

HDFC Bank (HDFCB IN)

Rating: BUY | CMP: Rs1,278 | TP: Rs1,406

January 18, 2020

Q3FY20 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY21E	FY22E	FY21E	FY22E
Rating	BUY		BUY	
Target Price	1,406		1,406	
NII (Rs. m)	667,993	799,420	682,544	815,139
% Chng.	(2.1)	(1.9)		
Op. Profit (Rs. m)	572,182	682,183	573,705	683,156
% Chng.	(0.3)	(0.1)		
EPS (Rs.)	61.8	74.5	61.2	73.7
% Chng.	0.8	1.0		

Key Financials - Standalone

Y/e Mar	FY19	FY20E	FY21E	FY22E
NII (Rs bn)	482	559	668	799
Op. Profit (Rs bn)	397	482	572	682
PAT (Rs bn)	211	268	336	406
EPS (Rs.)	39.6	49.2	61.8	74.5
Gr. (%)	16.9	24.1	25.5	20.6
DPS (Rs.)	6.2	9.5	9.5	11.0
Yield (%)	0.5	0.7	0.7	0.9
NIM (%)	4.4	4.3	4.3	4.3
RoAE (%)	16.5	16.8	18.3	19.0
RoAA (%)	1.8	2.0	2.1	2.1
P/BV (x)	4.7	4.1	3.5	3.0
P/ABV (x)	4.9	4.3	3.7	3.1
PE (x)	32.3	26.0	20.7	17.2
CAR (%)	17.1	16.7	16.1	15.7

Key Data

HDBK.BO | HDFCB IN

52-W High / Low	Rs.1,306 / Rs.1,009
Sensex / Nifty	41,945 / 12,352
Market Cap	Rs.6,999bn/ \$ 98,518m
Shares Outstanding	5,477m
3M Avg. Daily Value	Rs.14322.23m

Shareholding Pattern (%)

Promoter's	26.18
Foreign	38.36
Domestic Institution	24.09
Public & Others	11.37
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	0.5	6.8	20.1
Relative	(0.9)	(0.1)	4.2

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Slow macros impacts core performance

Quick Pointers

- Slow NII growth of 13% YoY on maintaining high liquidity & low yielding assets
- Strong other income (treasury/recovery) helped PPOP but bank made higher provisions of Rs7.0bn on couple of corporate account slippages

HDFCB reported strong PAT of Rs74.2bn (in-line with PLe: Rs73.8bn) on back of strong other income (led by fees/treasury/recovery) and full benefit of tax rate, although bank has been using the benefit for higher contingency provisions (Rs7.0bn addl) for agri slippages and this quarter for fully provide for couple of corporate account slippages. This has also led to slight deterioration in asset quality. Important highlight of quarter was slowing NII growth rate which came at 13% YoY mainly on excessive liquidity carried on b/s and slower growth in high yielding loan segments. We expect this phenomenon should continue for another quarter and thereafter see better prospects as macroeconomics improve especially in semi-urban & rural areas, while bank benefitting from strong positioning maintained on liabilities. We retain BUY with TP of Rs1,406 (unchanged) based on 3.7x Sep-21 ABV.

- **Slower NII, other income helps PPOP:** NII growth came in at 13% YoY as overall higher yielding loan throughput has been slower and excess liquidity on b/s (increased to 7-8% of NDTL from 5%) and as a result NIMs have remained intact at 4.2%, but bank has not got any benefit from lowering cost of funds. Overall PPOP grew by 20% YoY as treasury gains booked were quite good, excl. the treasury core PPOP grew also was strong at 19% YoY on strong fees of 24% YoY (led from TPP, payment products) and one-off recovery from w.off NCLT a/c of Rs2.0bn.
- **Loan growth picture slowing in retail:** Overall retail loan growth continues to slow with growth at 14% as Auto/CVs/2W have been slow and smaller segments like gold loans, agri loans & LAS have been also slow. Growth in retail has been held up from unsecured lending but growth rate there also has been coming off. Overall loan growth was led from wholesale book growing 27% YoY mainly to PSBs/NBFCs and specific sectors. Loan growth improvement highly depends upon semi-urban & rural recovery.
- **Strong liabilities positioning:** Deposit growth of 25% YoY with CASA growth 21% YoY was quite strong but leading to higher liquidity position & not helping benefit of lower cost of funds. Although, bank has put itself in strong position if the macro-economic position improves helping NIM recovery.
- **Agri story continues; one off slippage from corporate:** Normalized slippages continued to be with trends, but with alternate quarter agri slippages continue to come in, while this quarter Rs5-6bn came from corporate as well. On back of the same, bank provided additional Rs7.0bn largely to these slippages which in our view covers 80-90% coverage. Overall PCR was down to 67% but bank holds strong Rs14.5bn each floating & contingency provisions, leading to strong balance sheet position.

