

**[I] Equity Alert: Nuvama upgrades L&T's rating to 'buy', lowers target price**

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MUMBAI--0923 IST--Nuvama Institutional Equities has upgraded the rating of Larsen and Toubro Ltd. to a 'buy' from 'hold' and has reduced the target price to INR 4,000 from INR 4,040. The rating has been upgraded on price correction because the stock has underperformed since the brokerage downgraded it in January.

Nuvama's target price values the company at 25 times the earnings per share of 2026-27 (Apr-Mar). The core operating margin may bottom out at 8.2% in FY25 and move to 8.5-9.0% in FY26 and FY27 as more projects will reach margin recognition milestones by next year, Nuvama said. The company's management suggests inflows of large ticket-sized orders in Oct-Mar.

Emkay Global Financial Services has raised the sum-of-the-parts-based target price of L&T to INR 4,300 from INR 4,100, valuing the company at 30 times the earnings per share based on the earnings of the 12-month period ending September 2026. The brokerage has reiterated its 'buy' rating on L&T.

L&T reported a consolidated net profit of INR 33.95 billion on consolidated revenue of INR 615.55 billion for the September quarter, beating Street estimates. At 0923 IST, shares of the

company traded at INR 3,591.65, up 5.4%.  
(Ayushman Mishra)

Equity Alert: Nuvama, Nirmal Bang cut target price for Dabur

MUMBAI--0900 IST--Three post-earnings brokerage research reports on Dabur India Ltd. have cut the target price for the stock. Nuvama cut its target price to INR 650 from INR 760, Nirmal Bang reduced it to INR 640 from INR 680, and Prabhudas Lilladher cut it to INR 589 from INR 603. All three brokerages have retained their respective ratings for the stock – 'buy' from Nuvama and Nirmal Bang and 'hold' from Prabhudas Lilladher. Wednesday, shares of the company closed at INR 546.65 on the National stock Exchange, up 2%.

Dabur Wednesday reported a consolidated net profit of INR 4.25 billion for the September quarter on consolidated revenues of INR 30.29 billion. The Street had expected a net profit of INR 4.23 billion and a revenue of INR 30.63 billion.

The company's results were in line with its end of the quarter update but substantially below the earlier expectations, Nirmal Bang said. The brokerage said this was primarily on account of the company's inventory correction at the end of September quarter and the impact of floods. Nuvama has cut its target price by more than 14% on account of a weak showing, subdued urban demand, and the rising risk from 'Campa Cola'. (Akshay V. Johnson)

Equity Alert: Nuvama says Alphabet's strong cloud sales good for Indian IT

MUMBAI--0858 IST--Nuvama Institutional Equities said strong sales growth in Alphabet Inc.'s cloud business bodes well for Indian information technology companies. It said Alphabet's cloud sales rose 35% on year in the September quarter, the highest in the last nine quarters.

The brokerage said a pickup in cloud spending going forward will revive discretionary spending in IT services in the remaining part of this year or 2025-26 (Apr-Mar). However, it clarified that although they are seeing some green shoots in overall demand, there is no material pickup in discretionary spending yet.

The Google search engine-owner, Alphabet, reported that its consolidated revenue in Jul-Sept increased 16% in constant currency as compared with the same period last year. Its net income rose 34% on year to \$26.3 billion. Nuvama said the company's revenue was above the consensus estimates. While the company's operating margin declined 10 basis points on quarter to 32.3%, it was still above estimates, Nuvama said. (Anshul Choudhary)

Equity Alert: Indices may fall more Thu but losses seen limited

MUMBAI--0835 IST--Headline indices are likely to fall again Thursday, but the losses are likely to be limited. Analysts expect the market to move in

a range due to the mixed trend seen in index heavyweights. Consistent sales of domestic shares by foreign investors and weak corporate earnings continue to weigh on the market, and are likely to offset any potential festive cheer. The GIFT Nifty's October and November futures were largely unchanged from the previous close, indicating a muted opening for the Nifty 50.

Brokerage firm Jefferies said it has slashed its earnings estimates for 2024-25 (Apr-Mar) for over 60% of the 98 companies it covers which have reported their earnings so far, ET Now reported. The cut in earnings estimates implies a 2.2-2.5% cut in 2025-26 and 2026-27 earnings estimates of the Nifty 50 during the earnings season. The brokerage said it now expects the growth in the Nifty 50 index's earnings per share at 10% for 2024-25. It also said it continues to be cautious on Indian equities.

Support for the Nifty 50 is seen at 24200-24250 points and resistance at 24500-24550 points. On Wednesday, the Nifty 50 and the BSE Sensex each closed 0.5% lower at 24340.85 points and 79942.18 points, respectively. Despite the festival, there will be no drop in volumes Thursday due to the Nifty 50's derivatives contract expiry, Brijesh Ail, head of technical and derivatives at IDBI Capital, said.

FII's net sold domestic shares worth over INR 46 billion on Wednesday, taking their total sales in October to nearly INR 920 billion. After the lowest single-day sales by FII's in October Tuesday, at a mere INR 5.5 billion, these

sales returned close to the levels seen earlier this month. The fall in sales on Tuesday had hinted that Indian equities might have become an attractive bet for the FIIs again after the recent correction, Anita Gandhi, whole-time director of Arihant Capital Markets, said. However, high valuations and weak Jul-Sept earnings keep FIIs cautious on the domestic market.

