

Weekly Market insights & Strategies



10 February 2025

Weekly Market Recap: India & Global

The Indian equity benchmarks, Sensex and Nifty 50, traded cautiously throughout the week amid mixed global cues and the outcome of the RBI policy announcement. On February 7, the Sensex and Nifty closed lower after fluctuating between gains and losses throughout the session. The Sensex closed 197 points lower, down at 77,860, while the Nifty declined 43 points, to settle at 23,559. For the week Sensex witnessed a gain of 2% while the Nifty did not witness any change. As anticipated by the market participants, the Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) has reduced the repo rate by 25 basis points for the first time in nearly five years while maintaining a "neutral" monetary stance. During the week, FIIs remained net sellers, offloading equities worth ₹9,709.01 crores, while DIIs provided support to the markets by purchasing equities worth ₹6,819.85 crores.

The US stock market had a mixed performance throughout the week, influenced by corporate earnings reports and key economic data releases. In the recent trading week, the Dow Jones Industrial Average touched a high of 44,966.63,

while the S&P 500 rose to 6,084.03, and the Nasdaq Composite advanced to 19,793.36.

Oil prices remained unchanged as Trump's renewed pledge to lower crude prices offset the impact of his call for stricter Iranian sanctions.

Asian currencies traded mostly lower against the US dollar in early Friday trade. However, on a year-to-date basis, the Japanese Yen gained nearly 4%, the South Korean Won rose over 2%, while the Thai Baht and Singapore Dollar advanced 1% each.

Gold prices remained steady on Friday near record highs and were on track for their sixth consecutive weekly gain. Spot gold edged up 0.1% to \$2,859.59 per ounce, while US gold futures climbed 0.3% to \$2,884.20.

Indian Equity Market Performance & Key Valuation Ratio

Index	07-02-2025	% Change (WOW)	P/E	P/B	Dividend Yield
Broader Indices					
Nifty	23559.95	0.33%	21.41	3.51	1.41
BSE Sensex	77860.19	0.45%	21.7	4	1.2
BSE Midcap	43050.27	0.39%	34.3	4.39	0.81
BSE Smallcap	50164.22	0.13%	30.06	3.48	0.66
BSE 250 LargeMidCap	10118.25	0.26%	23.24	3.95	1.19
Sectoral Indices					
BSE Fmcg	20050.83	-5.50%	41.63	9.03	1.82
BSE Commodity	7160.1	2.27%	30.36	2.86	1.24
BSE CD	9315.44	-1.36%	39.75	6.69	0.55
BSE Energy	10725.05	0.08%	12.41	1.8	3.92
BSE Financial Services	11186.88	1.54%	15.76	2.6	0.93
BSE Healthcare	43149.88	3.03%	42.4	6.33	0.6
BSE IT	42230.99	1.82%	32.16	8.81	1.78
BSE Auto	52671.66	0.46%	23.58	6	0.84
BSE Bankex	56777.69	0.98%	12.89	2.4	0.9
BSE Metal	28912.98	2.66%	15.34	2.28	3.43
BSE Oil & Gas	24909.45	-0.33%	11.86	1.52	4.31
BSE Power	6264.24	-1.86%	25.17	3.71	1.8
BSE Realty	7155.58	-3.62%	49.96	5.81	0.28