Exhibit 1: Slower NII but better other income helps PPOP beat

(Rs m)	Q3FY20	Q3FY19	YoY gr. (%)	Q2FY20	QoQ gr. (%)
Interest income	293,697	258,903	13.4	281,663	4.3
Interest Expended	151,968	133,135	14.1	146,512	3.7
Net interest income (NII)	141,729	125,768	12.7	135,150	4.9
- Treasury income	6,765	4,740	42.7	4,807	40.7
Other income	66,693	49,210	35.5	55,887	19.3
Total income	208,422	174,978	19.1	191,038	9.1
Operating expenses	78,968	67,193	17.5	74,057	6.6
-Staff expenses	24,550	19,676	24.8	23,551	4.2
-Other expenses	54,418	47,517	14.5	50,506	7.7
Operating profit	129,454	107,784	20.1	116,981	10.7
Core operating profit	122,689	103,044	19.1	112,174	9.4
Total provisions	30,436	22,115	37.6	27,007	12.7
Profit before tax	99,019	85,669	15.6	89,974	10.1
Tax	24,854	29,810	(16.6)	26,524	(6.3)
Profit after tax	74,165	55,859	32.8	63,450	16.9
Balance sheet (Rs m)					
Deposits	10,674,335	8,525,019	25.2	10,216,149	4.5
Advances	9,360,295	7,809,512	19.9	8,969,838	4.4
Profitability ratios					
YoA - Calc	10.2	10.6	(38)	10.4	(21)
CoF - Calc	5.3	5.5	(16)	5.4	(10)
NIM - Rep	4.2	4.3	(10)	4.2	-
RoaA	2.2	1.9	27	2.0	22
RoaE	18.6	15.9	263	16.3	228
Asset Quality					
Gross NPL (Rs mn)	134,273	109,029	23.2	125,082	7.3
Net NPL (Rs mn)	44,684	33,015	35.3	37,910	17.9
Gross NPL ratio	1.4	1.4	4	1.4	4
Net NPL ratio	0.5	0.4	6	0.4	6
Coverage ratio - Calc	66.7	69.7	(300)	69.7	(297)
Business & Other Ratios					
Low-cost deposit mix	39.5	40.7	(120)	39.3	20
Cost-income ratio	37.9	38.4	(51)	38.8	(88)
Non int. inc / total income	32.0	28.1	388	29.3	274
Credit deposit ratio	87.7	91.6	(392)	87.8	(11)
CAR	18.5	17.3	120	17.5	100
Tier-I	17.1	15.8	130	16.2	90

Source: Company, PL

NII growth was slower at 13% YoY on back of higher accretion in term deposits

Other income growth comes strong at 36% YoY supported by steady fees, treasury and one-off recoveries

With steady opex and strong other income, bank's C/I came down to 37.9%

Higher provisions made on back of a Rs 7bn corporate acc. related one-off item

Overall Advances saw decent growth despite slowdown in retail and weak macros

NIMs has remained steady at 4.2% not getting benefit of lowering cost of funds as maintaining excess liquidity

Asset quality declined on higher slippages led by Agri and Corporate and lower PCR (down by 300bps YoY)

CASA growth was decent at 21% YoY supported by strong SA growth

Key Q3FY20 Concall Highlights

Business outlook & growth

- **Assets** – Overall growth in retail book has been selective and healthy with advances ex-vehicle growing at 23% YoY. For the Wholesale book, there has been credit pickup in Punjab, Southern India, Eastern India while Gujarat remains soft though it is expected to improve. **Biz banking** saw increase in demands while there was a drop in ODs on account of GST. **Corporate book** saw broad-based growth across the public sector and across sectors like material, energy, power, agri etc. as working capital cycles were normal for clients with overall capex having increased. **Retail book** growth slowdown has continued fueled by flattish growth in the vehicle book.
- **Liabilities** – Granular deposits continues to remain as a core strategy though Term deposit accretion continues. Added new 4.9mn liability clients which is 50% growth from last year.

