

May 1, 2019

Q4FY19 Result Update

Change in Estimates | Target | Reco

Change in Estimates

	Current		Previous	
	FY20E	FY21E	FY20E	FY21E
Rating	HOLD		HOLD	
Target Price	1,385		1,291	
NII (Rs. m)	156,007	186,355	156,271	187,033
% Chng.	(0.2)	(0.4)		
Op. Profit (Rs. m)	136,084	162,461	134,939	162,559
% Chng.	0.8	(0.1)		
EPS (Rs.)	41.9	49.9	41.8	50.6
% Chng.	-	(1.3)		

Key Financials

	FY18	FY19	FY20E	FY21E
NII (Rs m)	111,773	129,771	156,007	186,355
Op. Profit (Rs m)	95,315	108,713	136,084	162,461
PAT (Rs m)	56,211	65,175	80,135	95,506
EPS (Rs.)	29.4	34.0	41.9	49.9
Gr. (%)	16.9	15.8	23.0	19.2
DPS (Rs.)	0.6	0.7	0.8	0.9
Yield (%)	0.0	0.1	0.1	0.1
NIM (%)	4.3	4.1	4.2	4.3
RoAE (%)	13.0	12.4	13.3	13.9
RoAA (%)	2.0	1.9	2.0	2.1
P/BV (x)	5.4	4.8	4.2	3.6
P/ABV (x)	5.6	4.9	4.3	3.7
PE (x)	47.2	40.8	33.1	27.8
CAR (%)	17.6	16.9	18.2	17.9

Key Data

KTKM.BO | KMB IN

52-W High / Low	Rs.1,424 / Rs.1,002
Sensex / Nifty	39,032 / 11,748
Market Cap	Rs.2,647bn/ \$ 37,992m
Shares Outstanding	1,909m
3M Avg. Daily Value	Rs.10498.23m

Shareholding Pattern (%)

Promoter's	29.99
Foreign	43.35
Domestic Institution	16.92
Public & Others	9.74
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	3.9	23.9	14.5
Relative	2.9	8.1	2.6

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Steady Quarter

Quick Pointers

- CASA accretion continues strong momentum on both CA & SA which has led to cost of funds decline and improvement in NIMs by 15bps jump QoQ to 4.48%
- Bank's disclosure on life insurance margins has been a surprise with industry leading VNB margin of 36% and EV growth of 25% YoY.

KMB's s' lone earnings of Rs14.1bn (PLe: 14.0bn) were in-line with misses on slightly slower top line but held up on lower provisions on largely stable asset quality. Key discussions in industry has been on liabilities garnering and KMB has showcased continued robustness in CASA growth of 21% (both on EOP & Average basis) versus sluggishness for the industry. On the non-bank business, Insurance has outstood the industry with VNB margins of 37% from ~29% in FY18, APE growth of 21% YoY and EV growth of 25% YoY, while other subs related to capital market continued to be slightly subdued. Bank's performance has been leading improvement in return ratios efficiency and deserves better than peers multiple but constraint has been on other parts of lending business which has been slower especially Kotak Prime (Auto loans). Hence, we retain our HOLD rating with revised TP of Rs1,385 (from Rs1,291) based on 3.2x lending BV and SOTP of Rs441 as we roll over to Mar-21.

- Performance largely in-line:** NII grew by 18% YoY which was slightly slower as loan book growth was curtailed to 21% YoY. Although margins performance was strong as cost of funding saw benefit from strong CASA and better loan mix. Other income growth was slow but fee income grew by ~17.5% YoY, while opex was slightly higher as management attributed expenses on certain retail products origination (translating in higher income). As a result, PPOP growth was at 13% YoY much in-line with estimates.
- Mastering CASA; Loans have been towards high yield segments:** Bank continues become a strong CASA franchise with high CASA mix of 52.5% (on average basis 47.5%) and strong growth of 21% YoY (both on EOP & Avg) has been the unparalleled in the industry. Bank has recently cut savings rate by 50bps in lower end of bucket mainly to deepen savings balances towards higher buckets, this should likely increase relatively increase cost of funding but improve stickiness. **On loans**, growth of 21% YoY was curtailed but loan mix was better and towards high yield segments like personal loan & cards, CV/CE and also home loans & Agri. Bank continued to see muted growth in business banking and curtailed growth in corporate loans.
- Asset quality has been steady; Bank's return ratios improving:** Bank's asset quality ratios were broadly stable with GNPA/NNPAs at 2.14%/0.75% and PCR of ~65% with most of the loan portfolio reporting steady trends. Bank's ROEs continue to improve towards 13%, while other lending business are growing slower especially the Auto loans biz slightly dragging overall ROEs. Also, the capital market businesses also have slower but Insurance sub performance has been surprisingly positive with industry leading margins of 36%, VNB growth of 20% and EV growth of 25%.