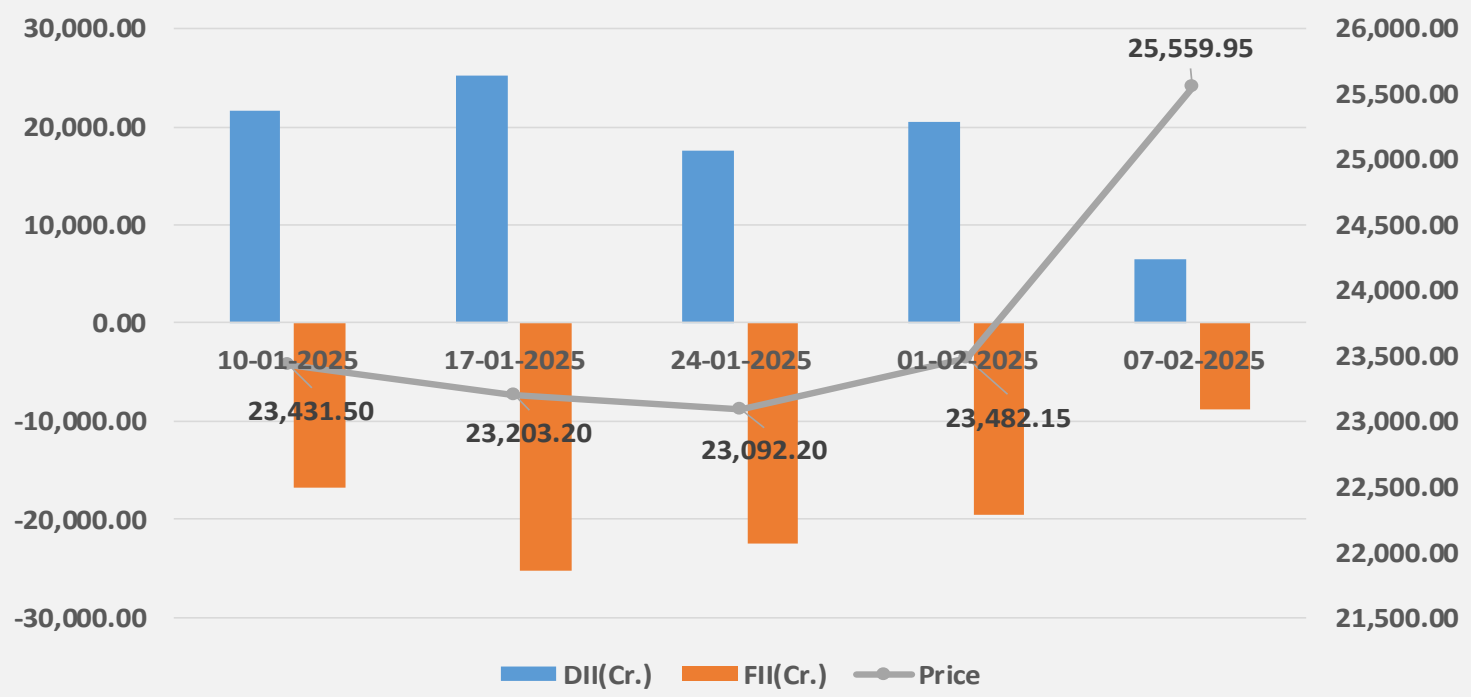
Top Gainers

Symbol	LTP	%Change (WoW)	%Change (MoM)
IndusInd Bank Ltd.	1079.10	1275.00%	1124.00%
Maruti Suzuki India Ltd.	13049.50	875.00%	1101.00%
M&M	3198.45	764.00%	299.00%
Bajaj Finance Ltd.	8474.25	725.00%	1531.00%
Zomato Ltd.	233.90	690.00%	-1169.00%

Top Losers

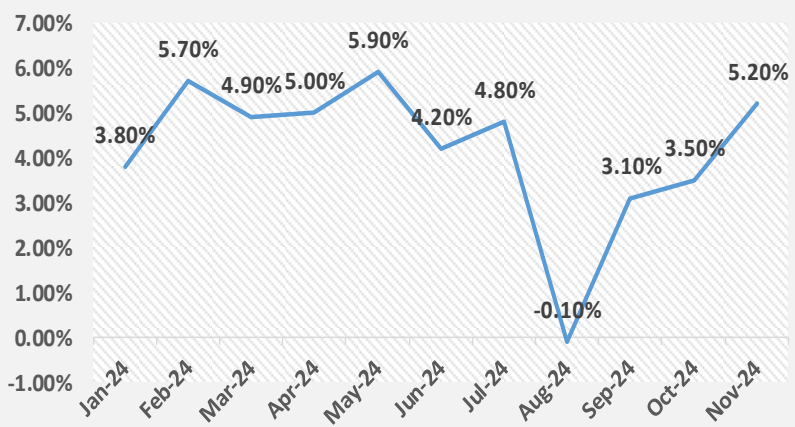
Symbol	LTP	%Change (WoW)	%Change (MoM)
PowerGrid	278.15	-582.00%	-910.00%
State Bank of India	737.20	-333.00%	-505.00%
Larsen & Toubro Ltd.	3336.90	-246.00%	-739.00%
NTPC Ltd.	316.95	-187.00%	-322.00%
Hindustan Unilever Ltd.	2363.85	-186.00%	-52.00%

