

Pick of *the week*

InterGlobe Aviation

Recommendation: **Buy**

Target Price: ₹5,700

Current Price: ₹4,373

Time Period: **12 Months**

Date: **10th June 2024**



- ✦ CAPA (Centre for Asia Pacific Aviation) suggests a modest 12% growth in aggregate fleet versus our expectations.
- ✦ CAPA suggests another year of large losses for challengers in FY25.
- ✦ Indigo is likely to report healthy profits versus rest of the sector being in red.
- ✦ Aviation Turbine Fuel (ATF) price declined by 7% mom in June to Rs95.
- ✦ We see growing probability of Indigo make new highs on spreads, a key upside risk to our fair value.
- ✦ We increase our PAT (Profit After Tax) estimates by 11-13% for FY26-27.
- ✦ We expect earnings per share of Rs253.4 in FY25E and Rs254 in FY26E.

Note: The above is a brief note on the company, based on the inputs of KIE research report dated 6th June 2024, which is available on our website at: <https://www.kotaksecurities.com/ksweb/ResearchCall/Fundamental>.

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