Exhibit 1: Q4FY19 Financials – Steady core performance

NII growth beneficiary of advance growth of 21% YoY and NIM improvement of 13bps

Other income was largely supported by 18% YoY growth in fee income

Other opex was up as bank added 112 branches annually which led to expansion in CI by 120bps YoY to 47.1%

Loan growth momentum at 21% YoY, while deposits grew on back of +20% YoY growth in CA & SA.

Margins showed strong upward trend on improvement in pricing power on loans

Asset quality remains steady with PCR hovering around 65%

CASA mix continued to improve on both period end basis. Bank desires to improve the retail deposits to bring down C-D ratio

Standalone (Rs mn)	Q4FY19	Q4FY18	YoY gr. (%)	Q3FY19	QoQ gr. (%)
Interest Income	64,023	53,234	20.3	62,503	2.4
Interest Expense	33,544	27,436	22.3	33,113	1.3
Net interest income (NII)	30,479	25,798	18.1	29,391	3.7
Other income	12,703	11,516	10.3	9,639	31.8
Total income	43,182	37,314	15.7	39,030	10.6
Operating expenses	20,359	17,134	18.8	19,646	3.6
-Staff expenses	8,567	7,664	11.8	8,370	2.4
-Other expenses	11,792	9,470	24.5	11,276	4.6
Operating profit	22,823	20,180	13.1	19,384	17.7
Total provisions	1,713	3,069	(44.2)	(323)	NA
Profit before tax	21,110	17,110	23.4	19,707	7.1
Tax	7,032	5,870	19.8	6,798	3.4
Profit after tax	14,078	11,241	25.2	12,909	9.1
Balance sheet (Rs mn)					
Deposits	22,58,804	19,26,433	17.3	21,38,040	5.6
Advances	20,56,948	16,97,179	21.2	19,64,320	4.7
Ratios (%)	Q4FY19	Q4FY18	YoY gr. (%)	Q3FY19	QoQ gr. (%)
Profitability ratios					
RoaA	1.8	1.7	12	1.8	7
RoaE - Calc	13.4	12.2	117	12.7	61
NIM	4.5	4.4	13	4.3	15
Asset Quality ratios					
Gross NPL	44,679	38,254	16.8	41,287	8.2
Net NPL	15,444	16,651	(7.2)	13,973	10.5
Gross NPL ratio	2.1	2.2	(8)	2.1	7
Net NPL ratio	0.8	1.0	(23)	0.7	4
Coverage ratio	65.4	56.5	896	66.2	(72)
Business & Other Ratios					
Low-cost deposit mix	52.5	50.8	170	50.7	180
Cost-income ratio	47.1	45.9	123	50.3	(319)
Non int. inc / total income	29.4	30.9	(145)	24.7	472
Credit deposit ratio	91.1	88.1	296	91.9	(81)
CAR	17.5	17.6	(10)	17.6	(10)
Tier-I	16.9	18.2	(132)	18.1	(120)

Source: Company, PL

Key Q4FY19 Conference Call highlights

Industry Outlook

- Liquidity management would continue to be the main theme for next 3-6 months. Balance sheet navigation remains to be pertinent over P&L. Banks should rely on internal due diligence along with considering opinions of external fiduciary to assess credit risk.
- Management highlighted post 2011, issues pertaining to real sector impacted financial sector. Currently, financial sector is on important cross road and has to be carefully treaded as to avoid financial sector impacting real sector. Also, it has concerns on residential real estate and land financing segments.

Business Outlook

- Agri portfolio grew 18% YoY led by growth in tractor segment. Bank maintains its calibrated stance on unsecured book (despite 32% YoY growth), however with easing of competition post liquidity squeeze in NBFCs, bank can maintain its robust growth. Bank expects to grow overall loan book by +20% in FY20.
- Bank gained market share in CE/CV segment. Bank expects growth to pick up post elections till Dec'19 after witnessing slowdown in last few months. CV/CE forms 10% of book. Also, business banking has bottomed (de-grew 0.3%YoY to 182bn).
- NBFCs (Fund + non-fund) exposure stands at ~Rs110bn (4% of total exposure v/s 5.1% in FY18). Similarly, bank has reduced exposure in CRE book by 20bps to 1.7%.