Shares of Larsen & Toubro will be in focus Thursday as investors will assess the company's quarterly earnings released after market hours Wednesday. L&T's earnings for the September quarter beat the Street's expectations, even though growth in its consolidated net profit was muted. Brokerage firm Bernstein said the company reported another quarter of strong execution and stellar working capital position, ET Now reported. The brokerage firm said that while the company's management has retained its guidance, it is a tough target to meet. Bernstein maintained an 'outperform' rating with a target price of INR 3,891. Brokerage firm Emkay Global Markets Research reiterated its 'buy' rating on the stock and raised the target price to INR 4,300. (Anjali Singh)

Equity Alert: Asian mkts mostly down; Bank of Japan might keep rates steady

MUMBAI--0750 IST--Asian indices were mostly down Thursday as investors readied themselves for major economic data and earnings from top companies. The focus will be on Japan as it is likely that the country's central bank may keep interest rates steady amid political uncertainty after the

inconclusive elections Sunday. Investors will also assess China's official purchasing managers' index data for October.

Reuters economists expect the Bank of Japan to hold rates steady at 0.25% in its monetary policy meeting later during the day, and signal a cautious approach to rolling back its monetary stimulus. According to analysts, the ruling coalition's loss of a majority in the elections Sunday has raised worries about policy paralysis, increasing the hurdle for additional interest rate hikes. The Nikkei 225 and the Topix indices broke their three-day winning streak and were down 0.4% and 0.5%, respectively.

In China, the official purchasing managers' index for October came in at 50.1, beating a Reuters' poll expectation of 49.9. The last time the PMI was above this level was in April. The PMI from non-manufacturing activity rose to 50.2 in October, up from 50 in September but down from 50.3 in August. The CSI 300 index was up 0.8%, dragged down by tech hardware stocks. Other data such as third-quarter GDP figures from Taiwan and Hong Kong are also expected. The Hang Seng Index was up 0.8%.

South Korea's Kospi index was down 0.8%, weighed down by losses in semiconductor and shipbuilding stocks. Investors await third-quarter earnings from Samsung Electronics, which are expected later Thursday. Retail sales data from Japan and Australia, along with quarterly corporate results from heavyweights such as Panasonic and trading company Sumitomo, are also

expected. Australia's S&P/ASX 200 index was down 0.4%, and the FTSE Singapore Straits Times was down 0.7%.

At 0827 IST:

INDEX	LEVEL	CHANGE IN %
CSI 300 Index	3920.2959	0.79
Hang Seng Index	20544.94	0.81
KOSPI Index	2573.36	(-) 0.79
Nikkei 225 Day	39116.79	(-) 0.41
TOPIX FIRST SECTION	2691.10	(-) 0.47
FTSE Singapore Straits Times	3565.07	(-) 0.70
S&P/ASX 200 INDEX	8147.00	(-) 0.41

(Noopur Bhandiwad)

Equity Alert: US indices fall as chip stocks weigh but Alphabet up 2.8%

MUMBAI--0646 IST--Equity indices in the US fell Wednesday, dragged down by chip stocks. Corporate earnings kept investors occupied ahead of the closely-contested US elections on Nov. 5. The Nasdaq Composite ended down 0.6%, the Dow Jones Industrial Average was down 0.2%, and the S&P 500 settled 0.3% lower.



Microsoft and Meta Platforms posted their earnings after market hours, with both companies beating estimates for quarterly revenue and predicting higher spending on artificial intelligence. Shares of Microsoft were down 3.6%, and those of Meta Platforms were down 3.1% in after-market trading. On Tuesday, shares of Alphabet were up 2.8% after the Google-parent beat estimates for revenue and profit for the third quarter.

Among chipmakers, shares of Advanced Micro Devices and Qorvo plunged more than 10% and 27.3%, respectively, after they announced muted revenue guidance for the fourth quarter. Besides these, shares of Super Micro Computer slipped 32.6% after EY resigned as the company's accountants. Nvidia was down 1.4%. Pharmaceuticals firm Eli Lilly, which is known for its weight-loss and diabetes drugs, was down 6.2% after the company reported sales below estimates. Starbucks reported earnings after the closing bell, posting a decline in quarterly sales.

US GDP grew at a 2.8% annualised rate in the September quarter, slightly below the 3.1% growth forecast by economists. Personal consumption expenditure, the measure for consumer activity, increased 3.7% during the quarter, the strongest performance since the first quarter of 2023. Payrolls data on Wednesday showed strong growth in the labour market. US companies hired 233,000 people in October, the highest level in more than a year.



The following are the closing levels of US indices overnight:

INDEX	LAST LEVEL	CHANGE IN %
Dow Jones Industrial Average	42141.54	(-) 0.22
NASDAQ Composite	18607.931	(-) 0.56
S&P 500	5813.67	(-) 0.33

(Noopur Bhandiwad)

End

US\$1 = INR 84.07

Edited by Ashish Shirke

All prices from National Stock Exchange, unless otherwise specified.

All percentage changes for share prices are rounded off to the nearest whole number; percentage changes for index values are rounded off to one decimal place.

All times are Indian Standard Time.

NSE: National Stock Exchange

NYSE: New York Stock Exchange

YMEX: New York Mercantile Exchange

SEBI: Securities and Exchange Board of India

RBI: Reserve Bank of India

Internet links:

Securities and Exchange Board of India -

<http://www.sebi.gov.in>

Bombay Stock Exchange - <http://www.bseindia.com>

National Stock Exchange of India -

<http://www.nseindia.com>

Directory of Indian government websites -

<http://goidirectory.nic.in>

Indian Ministry of Finance -

<http://www.finmin.nic.in>

Reserve Bank of India - <http://rbi.org.in>

Controller General of Accounts, Government of

India - <http://www.cga.nic.in>

Government's Press Information Bureau -

<http://www.pib.nic.in>

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