

Week Gone

- ⇒ The benchmark indices registered losses during the week amid truncated week. The Nifty index closed below 18,000 level. The Sensex settled below the psychological 60,000 mark.
- ⇒ The BSE Mid-Cap index lost 450.16 or 1.7% to settle at 25,918.62. The BSE Small-Cap index declined 434.3 points or 1.48% to settle at 28,798.23 points
- ⇒ Domestic stock markets will remain shut on Friday on account of Gurunanak Jayanti.

Week Ahead

- ⇒ Global and domestic macro economic data, trend in global markets, the movement of rupees against dollar and crude oil prices will dictate trend on the bourses on the near term. Trading could remain volatile in the forthcoming week as traders roll over positions in the near month November series to December Series
- ⇒ Investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs) will also be watched.
- ⇒ On the global front, China will announce loan prime rate for 1 years and 5 years on 22 November 2021.

Technical Overview

Index closed with a loss of 1.87% at 17765. Index opened the week on a flat note and remained under pressure throughout the week ending the week near the weekly low. Index has an immediate support around 17630, which also coincides with rising Trendline. Going ahead support past 17630, comes at 17500-17420. While on the other hand resistance is present around 17900-18050-18200.



Source: Falcon, BP Equities Research

Weekly Wealth

DOMESTIC INDICES

Index	18-Nov-21	12-Nov-21	Weekly % Chg
Nifty 50	17,764.8	18,102.8	-1.9
Nifty Next 50	43,615.5	44,242.6	-1.4
Nifty 100	18,059.5	18,389.5	-1.8
Nifty 500	15,302.6	15,579.0	-1.8
NIFTY MIDCAP 100	31,271.4	31,925.9	-2.0
S&P BSE SENSEX	59,636.0	60,686.7	-1.7
S&P BSE 100	18,117.3	18,438.1	-1.7
S&P BSE 200	7,728.8	7,874.7	-1.9
S&P BSE 500	24,322.7	24,772.1	-1.8
S&P BSE MidCap	25,918.6	26,368.8	-1.7
S&P BSE SmallCap	28,798.2	29,232.5	-1.5

WORLD INDICES

Index	18-Nov-21	12-Nov-21	Weekly % Chg
Nikkei Index	29,598.7	29,610.0	0.0
Hang Seng Index	25,319.7	25,328.0	0.0
Kospi Index	2,947.4	2,968.8	-0.7
Shanghai SE Composite	3,520.7	3,539.1	-0.5
Strait Times Index	3,237.0	3,228.4	0.3
Dow Jones	35,931.1	35,943.9	0.0
NASDAQ	15,921.6	15,740.9	1.1
FTSE	7,270.0	7,343.2	-1.0

FOREX

Currency	18-Nov-21	12-Nov-21	Weekly % Chg
US\$ (Rs.)	74.3	74.3	0.0
GBP (Rs.)	100.2	99.5	0.7
Euro (Rs.)	84.1	85.2	-1.3
Yen (Rs.) 100 Units	65.0	65.2	-0.3

NIFTY TOP GAINERS (WEEKLY)

Scrip	18-Nov-21	11-Nov-21	Weekly % Chg
Maruti Suzuki	8117.2	7453.5	9%
Power Grid Corpn.	192.5	182.2	6%
Asian Paints	3226.9	3063.5	5%
ITC	237.5	230.0	3%
Tech Mahindra	1567.8	1522.0	3%

FII - ACTIVITY

(INR. Cr.)

Date	Purchases	Sales	Net
18-Nov-21	8,781.8	12,712.4	-3,930.6
17-Nov-21	9,321.9	9,666.2	-344.4
16-Nov-21	9,633.7	10,194.4	-560.7
15-Nov-21	8,557.0	8,132.3	424.7
<u>MTD</u>	40,705.3	-4,410.9	-4,410.9

NIFTY TOP LOSERS (WEEKLY)

Scrip	18-Nov-21	11-Nov-21	Weekly % Chg
Indiabulls Housing	216.1	236.9	-9%
Tata Steel	1,186.6	1,299.6	-9%
Coal India	153.4	167.0	-8%
GAIL India	141.0	149.5	-6%
Bajaj Auto	3,547.6	3,750.0	-5%