Liability Outlook

- Bank focuses on shoring up retail TDs by two-pronged strategy of a) acquiring new customers and b) deepening existing customer relationship. Bank opened 47 branches during the quarter and 112 branches during the year. Consequently, CASA inched up to 53%. Bank believes utilization of new branches would help in maintaining CASA run rate for the bank. Also, bank has lowered interest rate on savings deposit below 0.1mn and maintains 6% rate on above 0.1mn to 10mn deposits, with a purpose of deepening the existing relationships.
- Bank recorded better than industry growth in CA deposits by deploying more people aided by merchant acquisition. Retail TD of below 10mn posted 32% YoY. CASA + Retail TD (<10mn) forms 77% of total deposits. LCR stands at 115%.

Fees/Margins

- Fee income (grew 18% YoY) good despite slowdown in MF business. NIMs improved sequentially 15bps on back of better cost of funds and better loan mix towards higher yielding assets.

Opex

- Cards, MFI, Ecommerce business have seen high capital outflows but are adding to revenue. Bank mentioned about additional expense propping up from consumer durable segment in FY20.

Asset Quality

- Total slippages for the FY19 came at ~Rs20bn (annualized slippage rate of 0.9%). Credit cost is expected to remain constant at 50bps.

Subsidiaries

- Digital continues to be the focus within businesses. Life Insurance – cost efficiency, especially on commissions has helped industry high margins of 36.5% and much stronger VNB and EV growth. Prime – growth in auto loans continues to be sluggish at 0.9% YoY although asset quality remains to be better.

Exhibit 2: Consolidated Loan Book – Mix tilting towards unsecured products

Loan Book (Rs mn)	Q4FY19	Q4FY18	YoY gr. (%)	Q3FY19	QoQ gr. (%)
CV/CE	1,97,060	1,52,020	29.6	1,79,990	9.5
Auto Loans	2,02,970	2,01,150	0.9	2,02,250	0.4
Personal Loans, Small biz	3,31,660	2,51,890	31.7	3,10,930	6.7
Home loans & LAP	4,07,220	3,24,290	25.6	3,83,050	6.3
Corporate	7,20,580	6,04,200	19.3	7,23,550	(0.4)
Biz Banking	1,82,150	1,82,690	(0.3)	1,80,120	1.1
Agriculture	2,69,910	2,29,160	17.8	2,37,420	13.7
Others	1,23,070	1,14,570	7.4	1,10,250	11.6
Total Advances	24,34,620	20,59,970	18.2	23,27,560	4.6

Loan Book mix (%)	Q4FY19	Q4FY18	YoY gr. (%)	Q3FY19	QoQ gr. (%)
CV/CE	8.1	7.4	0.7	7.7	0.4
Auto Loans	8.3	9.8	(1.4)	8.7	(0.4)
Personal Loans, Small Biz	13.6	12.2	1.4	13.4	0.3
Home loans & LAP	16.7	15.7	1.0	16.5	0.3
Corporate	29.6	29.3	0.3	31.1	(1.5)
Biz Banking	7.5	8.9	(1.4)	7.7	(0.3)
Agriculture	11.1	11.1	(0.0)	10.2	0.9
Others	5.1	5.6	(0.5)	4.7	0.3

Source: Company, PL

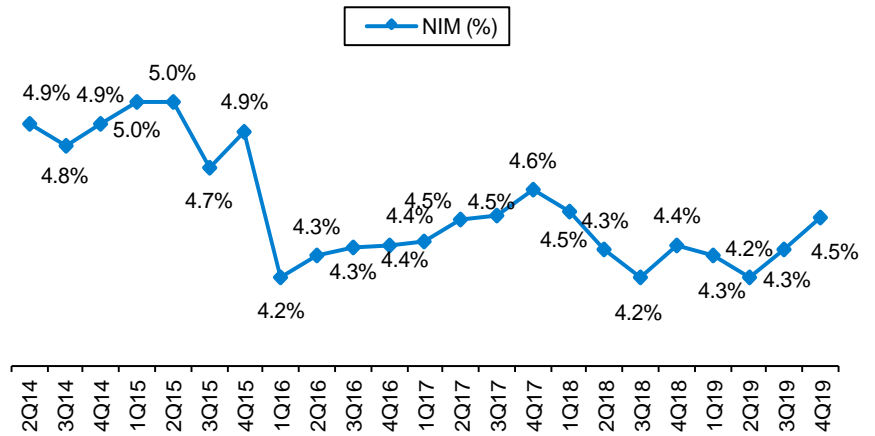
Loan book momentum improved from most retail segments of bank like cards, personal loans and CVs, while auto was slow