FII & DII Investment Flow Vs NIFTY50

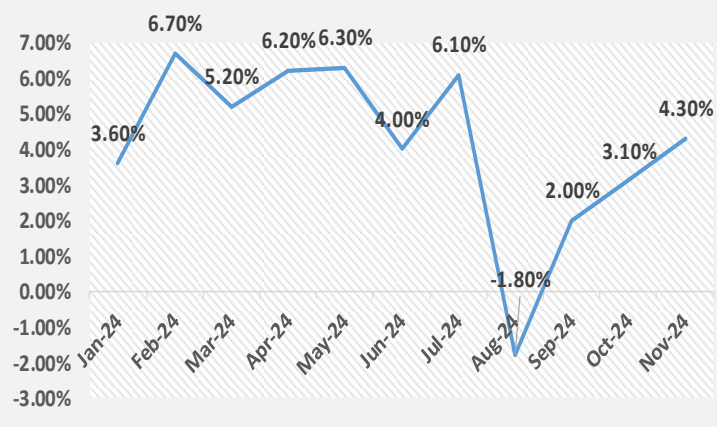


Macro-Economic Performance: India

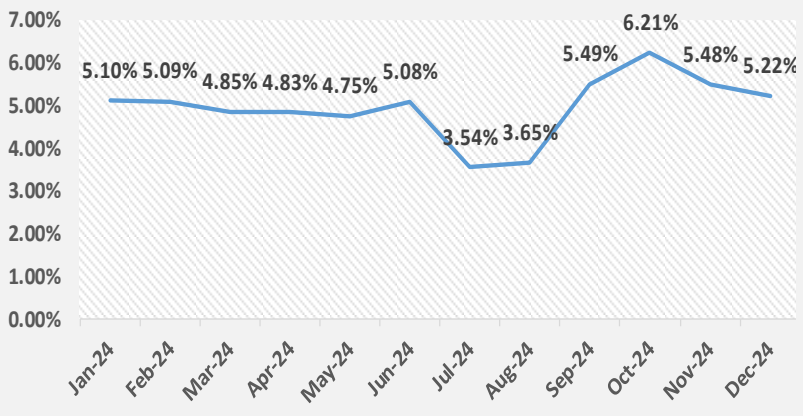
IIP (YoY)



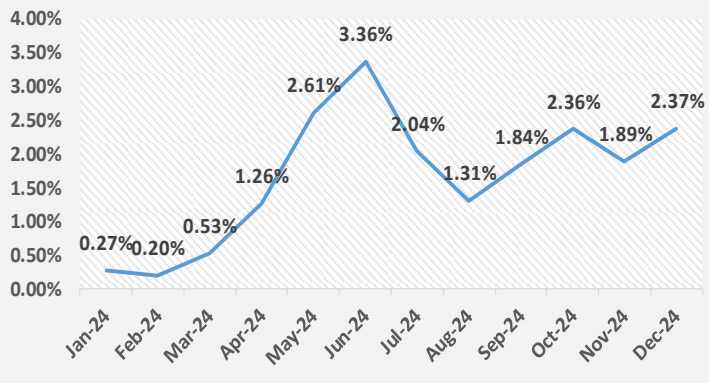
Infrastrucutre Output (YoY)



CPI (YoY)



WPI (YoY)



Market View from Research Desk:

NIFTY (23559.90): The domestic equity benchmark index NIFTY has gained for the second consecutive week as buying interest improved among traders/investors after growth oriented budget 2025 and interest rate cut relief. Technically, the index closed above its key psychological level of 23500 on weekly basis with formation of bullish candle suggesting upward momentum may continue targeting towards 23800/24000 levels. Sustaining above 24050-080 levels can move towards 24225. The support is placed at 23430/23320 levels, followed by 23220-23140 levels. Weekly momentum indicators are signalling upward move. On sectoral indices front, Bank Nifty is likely to remain in consolidation zone with positive bias and breakout of 50485/50650 could take the index at 50990/51055, while the support will be at 49660/49530-340. The metal index has given a breakout from the daily chart which is suggesting upward bias in near term. The NIFTY Pharma index is expected to move up as technically the index has formed bullish candle on weekly chart which is suggesting positive bias. Delhi election results & Q3 earnings, Volatility in global markets would weigh on domestic market sentiments. Keep an eye on IIP data, CPI and WPI data which is scheduled on 12th Feb.

