

Opportune

Exclusively curated opportunities to re-enter fundamentally strong companies at attractive valuations!

BUY – HDFC Bank Ltd. (HDFCB)

CMP: **Rs-1546** (Upside Potential: 13.2%) as on 11th November 2022

Fair Value (FV): **Rs-1,750** | Time Period: **12 months**

Why Invest?

- We believe that the long-term investment thesis of the bank looks quite solid.
- The business performance lens where there is strong growth and solid return ratios.
- The medium-term lens is a well-discovered problem of the merger with its parent where we have broadly identified the issues that need to be dealt with.
- Based on the regulatory dispensation, it is easier to build the next stage of the investment thesis.
- Hence, we do believe that the re-rating needs a longer time-frame in mind, especially given the strength of the franchise.
- Maintain BUY rating with Fair value (FV) at Rs. 1,750. At our FV, we value the bank at 2.5X book and 16X September 2023E EPS for return on equity at 15-16% levels.

Maintain BUY with

FV Rs-1,750

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