Business banking outlook still remains cautious but issues largely behind

Bank also saw strong traction in home loans/LAP with bank traditionally being conservative on lower pricing

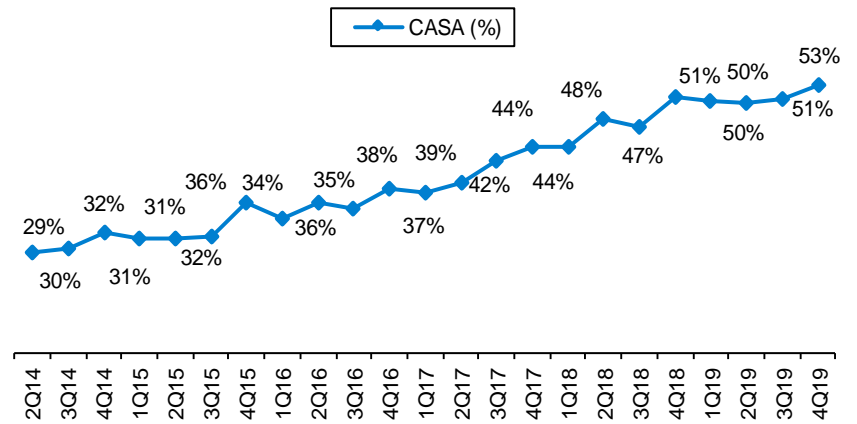
Unsecured mix improving

Exhibit 3: Margins improve improving pricing power and better loan mix



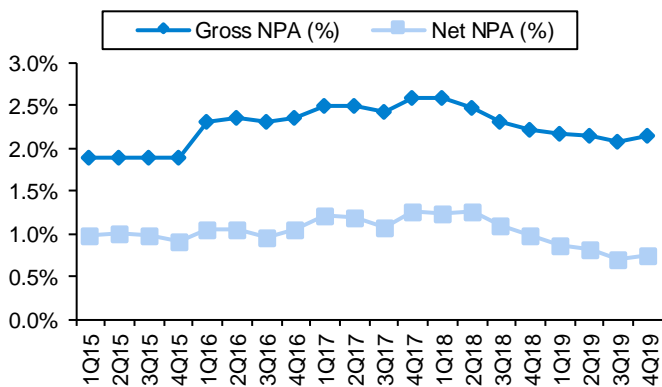
Source: Company, PL

Exhibit 4: CASA mix continues to be at industry high



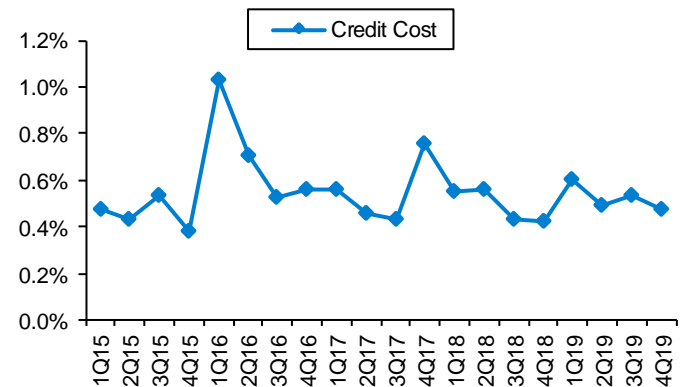
Source: Company, PL

Exhibit 5: Asset quality steady, PCR at 65%



Source: Company, PL

Exhibit 6: Credit cost remained at close to 50bps



Source: Company, PL

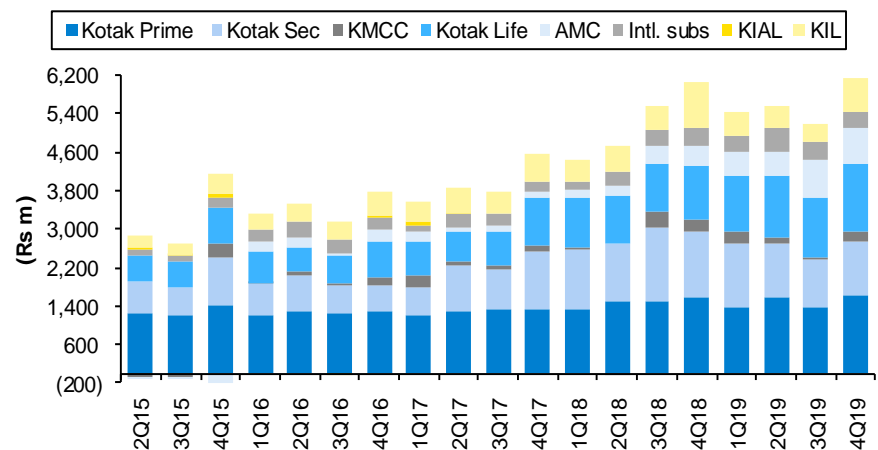
Steady bank performance coupled with robust growth in AMC & Insurance PAT resulted in 14%YoY consolidated growth

Prime continued to report tepid growth, while capital market businesses de-grew

Exhibit 7: Consolidated performance Table

Consol Financials (Rs mn)	Q4FY19	Q4FY18	YoY gr. (%)	Q3FY19	QoQ gr. (%)
Standalone Bank	14,078	11,241	25.2	12,909	9.1
Kotak Prime	1,640	1,600	2.5	1,390	18.0
KMCC	210	250	(16.0)	30	600.0
Kotak Securities	1,110	1,340	(17.2)	990	12.1
International Subs	320	380	(15.8)	370	(13.5)
Kotak AMC	750	390	92.3	760	(1.3)