Technical Pick for the Week:

Buy CONCORDBIO (2345.60) Upside Potential: 21.44%



The **small cap pharma company CONCORD BIOTECH LTD** has given a breakout from the symmetrical triangle pattern on weekly chart with steady volumes suggesting beginning of the new bullish trend. The projected target will be coming around 2985 (Upside Potential: 21.44%) based on the breakout chart pattern. On momentum indicator, MACD signalling buying momentum on weekly chart. Additionally, the stock is trading above key moving averages, further confirming the bullish trend. On the support and resistance front, if the stock breaches 2,397, it could rally towards 2,507/2664. If the stock sustains its bullish momentum, it could attract fresh buying interest, leading to further/fresh upside potential. Meanwhile, 2,160/2050 serves as a strong short-term support level, providing a cushion against potential pullbacks. We are positive on CONCORDBIO in short to medium term and can expect a fresh high to be created soon. one is advised to buy and accumulate on dips for medium gains.

Fundamental Pick for the Week:

Indus Towers Ltd

Rating: Buy

Upside Potential: 14.78%

Indus Towers Limited is India's leading provider of passive telecom infrastructure, responsible for deploying, owning, and managing telecom towers and communication structures for various mobile operators. With a portfolio of 2,34,643 telecom towers and 386,819 Co-locations and presence across all 22 telecom circles as of Dec 2024, it stands as one of the largest tower infrastructure providers in the country. Serving all wireless telecommunication service providers in India, the company has been a pioneer in implementing green energy initiatives in its operations. In terms of telecom service providers, private sector (Bharti Airtel, Reliance Jio, Vodafone Idea) accounted for 91.8% of the market share and public sector units (MTNL, BSNL) accounted for the remaining 8.2%.

Investment Rationale

Good Financial Performance

Indus Towers reported a 159.9% YoY surge in net profit to ₹4,003 in

Q3 FY25, driven by strong overdue collections from Vodafone Idea and robust tower additions. Revenue grew 4.8% YoY to ₹7,547 crore, while EBITDA nearly doubled to ₹6,997 crore. The company maintained an average sharing factor of 1.65 per tower, with 132 net lean co-location additions, bringing the total to 11,492.

Strong Operational Performance – Robust tower and tenancy additions driven by a dominant market share. Key installations in challenging locations like Leh, Ladakh, and Arunachal Pradesh.

Regulatory & Industry Updates – Implementation of Right of Way Rules 2024 and Green Energy Open Access policy in 24 states to streamline telecom infrastructure deployment. 5G expansion continues, with 218 million subscribers in India and data consumption rising.

Cost & Sustainability Initiatives – 8% YoY reduction in diesel consumption, increased renewable energy adoption with over 28,000 solar sites, and investment in a 130 MW solar plant. Gender diversity initiatives and CSR efforts recognized with awards.

Financial & Legal Developments – Continued recovery of past dues, strategic network expansion with major customers, and favourable Supreme Court & Delhi High Court rulings on long-pending tax matters.

Future growth of industry - In India, 5G subscriptions are expected to hit approximately 970 million by 2030, accounting for 74% of total mobile subscriptions. This surge will boost the demand for telecom infrastructure.

Key Risk Factors:

- Strict regulatory compliance requirements
- High capital expenditure needed for tower rollouts
- Revenue concentration from a few major clients
- Rising diesel costs impacting operational expenses
- Outstanding trade receivables from previous dues

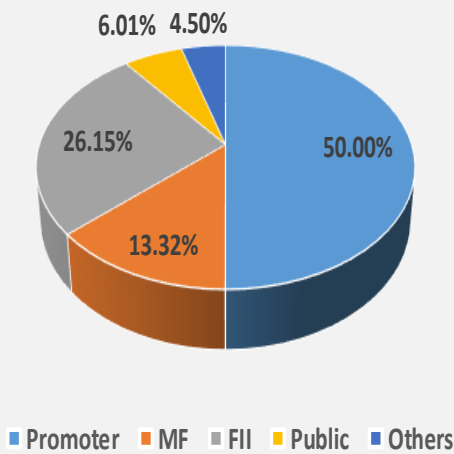
Recommendation	
CMP as on 07th Feb 2025	363.30
Buy & Accumlate	330-340
Target	417
Upside Potential	14.78%
Time Frame	3-6 Months

