

Pick of *the week*

Home First Finance (HOMEFIRS)

Recommendation: **Buy**

Target Price: **₹1,360**

Current Price: **₹1,023**

Time Period: **12 Months**

Date: **30th December 2024**



- Home First remains consistent on operational and financial parameters.
- Home First (HFFC) reported 24% earnings growth, with 19% net interest income growth in Q2FY25.
- Gross stage-3 ratio was flat qoq at 1.7%, stage-2 ratio declined 6 bps qoq to 1.1%.
- While other asset classes have reported mixed trends residential home loans, as an asset class, continues to stand tall.
- Home First, with 85% home loan exposure, is well-placed on the above.
- We expect the company to deliver 25% earnings CAGR for FY25-27E.
- We remain assertive with a BUY rating and FV of Rs1,360 (no change).

Note: The above is a brief note on the company, based on the inputs of KIE research report dated 25th Oct, 2024, which is available on our website at: <https://www.kotaksecurities.com/ksweb/ResearchCall/Fundamental>.

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