Kotak Mah. Investments	730	950	(23.2)	400	82.5
Lending business	15,718	12,841	22.4	14,299	9.9
Flow business	3,120	3,310	(5.7)	2,550	22.4
Consol PAT (ex -insurance)	19,000	16,750	13.4	17,190	10.5
Insurance	1,380	1,140	21.1	1,250	10.4
Consolidated PAT	20,380	17,890	13.9	18,440	10.5

Source: Company, PL

Exhibit 8: Financial savings biz doing well, weakness in others


Source: Company, PL

Exhibit 9: Consolidated ROEs – Return ratios improvement from margins, stable cost metrics and lower provisioning

Du-pont Analysis	FY14	FY15	FY16	FY17	FY18	FY19	FY20E	FY21E
Net Interest Income	4.50%	4.54%	4.84%	4.34%	4.26%	4.08%	4.19%	4.27%
Fees	2.01%	2.49%	2.29%	2.15%	2.36%	2.19%	2.29%	2.25%
Investment profits	0.20%	0.31%	0.17%	0.25%	0.16%	0.12%	0.11%	0.10%
Net revenues	6.70%	7.35%	7.30%	6.74%	6.78%	6.40%	6.59%	6.62%
Operating Expense	-3.25%	-3.68%	-3.95%	-3.19%	-3.14%	-2.98%	-2.94%	-2.90%
Provisions	-0.30%	-0.16%	-0.57%	-0.40%	-0.37%	-0.32%	-0.36%	-0.38%
Taxes	-1.06%	-1.20%	-0.92%	-1.05%	-1.12%	-1.05%	-1.14%	-1.16%
Total Costs	-4.61%	-5.04%	-5.44%	-4.64%	-4.64%	-4.35%	-4.44%	-4.43%
ROA	2.09%	2.31%	1.86%	2.10%	2.14%	2.05%	2.15%	2.19%
Equity/Assets	15.35%	16.50%	15.72%	15.68%	16.36%	16.36%	15.94%	15.61%
ROE	13.6%	14.0%	11.8%	13.4%	13.1%	12.5%	13.5%	14.0%