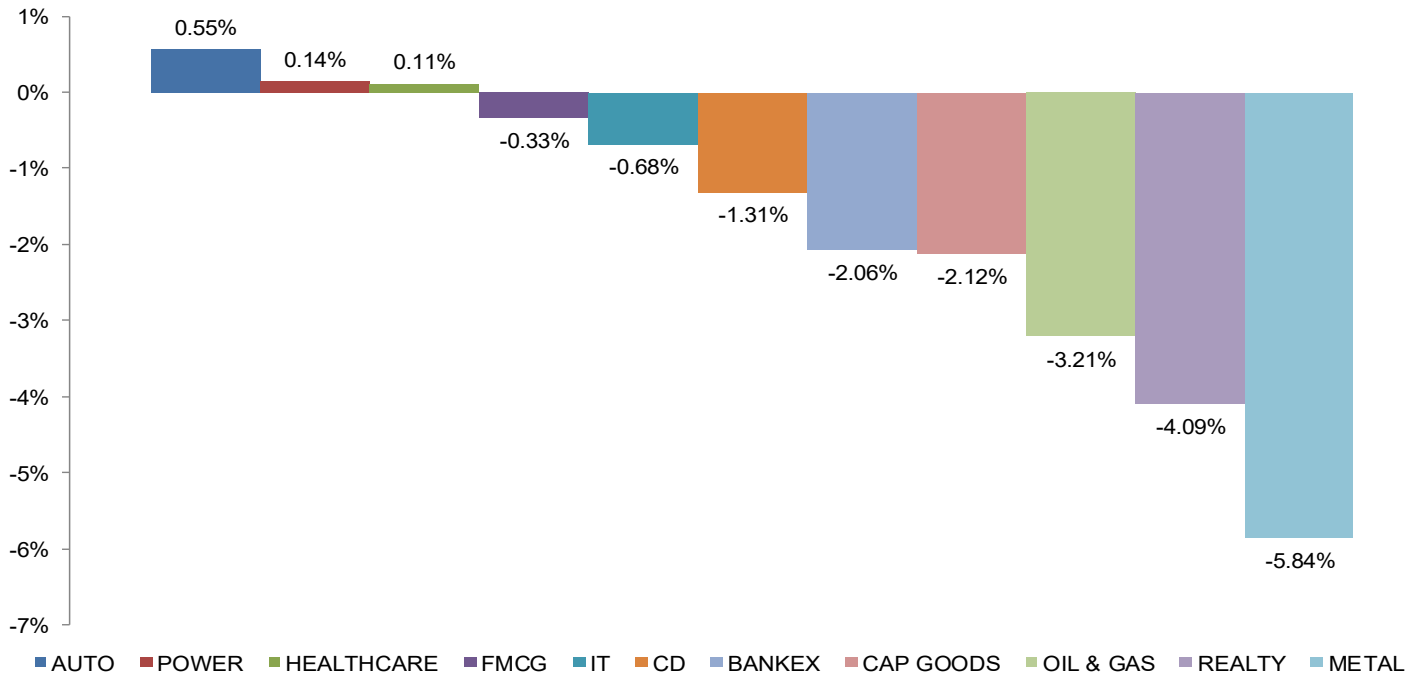
DII - ACTIVITY

(INR. Cr.)

Date	Purchases	Sales	Net
18-Nov-21	6,818.7	5,967.3	851.4
17-Nov-21	5,430.0	4,984.2	445.8
16-Nov-21	6,903.2	6,136.2	767.0
15-Nov-21	6,933.9	5,022.1	1,911.8
<u>MTD</u>	26,085.7	22,109.8	3,975.9

Weekly Wealth

BSE WEEKLY SECTORAL PERFORMANCE



Source: BSE, BP Equities Research

TOP OPEN INTEREST GAINERS (WEEKLY)

SCRIP NAME	19/11/21	11/11/21	Weekly % Chg	19/11/21	11/11/21	Weekly % Chg
	Share Price (Rs.)			Open Interest		
BSOFT	427.6	470.0	9.9	2156700	3105700	44.0
COFORGE	5410.3	5510.3	1.8	569500	763400	34.0
IPCALAB	2166.3	2038.2	-5.9	2194425	2921850	33.1
RECLTD	145.5	136.0	-6.5	33498000	38982000	16.4
FSL	178.1	173.6	-2.6	4908800	5629000	14.7

TOP OPEN INTEREST LOSERS (WEEKLY)