Key Stock Data	
Nifty/Sensex	23559.95/77860.19
Industry	Telecom Infra
Market cap(Cr)	95633.4
52 Week high/low	460.35/206.35
Shares O/S(Cr)	263.81
Face Value	10
BSE Code	534816
NSE Code	INDUSTOWER
Bloomberg Code	INDUSTOW:IN

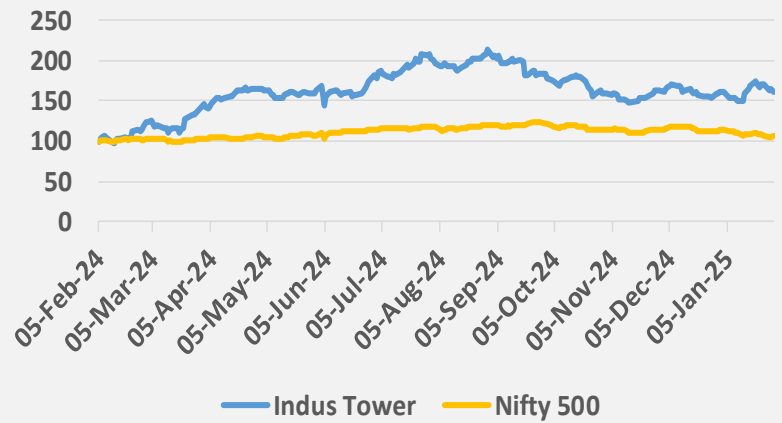
QoQ (Rs. In Cr) :

Particulars	Q3(FY25)	Q3(FY24)	Change(YOY)	Q2(FY25)	Change(QoQ)
Revenue	7,547.40	7,199.00	4.84%	7,465.30	1.10%
EBITDA	6,997.10	3,621.60	93.20%	4,907.10	42.59%
EBITDA Margin	92.71%	50.31%	84.29%	65.73%	41.04%
EBIT	5,389.60	1,988.30	171.07%	3,283.70	64.13%
EBIT Margin	71.41%	27.62%	158.55%	43.99%	62.35%
NP	4,003.20	1,540.50	159.86%	2,223.50	80.04%
NPM	53.04%	21.40%	147.87%	29.78%	78.08%
Annualised EPS	60.70	22.87	165.41%	33.71	80.07%
PE	9.00	16.10	-44.10%	13.72	-34.40%
P/BV	2.78	2.27	22.74%	3.64	-23.63%
EV/EBITDA	4.41	4.74	-6.88%	5.87	-24.84%

Shareholding Pattern



Relative Performance



Source: SSL Research, ACE equity

Outlook and Valuation:

The company reported a 159.9% YoY surge in net profit to ₹4,003 crores in Q3 FY25, driven by strong overdue collections from Vodafone Idea and robust tower additions. With 5G subscriptions in India projected to triple to 970 million by 2030, demand for tower infrastructure is set to rise, positioning Indus Towers for significant growth. The recent acquisition of 16,100 telecom towers from Bharti Airtel and Bharti Hexacom will further expand its portfolio. The stock currently trades at a PE/BV/PEG of 9.39/3.38/0.12, well below the industry average of 36.75/8.19/0.36. With a projected Q4FY25E PE of 10.89, the stock offers a 14.78% upside in the next 3-6 months. we recommend investors to BUY INDUSTOWER with medium term target of ₹417.

Q3FY25 Highlights:

- Total Tower base of 234,643 with closing sharing factor of 1.65
- Consolidated Revenues at Rs. 7,547 Crores, up 4.8% Y-o-Y
- Consolidated EBITDA at Rs. 6,997 Crores, up 93.2% Y-o-Y
- Consolidated Profit after Tax at Rs. 4,003 Crores, up 159.9% Y-o-Y
- Solid quarter with strong tower and colocation additions and substantial collections.

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Devarajan Sadasivam

S. Devarajan

MBA (Finance & Foreign Trade), Ph.D. (Financial Management)

Head of Research & Quant Strategist

Chrisanto Silveria

MBA (Finance)

Research Analyst

Sourabh Mishra

MMS (Finance)

Research Analyst