

## Hindustan Unilever Limited

Aggressive price increase - ALERT

**Neutral**

HLL.BO, HUVR IN

Price: Rs233.55

19 November 2008

- HUL fresh product price revisions have been aggressive and ahead of expectations. Average price increases have been in the region of about 7-8% and they affect about 20% of their product portfolio in value terms. Most of the price increases have been in premium products with the exception of few.
- With these price increases, we see upside potential to our earnings estimates and also for Colgate and Godrej Consumer. HUL remains our preferred play in consumer space.

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### Household Products

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Table 1: Price hikes undertaken by HUL recently

Category	Brand & SKUs along with price hikes
Personal Care	Breeze 50 gm - 20% Pears 75 gm - 9%
Detergents	Surf Excel Blue - 11% Surf Excel QW - 6% Surf Excelmatic - 12% Surf Excel Bar - 15%
Oral Care	Pepsodent - 6% Closeup - 5%
Hair Care	Clinic Plus large packs - 7%
Cosmetics	Lakme Lipstick - 8%

Source: J.P. Morgan.

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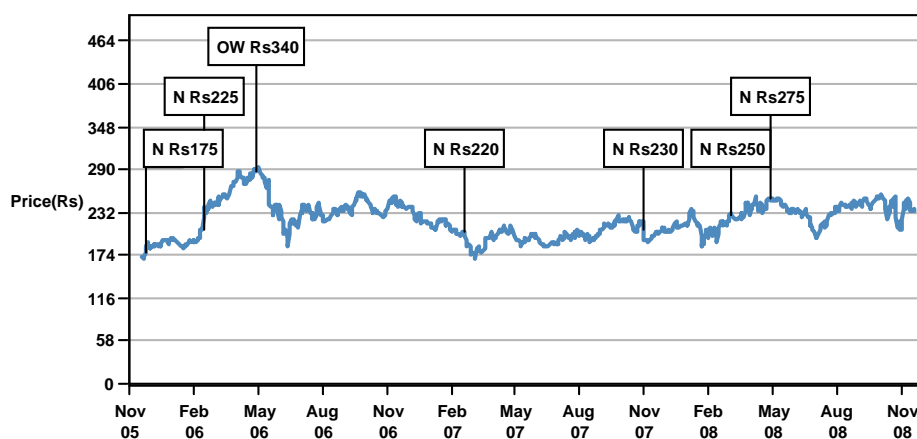
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#### Hindustan Unilever Limited (HLL.BO) Price Chart



Date	Rating	Share Price (Rs)	Price Target (Rs)
25-Nov-05	N	176.75	175.00
14-Feb-06	N	209.45	225.00
01-May-06	OW	287.95	340.00
20-Feb-07	N	205.10	220.00
01-Nov-07	N	207.60	230.00
02-Mar-08	N	227.35	250.00
28-Apr-08	N	249.75	275.00

Source: Reuters and J.P. Morgan; price data adjusted for stock splits and dividends.  
 Break in coverage Mar 03, 2004 - Jun 07, 2004. This chart shows J.P. Morgan's continuing coverage of this stock; the current analyst may or may not have covered it over the entire period.  
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