Source: Company, PL

Exhibit 10: Change in estimates table

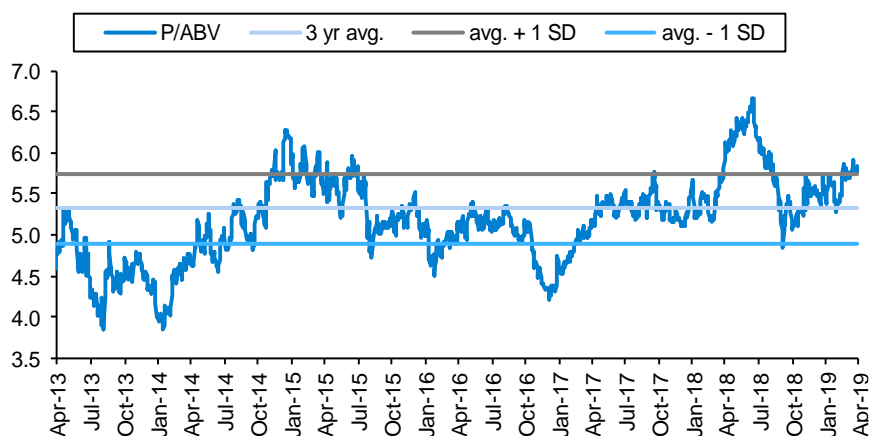
(Rs mn)	Old		Revised		%Change	
	FY20E	FY21E	FY20E	FY21E	FY20E	FY21E
Net interest income	1,56,271	1,87,033	1,56,007	1,86,355	(0.2)	(0.4)
Operating profit	1,34,939	1,62,559	1,36,084	1,62,461	0.8	(0.1)
Net profit	79,743	96,356	79,884	95,243	0.2	(1.2)
EPS (Rs)	41.8	50.6	41.9	49.9	0.0	(1.3)
ABVPS (Rs)	323.4	375.0	324.6	375.8	0.4	0.2
Price target (Rs)	1,291		1385		7.3	
Recommendation	HOLD		HOLD			

Source: Company, PL

Exhibit 11: We change TP to Rs1,385 (from 1,291) based on Mar-21 SOTP (rolled over from Sep-20)

	Value (Rs m)	Per Share (Rs)	Valuation Basis
Lending biz valuation	19,89,076	1,042	3.2x Mar-21 Book
Kotak Securities	1,63,038	85	17x Mar-21 Earnings
Asset Management	1,36,302	71	7% of AUMs
KMCC	13,026	7	17x Mar-21 Earnings
International subsidiaries	25,725	13	2.3x Mar-21 Book
Others	65,238	34	15x Mar-21 Earnings
Insurance	2,52,157	132	2.4x EV & 22x NB on Mar-21
Total Subsidiary Valuation	6,55,486	343	
Mar-21 based PT		1,385	

Source: Company, PL

Exhibit 12: KMB Standalone – one year forward P/ABV trend


Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY18	FY19	FY20E	FY21E
Int. Earned from Adv.	188,695	229,704	274,705	332,168
Int. Earned from invt.	39,330	48,728	52,269	55,438
Others	10,875	6,992	7,997	9,433
Total Interest Income	238,901	285,424	334,972	397,039
Interest Expenses	127,128	155,652	178,965	210,685
Net Interest Income	111,773	129,771	156,007	186,355
<i>Growth(%)</i>	<i>19.1</i>	<i>14.4</i>	<i>20.7</i>	<i>17.7</i>
Non Interest Income	66,045	73,666	89,532	102,714
Net Total Income	177,818	203,437	245,539	289,068
<i>Growth(%)</i>	<i>14.4</i>	<i>17.8</i>	<i>18.2</i>	<i>17.7</i>
Employee Expenses	35,792	38,776	42,285	46,828
Other Expenses	46,711	55,948	67,170	79,779
Operating Expenses	82,503	94,724	109,455	126,607
Operating Profit	95,315	108,713	136,084	162,461
<i>Growth(%)</i>	<i>21.0</i>	<i>14.1</i>	<i>25.2</i>	<i>19.4</i>
NPA Provision	7,753	10,415	13,621	16,500
Total Provisions	9,778	10,054	13,512	16,402
PBT	85,537	98,659	122,572	146,059
Tax Provision	29,327	33,484	42,437	50,553
<i>Effective tax rate (%)</i>	<i>34.3</i>	<i>33.9</i>	<i>34.6</i>	<i>34.6</i>
PAT	55,983	64,936	79,884	95,243
<i>Growth(%)</i>	<i>21.0</i>	<i>16.0</i>	<i>23.0</i>	<i>19.2</i>

Balance Sheet (Rs. m)

