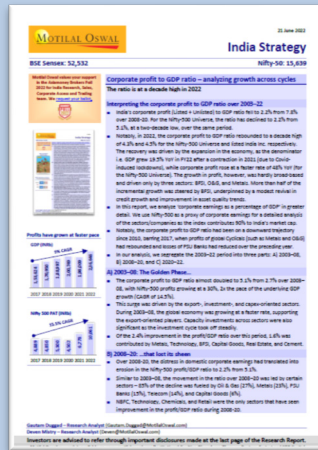
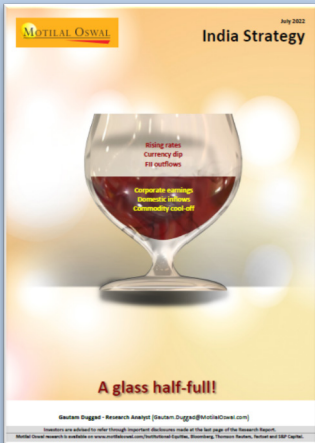
Exhibit 6: India's market capitalization-to-GDP ratio (%)



Source: MOFSL

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