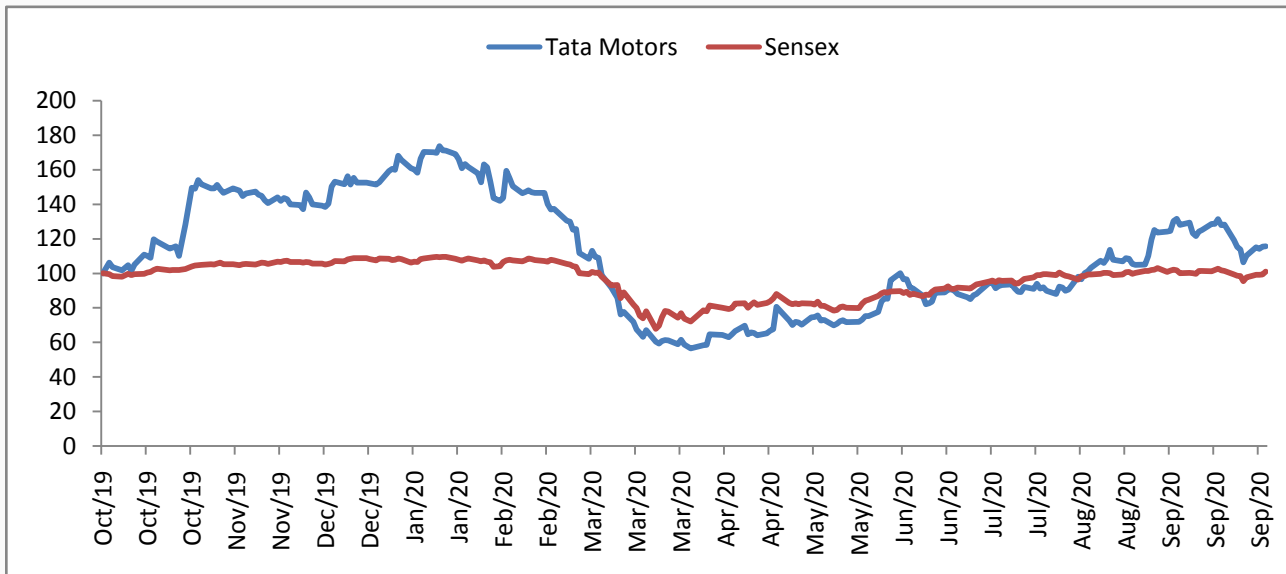




CMP: 137

Stop Loss: 131

Duration: 30 Days



- **We recommend a BUY on Tata Motors with a Target Price of Rs 150, an upside of ~9% from CMP of Rs. 137 and Stop Loss Rs 131.**
- Tata Motors sold 21,199 units of PV in September 2020, registering a massive growth of 163% YoY to finish as the third most sold carmaker in the country ahead of Kia and Mahindra. This growth was primarily driven by strong demand for models like Tiago, Nexon, Harrier, Altroz and Tigor.
- For the Indian PV industry, demand has been better than expected, and Tata Motors has outperformed the industry. We expect the momentum to continue going forward on the back of strong product portfolio. While the Co's CV business seems to have bottomed out, the recovery will be gradual going forward as the economy starts recovering.
- Tata Nexon EV maintains its leadership position in the Electric space and sold 1,151 units in FY21 YTD. It commands over 61% market share of the Passenger EVs sold in India in FY21 and continues its dominance as the best selling EV for FY2021.
- For JLR business, demand recovery is visible across markets in US, UK, EU and China. JLR is seeing additional boost from strong demand for the recently launched Evoque and Defender. This coupled with a strong product pipeline, augurs well for the Company.
- Amidst the COVID outbreak, the Tata Motors management is focused on conserving capital by aggressively scaling back capex spends by over 30%, accelerating its cost saving programs both in India and overseas. This will the Co generate free cash flow at the business level and reduce debt to near-zero level over the next 3 years.