Y/e Mar	FY18	FY19	FY20E	FY21E
Face value	5	5	5	5
No. of equity shares	1,906	1,909	1,909	1,909
Equity	9,528	9,544	9,544	9,544
Networth	492,244	559,984	640,818	737,046
<i>Growth(%)</i>	<i>31.0</i>	<i>13.8</i>	<i>14.4</i>	<i>15.0</i>
Adj. Networth to NNPA's	17,679	16,542	14,413	12,106
Deposits	1,926,433	2,258,800	2,665,388	3,158,485
<i>Growth(%)</i>	<i>22.4</i>	<i>17.3</i>	<i>18.0</i>	<i>18.5</i>
CASA Deposits	977,750	1,185,860	1,391,319	1,651,871
<i>% of total deposits</i>	<i>50.8</i>	<i>52.5</i>	<i>52.2</i>	<i>52.3</i>
Total Liabilities	3,122,003	3,632,890	4,226,484	4,938,924
Net Advances	2,105,572	2,489,990	2,985,222	3,594,593
<i>Growth(%)</i>	<i>23.6</i>	<i>18.3</i>	<i>19.9</i>	<i>20.4</i>
Investments	687,867	755,982	814,449	852,821
Total Assets	3,122,003	3,637,894	4,231,484	4,943,924
<i>Growth (%)</i>	<i>22.7</i>	<i>16.5</i>	<i>16.3</i>	<i>16.8</i>

Asset Quality

Y/e Mar	FY18	FY19	FY20E	FY21E
Gross NPAs (Rs m)	40,668	47,335	48,044	50,315
Net NPAs (Rs m)	17,679	16,542	14,413	12,106
<i>Gr. NPAs to Gross Adv.(%)</i>	<i>1.9</i>	<i>1.9</i>	<i>1.6</i>	<i>1.4</i>
<i>Net NPAs to Net Adv. (%)</i>	<i>0.8</i>	<i>0.7</i>	<i>0.5</i>	<i>0.3</i>
<i>NPA Coverage %</i>	<i>56.5</i>	<i>65.1</i>	<i>70.0</i>	<i>75.9</i>

Profitability (%)

Y/e Mar	FY18	FY19	FY20E	FY21E
NIM	4.3	4.1	4.2	4.3
RoAA	2.0	1.9	2.0	2.1
RoAE	13.0	12.4	13.3	13.9
Tier I	17.6	16.9	18.2	17.9
CRAR	17.6	16.9	18.2	17.9

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q1FY19	Q2FY19	Q3FY19	Q4FY19
Interest Income	54,797	58,109	62,503	64,023
Interest Expenses	28,968	31,218	33,113	33,544
Net Interest Income	25,829	26,891	29,391	30,479
<i>YoY growth (%)</i>	<i>20.2</i>	<i>27.6</i>	<i>26.6</i>	<i>22.3</i>
CEB	9,890	10,190	10,380	11,870
Treasury	-	-	-	-
Non Interest Income	11,646	12,053	9,639	12,703
Total Income	66,443	70,162	72,142	76,726
Employee Expenses	7,204	7,452	8,370	8,567
Other expenses	9,945	10,542	11,276	11,792
Operating Expenses	17,150	17,994	19,646	20,359
Operating Profit	20,325	20,950	19,384	22,823
<i>YoY growth (%)</i>	<i>27.4</i>	<i>21.5</i>	<i>6.5</i>	<i>13.1</i>
Core Operating Profits	20,325	20,950	19,384	22,823
NPA Provision	2,600	2,213	2,550	2,397
Others Provisions	4,696	3,538	(323)	1,713
Total Provisions	4,696	3,538	(323)	1,713
Profit Before Tax	15,629	17,412	19,707	21,110
Tax	5,380	5,995	6,798	7,032
PAT	10,249	11,417	12,909	14,078
<i>YoY growth (%)</i>	<i>12.3</i>	<i>14.8</i>	<i>22.6</i>	<i>25.2</i>
Deposits	1,897,440	2,058,298	2,138,040	2,258,804
<i>YoY growth (%)</i>	<i>16.0</i>	<i>24.2</i>	<i>18.2</i>	<i>17.3</i>
Advances	1,769,270	1,849,403	1,964,320	2,056,948
<i>YoY growth (%)</i>	<i>24.3</i>	<i>21.2</i>	<i>23.5</i>	<i>21.2</i>

