

# Gladiator Stocks

## New recommendations

Date	Scrip	I-Direct Code	Buying Range	Target	Stoploss	Upside (%)	Duration
1-Sep-21	State Bank of India	STABAN	420-430	483.00	398.00	13.00	3 Months

## Open recommendations

Date	Scrip	Avg Rec Price	Target	Stoploss	CMP	Return till date (%)	Duration
31-Aug-21	Interglobe Aviation	1,870.00	2,040.00	1,705.00	1,913.00	2%	3 Months
31-Aug-21	Safari Industries	837.00	970.00	745.00	860.00	3%	3 Months
25-Aug-21	HDFC Life Insurance	689.00	778.00	645.00	714.00	4%	3 Months

All the recommendations are in Cash segment

## Open Recommendations

### Momentum Picks

Scrip	Time Frame
SBI Card	7 Days
GE Shipping	14 Days
Gabriel	14 Days

Our Products

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September 1, 2021

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# State Bank of India (STABAN): Higher base formation at 100 day moving average offers fresh entry opportunity...

Rec. Price

420-430

Target

483.00

Stop loss

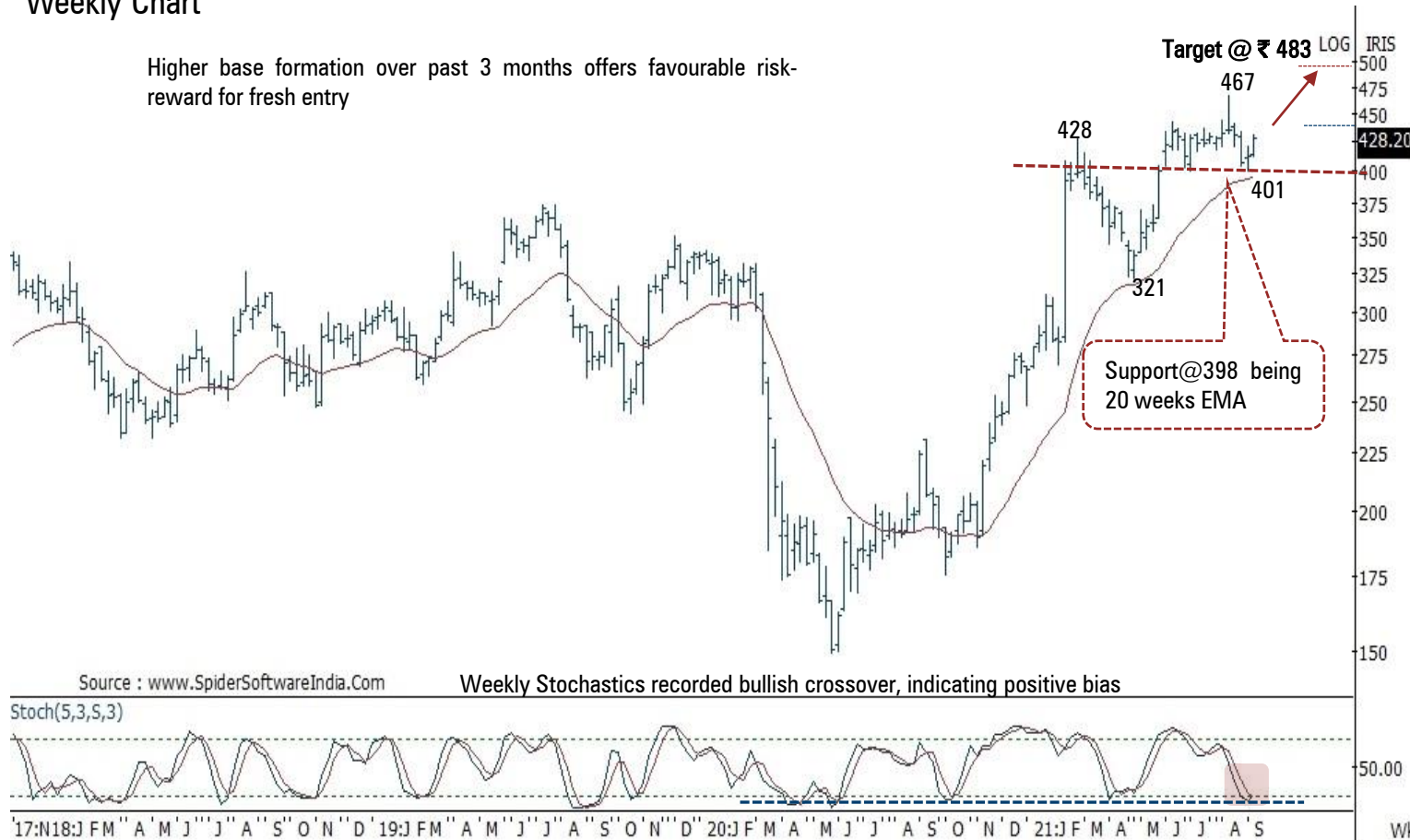
398.00

Upside

13%

## Weekly Chart

Higher base formation over past 3 months offers favourable risk-reward for fresh entry



