

Pick of *the week*

Max Financial Services (MAXF)

Recommendation: **Buy**

Target Price: **₹1,225**

Current Price: **₹993.2**

Time Period: **12 Months**

Date: **08th July 2024**



- Max Life fared better than listed peers in FY24, reporting 19% APE growth (-2 to +17% for peers).
- Co. reported a good Q4FY24 with 14% APE growth.
- Unlike most peers, margins expanded qoq to 28.5% reflecting the benefit of higher volumes.
- The overall trajectory remains strong with step-up in the agency business and third-party channels.
- Co. will likely deliver ~20% operating RoEV with 17% VNB CAGR during FY24-27E.
- It remains our preferred pick with a superior growth trajectory and focus on proprietary channel.
- We maintain BUY valuing the co. at Rs1,225.

Note: The above is a brief note on the company, based on the inputs of KIE research report dated 08th May, 2024, which is available on our website at: <https://www.kotaksecurities.com/ksweb/ResearchCall/Fundamental>.

Disclaimer: <http://bit.ly/2n5AxIE>

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