SCRIP NAME	19/11/21	11/11/21	Weekly % Chg	19/11/21	11/11/21	Weekly % Chg
	Share Price (Rs.)			Open Interest		
ESCORTS	1584.6	1801.4	13.7	8547000	4088700	-52.2
ADANI PORTS	752.6	725.9	-3.5	91380000	50657500	-44.6
PNB	41.7	41.7	-0.1	279280000	166912000	-40.2
SYNGENE	554.9	604.9	9.0	1749300	1093100	-37.5
UPL	772.4	743.2	-3.8	25140700	17087200	-32.0

Private Bank

Company Background

RBL Bank Limited is a Kolhapur-based small sized private sector bank which was incorporated in 1943 by Shri Babgonda Patil, an advocate from Sangli and Shri Gangaram Chougule, a merchant from Kolhapur. The bank gained the status of a scheduled commercial bank in 1959. In FY11, the bank underwent a radical transformation in areas like ownership, management and organization structure. Mr. Vishwavir Ahuja, ex-CEO of Bank of America for Indian sub-continent, took over as MD and CEO of RBL in June 2010. In FY11, the shareholding structure underwent a change with capital infusion of Rs.727 crore from a host of private equity funds. There has been regular capital infusion in the bank to fund its growth in the last five years. The Bank offers specialized services under six business verticals namely: Corporate & Institutional Banking, Commercial Banking, Branch & Business Banking, Retail Assets and Treasury and Financial Markets Operations.

Investment Rationale

Healthy capital adequacy led by testified capital raising ability

RBL raised capital of Rs.832.5 crore through the issue of fresh equity shares through its IPO in August 2016. In August, 2017, the Bank raised equity capital of Rs. 1,680 crore through issue of equity shares on preferential basis to a set of marquee investors. RBL raised Rs.2701 crore of equity capital by way of QIP and preferential allotment to marquee investors in December 2019. As a result, the bank reported capital adequacy ratio (CAR) of 16.45% (PY: 13.46%) with Tier I CAR (comprising entirely of Common Equity Tier I; CET I) of 15.33% (PY: 12.10%) as on March 31, 2020. Further, during the quarter ended December 2020 the bank has raised an additional capital of Rs 1566 crore on preferential basis through an issuance of 88474577 fresh equity shares of Rs 10 each at a price of Rs 177 per share.

Expansion of business coupled with increase in franchise

Subsequent to takeover by the new management, the bank has seen stable growth in business and has improved the franchise over the last few years. RBL saw a strong momentum in the total deposits which grew to 73,121 Crore, up 26% over the previous year. Further, the CASA growth remained strong at 36% year on year. The CASA ratio improved from 29.6% in FY 2019-20, to 31.8% in FY 2020-21, and further increased to 33.7% by June 30, 2021. The bank added 1.14 million customers in FY 2020-21 amidst COVID-19. Further, there was an addition of 26 branches during Q4FY21 leading to an increase in its franchise with a branch network of 429 branches (own) and 1365 business correspondents (BC) branches, out of which 260 are banking outlets.

Valuation and Outlook

RBL Bank is one of India's fastest growing private sector banks with an expanding presence across the country. Further, its experienced management team, long track record, scaling up of business, increase in franchise, healthy capital adequacy, steady deposit accrual and improved liquidity keeps us positive on the future growth of the company. On the valuation front, we valued the company based on 1.1x of its FY23e book value and arrive at a target price of INR 255 (26% upside from CMP) with a 12 months' investment horizon

Stock Rating

BUY	HOLD	SELL
> 15%	-5% to 15%	< -5%

Sector Outlook

Positive

Stock

CMP (INR)	203.
Target Price (INR)	255
NSE Symbol	RBLBANK
BSE Code	540065
Bloomberg	RBK IN
Reuters	RATB.BO

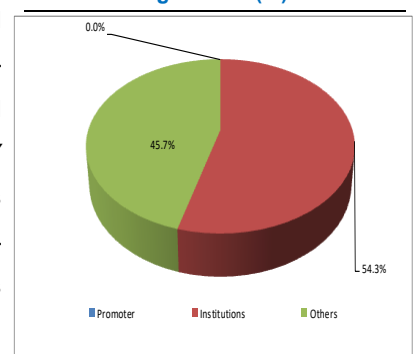
Key Data

Nifty	17,764.80
52WeekH/L(INR)	274/155
O/s Shares (Mn)	599
Market Cap (INR bn)	1,218
Face Value (INR)	10