Key Ratios

Y/e Mar	FY18	FY19	FY20E	FY21E
CMP (Rs)	1,387	1,387	1,387	1,387
EPS (Rs)	29.4	34.0	41.9	49.9
Book Value (Rs)	256	290	332	382
Adj. BV (70%)(Rs)	246	282	325	376
P/E (x)	47.2	40.8	33.1	27.8
P/BV (x)	5.4	4.8	4.2	3.6
P/ABV (x)	5.6	4.9	4.3	3.7
DPS (Rs)	0.6	0.7	0.8	0.9
<i>Dividend Payout Ratio (%)</i>	<i>2.0</i>	<i>2.1</i>	<i>1.9</i>	<i>1.8</i>
<i>Dividend Yield (%)</i>	<i>0.0</i>	<i>0.1</i>	<i>0.1</i>	<i>0.1</i>

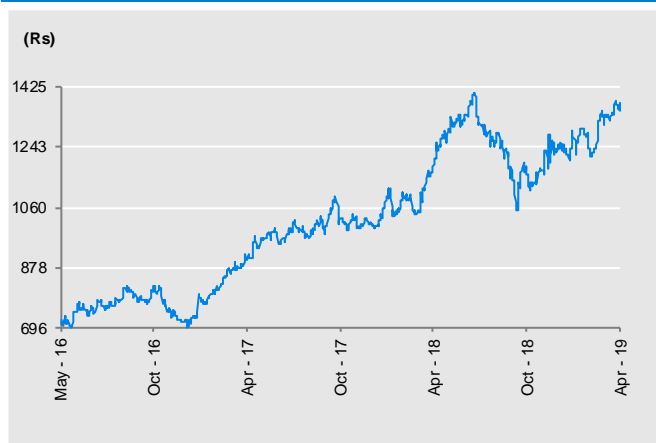
Efficiency

Y/e Mar	FY18	FY19	FY20E	FY21E
<i>Cost-Income Ratio (%)</i>	<i>46.4</i>	<i>46.6</i>	<i>44.6</i>	<i>43.8</i>
<i>C-D Ratio (%)</i>	<i>109.3</i>	<i>110.2</i>	<i>112.0</i>	<i>113.8</i>
Business per Emp. (Rs m)	83	89	96	105
Profit per Emp. (Rs lacs)	12	12	14	15
Business per Branch (Rs m)	2,880	3,392	4,036	4,824
Profit per Branch (Rs m)	40	47	57	68

Du-Pont

Y/e Mar	FY18	FY19	FY20E	FY21E
NII	4.26	4.08	4.19	4.27
Total Income	6.78	6.40	6.59	6.62
Operating Expenses	3.14	2.98	2.94	2.90
PPoP	3.63	3.42	3.65	3.72
Total provisions	0.37	0.32	0.36	0.38
RoAA	2.14	2.05	2.15	2.19
RoAE	13.10	12.52	13.49	14.01

Source: Company Data, PL Research

Price Chart
Recommendation History


No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	10-Jul-18	Accumulate	1,239	1,369
2	20-Jul-18	Hold	1,398	1,347
3	5-Oct-18	Hold	1,398	1,075
4	24-Oct-18	Hold	1,291	1,177
5	7-Jan-19	Hold	1,291	1,247
6	21-Jan-19	Hold	1,291	1,268
7	5-Apr-19	Hold	1,291	1,336

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Axis Bank	Accumulate	837	741
2	Bank of Baroda	BUY	161	114
3	Bank of India	Reduce	89	106
4	Federal Bank	BUY	102	99
5	HDFC Bank	BUY	2,700	2,293
6	HDFC Standard Life Insurance Company	BUY	465	399
7	ICICI Bank	BUY	427	391
8	ICICI Prudential Life Insurance Company	BUY	511	368
9	IDFC First Bank	BUY	57	43
10	IndusInd Bank	BUY	1,791	1,768
11	Jammu & Kashmir Bank	BUY	76	59
12	Kotak Mahindra Bank	Hold	1,291	1,336
13	Max Financial Services	BUY	629	439
14	Punjab National Bank	Hold	83	73
15	SBI Life Insurance Company	BUY	779	612
16	South Indian Bank	BUY	361	317
17	State Bank of India	BUY	361	284
18	Union Bank of India	Reduce	79	93
19	YES Bank	Reduce	190	238

PL's Recommendation Nomenclature (Absolute Performance)

Buy	: > 15%
Accumulate	: 5% to 15%
Hold	: +5% to -5%
Reduce	: -5% to -15%
Sell	: < -15%
Not Rated (NR)	: No specific call on the stock
Under Review (UR)	: Rating likely to change shortly

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