**Axis Alpha Performance Tracker**

Recommendation date	Stock name	Recommendation	Recommended Price	Target	Status	Closure price	Profit/Loss after brokerage
14-05-20	Bajaj Auto Ltd	Sell	2680	2450	Closed	2480	6,963
19-05-20	Jubilant Foodworks Ltd	Sell	1515	1408	Closed	1568	-3,998
20-05-20	Marico Ltd	Buy	317	336	Closed	332	4,232
21-05-20	Kotak Mahindra Bank Ltd	Buy	1173	1280	Closed	1220	3,507
26-05-20	Biocon Ltd	Buy	350	385	Closed	385	9,500
27-05-20	Titan Company Ltd	Sell	885	805	Closed	925	-5,020
27-05-20	Bajaj Finance Ltd	Sell	1798	1636	Closed	1888	-5,506
01-06-20	TVS Motor Company Ltd	Sell	353	310	Closed	370	-5,316
05-06-20	CCL Products India Ltd	Buy	209	225	Closed	225	7,156
08-06-20	State Bank of India	Buy	196	220	Closed	184	-6,622
09-06-20	Dabur India Ltd	Buy	471	504	Closed	455	-3,897
10-06-20	Ashok Leyland Ltd	Sell	52	45	Closed	54	-4,346
15-06-20	Aarti Industries Ltd	Sell	865	804	Closed	895	-3,968
29-06-20	HCL Technologies Ltd	Buy	562	600	Closed	588	4,126
02-07-20	Dixon Technologies (India) Ltd	Buy	5878	6172	Closed	6120	3,617
06-07-20	Cummins India Ltd	Buy	432	470	Closed	410	-5,593
07-07-20	Nocil Ltd	Buy	94	102	Closed	102	8,011
09-07-20	Nocil Ltd	Buy	103	113	Closed	110.2	6,490
15-07-20	INFOSYS LTD	Buy	783	845	Closed	845	7,418
16-07-20	HINDUSTAN UNILEVER LTD	Buy	2253	2386	Closed	2343	3,495
23-07-20	CAN FIN HOMES LTD	Buy	389	424	Closed	365	-6,670
28-07-20	TECH MAHINDRA Ltd	Buy	664	710	Closed	705	5,675
10-08-20	Bata India Ltd	Sell	1240	1116	Closed	1282.2	-3,903
10-08-20	Emami Ltd	Buy	295	325	Closed	325	9,669
11-08-20	KEC INTERNATIONAL	Buy	274	300	Closed	300	8,989
14-08-20	APL APOLLO TUBES Ltd	Buy	2160	2376	Closed	2320	6,907
17-08-20	PAGE INDUSTRIES LTD	Sell	19105	17200	Closed	20100	-5,708
19-08-20	Lux Industries Ltd	Buy	1391	1488	Closed	1342	-4,023
19-08-20	Indusind Bank	Buy	521	585	Closed	546	4,298
25-08-20	DCB Bank	Buy	88	98	Closed	94	6,318
25-08-20	Lupin Ltd	Buy	978	1075	Closed	920	-6,430
25-08-20	Nocil Ltd	Buy	128	141	Closed	138	7,313
01-09-20	Biocon Ltd	Buy	382	420	Closed	420	9,448
14-09-20	HCL Technologies Ltd	Buy	749	795	Closed	800	6,309

Note: Notional investment of Rs 1,00,000; Cumulative Strike rate 58.82%



## About Axis Alpha



### OBJECTIVE:

The objective of Axis Alpha is to generate absolute return for investors and traders. Axis Alpha is fundamental short term stock call based on the events, valuations, market direction or a mix of these. The duration of the call can be as short as a week to as long as a month (30 days). These short term calls are generated by the fundamental research team of Axis securities and the calls can differ from the fundamental long-term recommendation on the stock. The average expected returns for these calls will be 5%. All the calls will be provided with Stop Losses.

### EVENTS BASED:



The calls are based on the following factors. While this is not a complete list of factors but most of the calls will be based on the following:

- Quarterly results: Results are likely to be better or worse than expectations resulting in a +/-5% move for the stock
- Mergers and acquisition: Mergers or acquisitions by companies can result in significant price movements in either directions
- Major blocks or capital raising programs results in significant price movements  
Regulatory announcements affecting the industry
- Competition announcements impacting the industry as a whole. Example Jio cutting tariffs impacts all the telecom players
- Others

### VALUATIONS BASED:



Significant run up or compression can result in short term opportunities for corrections in either direction.

### MARKET MODES:



Risk on or risk off mode of market has impact on stocks depending on stocks beta, leverage and nature of industry. These provide opportunities.

### SUITABILITY:



This product is suitable for seasoned investors and traders as we stop losses get triggered based on market conditions. Also there can be high degree of volatility as some months can be very bad and some could be exceptionally good. However, the endeavour will be to deliver solid absolute returns.


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DEFINITION OF RATINGS	
Ratings	Expected absolute returns over 12-18 months
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<b>HOLD</b>	Between 10% and -10%
<b>SELL</b>	Less than -10%
<b>NOT RATED</b>	We have forward looking estimates for the stock but we refrain from assigning valuation and recommendation
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