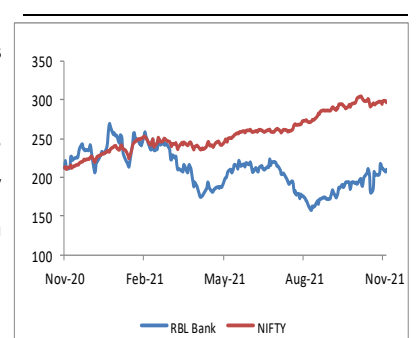
Average volume

3 months	1,00,11,000
6 months	1,04,19,000
1 year	1,43,77,000

Share Holding Pattern (%)



Relative Price Chart



Weekly Wealth

Key Financials

YE March (Rs. millions)	FY19	FY20	FY21	FY22E	FY23E
Net Interest Income	25,414	38,939	41,364	42,605	46,866
<i>Growth (Y-o-Y)</i>	39.6%	53.2%	6.2%	3.0%	10.0%
Operating Income	39,824	58,120	61,849	65,186	71,236
<i>Growth (Y-o-Y)</i>	37.8%	45.9%	6.4%	5.4%	9.3%
Net Profit	8,578	5,002	5,295	2,130	9,373
<i>Growth (Y-o-Y)</i>	35.8%	(41.7%)	5.9%	(59.8%)	340.0%
EPS	14.3	8.3	8.8	3.6	15.6
<i>Growth (Y-o-Y)</i>	35.8%	(41.7%)	5.9%	(59.8%)	340.0%

Key Ratios

NIM (%)	3.6%	4.6%	4.4%	4.0%	4.2%
ROAA (%)	1.2%	0.6%	0.6%	0.2%	1.0%
RoAE (%)	15.6%	7.0%	5.9%	2.0%	8.3%
BV per Share (INR.)	111	126	176	216	232

Valuation Ratios

P/E (x)	14.2x	24.3x	23.0x	57.0x	13.0x
P/BV (x)	1.3x	1.1x	1.0x	0.9x	0.9x

Source: Company, BP Equities Research



Research Desk

Tel: +91 22 61596406

Institutional Sales Desk

Tel: +91 22 61596403/04/05

Disclaimer Appendix

Analyst (s) holding in the Stock : Nil**Analyst (s) Certification:**

We analysts and the authors of this report, hereby certify that all of the views expressed in this research report accurately reflect our personal views about any and all of the subject issuer (s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation (s) or view (s) in this report. Analysts aren't registered as research analysts by FINRA and might not be an associated person of the BP Equities Pvt. Ltd. (Institutional Equities).

General Disclaimer

This report has been prepared by the research department of BP EQUITIES Pvt. Ltd, is for information purposes only. This report is not construed as an offer to sell or the solicitation of an offer to buy or sell any security in any jurisdiction where such an offer or solicitation would be illegal.

BP EQUITIES Pvt. Ltd have exercised due diligence in checking the correctness and authenticity of the information contained herein, so far as it relates to current and historical information, but do not guarantee its accuracy or completeness. The opinions expressed are our current opinions as of the date appearing in the material and may be subject to change from time to time. Prospective investors are cautioned that any forward looking statement are not predictions and are subject to change without prior notice.

Recipients of this material should rely on their own investigations and take their own professional advice. BP EQUITIES Pvt. Ltd or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. BP EQUITIES Pvt. Ltd. or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations.

BP EQUITIES Pvt. Ltd and/or its affiliates and/or employees may have interests/ positions, financial or otherwise in the securities mentioned in this report. Opinions expressed are our current opinions as of the date appearing on this material only. While we endeavor to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This report is not directed to or intended for display, downloading, printing, reproducing or for distribution to or use by any person in any locality, state and country or other jurisdiction where such distribution, publication or use would be contrary to the law or regulation or would subject to BP EQUITIES Pvt. Ltd or any of its affiliates to any registration or licensing requirement within such jurisdiction.

Corporate Office:

4th floor,
Rustom Bldg,
29, Veer Nariman Road, Fort,
Mumbai-400001
Phone- +91 22 6159 6464
Fax-+91 22 6159 6160
Website- www.bpwealth.com

Registered Office:

24/26, 1st Floor, Cama Building,
Dalal street, Fort,
Mumbai-400001

BP Wealth Management Pvt. Ltd.
CIN No: U67190MH2005PTC154591

BP Equities Pvt. Ltd.
CIN No: U67120MH1997PTC107392