Source : www.SpiderSoftwareIndia.Com

Weekly Stochastics recorded bullish crossover, indicating positive bias

- The share price of SBI has rebounded after forming a higher base around ₹ 400 levels over the past three months coinciding with May 2021 breakout area, suggesting elevated buying demand thus offering favourable risk-reward for fresh entry
- We expect it to gradually head towards ₹ 483 in coming months as it is 123.6% external retracement of recent breather (₹ 467-401)
- Key point to highlight is the stock has held its 100 day moving average twice in the past one year followed by a move towards 52 week high. In the current scenario, we expect same rhythm to be maintained
- On the oscillator front, Stochastics has generated bullish crossover, validating positive stance. Stochastics is also placed at same support level where previous swing lows were made

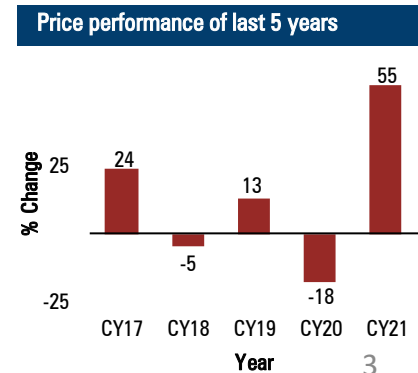
# Fundamental View: State Bank of India (STABAN)

- SBI is a public sector bank and also the largest bank in India with a balance sheet size of over ₹ 45 lakh crore. The bank has a pan-India presence with 22224 branches and 63906 ATMs. SBI has strong liability franchisee with trend setting abilities in terms of rates. The bank has amongst the best operating metrics in the PSU banking space
- Recent asset quality performance has been impressive and at par with private banking peers. Healthy recovery from July 2021 depicts resilience on asset quality. The bank has sufficient provisions of around 1% which provides cushion towards earnings volatility
- We believe the overall outlook has improved with many positive levers like improvement in credit - deposit ratio, better yields due to less reversals and, thus, better margins, in place, which could lift the bank's operational performance. We expect RoA of 0.6% and RoE of 10.8% by FY23E while earnings is projected to grow at CAGR of 25% over FY21-23E
- Pandemic and resultant lockdown impacted collections in the June quarter but a speedy recovery is seen as unlocking begins. Key subsidiaries like SBI Cards, SBI Life, SBI General are also expected to show sharp bounce in business activity and performance and add overall value to the banking franchisee

Particulars	
Particulars	Amount
Market Capitalisation	₹ 382776 Crore
52 week H/L	467/175
Networth	₹ 241655 Crore
Face value	₹ 1
DII Holding (%)	24.2
FII Holding (%)	10.3

Financials				
₹ crore	FY20	FY21	FY22E	FY23E
NII	98083	110710	121708	136067
PPP	68139	71554	76533	85551
PAT	14489	20410	27224	31903
ABV (₹)	203.2	243.3	262.4	292.2
P/E	26	19	14	12
P/ABV	2.1	1.8	1.6	1.5
RoA	0.4	0.5	0.6	0.6
RoE	6.4	8.4	10.2	10.8

Valuation				
P/E	26	19	14	12
P/ABV	2.1	1.8	1.6	1.5
RoA	0.4	0.5	0.6	0.6
RoE	6.4	8.4	10.2	10.8



## Summary Performance - Recommendations till date

Total Recommendations	669	Open	3
Closed Recommendations	666	Yield on Positive recommendations	17.0%
Positive Recommendations	497	Yield on Negative recommendations	-8.0%
Closed at cost	17		
Strike Rate	77%		

# Momentum Picks open recommendations

Date	Script Name	Strategy	Recommendations Price	Target	Stoploss	Time Frame
31-Aug-21	SBI Card	Buy	1125-1140	1240.00	1080.00	7 Days
31-Aug-21	GE Shipping	Buy	357-365	390.00	335.00	14 Days
30-Aug-21	Gabriel	Buy	138-142	155.00	132.00	14 Days
27-Aug-21	United Spirits	Buy	690-705	765.00	656.00	30 Days

All recommendations are in cash market

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# Price history of past three years

## SBIN (STABAN)

SBIN [N3045] 428.05, 3.78%  
Price



- It is recommended to enter in a staggered manner within the prescribed range provided in the report
- Once the recommendation is executed, it is advisable to keep strict stop loss as provided in the report on closing basis
- The recommendations are valid for three to six months as specified on first page of report and in case we intend to carry forward the position, it will be communicated through separate mail

## **Trading portfolio allocation**

- It is recommended to spread out the trading corpus in a proportionate manner between the various technical research products
- Please avoid allocating the entire trading corpus to a single stock or a single product segment
- Within each product segment it is advisable to allocate equal amount to each recommendation
- For example: The 'Momentum Picks' product carries 2 intraday recommendations. It is advisable to allocate equal amount to each recommendation

# Recommended product wise trading portfolio allocation

Product	Allocations		Number of Calls	Return Objective	Duration
	Product wise allocation	Max allocation In 1 Stock			
Momentum Picks-Intraday	10%	30-50%	2 Stocks	1-2%	Intraday
Momentum Picks-Positional	25%	8-10%	8-10 Per Month	5-8%	14 Days
Gladiator Stocks	35%	10-13%	Opportunity Based	15-20%	6 Months
Yearly Technical	25%	12-15%	7-9 Per Year	20-30%	1 Year
Cash	5%				
	100%				





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