Fees/Margins/Opex

- Fee income has been driven by TPD of insurance (though volume was in mid-teens, improved yields helped). Core Fee income mix is 30-35% is payments products, 30-35% TPD, 15-20% Liabilities product and 15-20% Wholesale. Bank has upped internal core fee growth target from 13-15% to 15-17%.
- Bank benefitted from additional Rs2.0bn from NCLT recover & dividend income.
- Bank has maintained a liquidity coverage ratio higher than the mandatory levels at 140% in turn impacting NII & NIMs by 10-20bps. Overall yields for corporate banking has come down in the market place, although lowered cost of funding has helped to retain NIMs intact for corporate banking.
- Higher employee costs and overall operating expenses were on account of aggressive hiring on continued business and branch expansion and the festive treats program.

Asset quality

- Core slippages at Rs38.4bn and additional one-off slippages in Agri at Rs 9-10bn and corporate slippages of Rs 5-6bn, adding to Rs15.0bn. Bank made Rs7.0bn additional one-off provisions for corporate slippage and accelerated in some a/c & agri.
- **Retail loans asset quality comments** - Unsecured exposure is holding up well like personal loans which are salaried segment in the PSBs, Govt & high rated corporates, hence has been good. Credit cards also holding up. Secured retail exposure for Auto is holding up well, but the commercial side of secured loans especially the commercial vehicle & construction equipment has seen steady deterioration and will continue to be a concern. Previous filters applied in retail is helping to measure the current book.
- While the SMA-2 has been at steady levels for the bank and lower than its peers, the Bank has set aside Rs14.6bn of contingency provisions.

Others:

- **Capital** - CET -I improved to 16.2% from 15.3% sequentially as RWA to asset improved to 68% v/s 73% last quarter on multiple accounts (i) Improvement of credit rating for certain corporates (ii) lower market risk on better assessment & reducing equity MFs & increasing debt which has lower risk weight and (iii) mix of assets like lending to PSBs
- **Subs performance:** HDB's loan growth slowed to 15% YoY to Rs 591.8bn, though NII growth came in at 29% YoY and PAT grew at 16.5% YoY owing to higher provisioning with stage 3 assets standing at 3% (deterioration in asset quality coming from CV/CE). HDB's Tier-I was stood at 13.5% which is very near to the regulatory requirements.

Exhibit 2: Retail slow as secured loan segments grow slow

Loan Composition (Rs mn)	Q3FY20	Q3FY19	YoY gr. (%)	Q2FY20	QoQ gr. (%)
Car Loans	835,520	830,120	0.7	807,840	3.4
CV loans	281,240	271,660	3.5	284,900	(1.3)
2 wheeler loans	101,490	100,950	0.5	98,510	3.0
Sub-total - Auto Loans	1,218,250	1,202,730	1.3	1,191,250	2.3
Personal loans	1,095,310	888,030	23.3	1,020,800	7.3
Business banking	632,550	557,060	13.6	626,890	0.9
Loan against shares	18,120	17,880	1.3	18,280	(0.9)
Credit Cards	576,780	448,390	28.6	520,430	10.8
Home loans	617,290	517,860	19.2	600,170	2.9
Gold Loans	53,180	51,610	3.0	53,200	(0.0)
Other Retail	200,110	174,070	15.0	184,460	8.5
Retail Loans	4,411,590	3,857,630	14.4	4,215,480	4.7
Non Retail Loans	4,948,705	3,951,882	25.2	4,754,358	4.1
Total Advances	9,360,295	7,809,512	19.9	8,969,838	4.4
Loan Mix					
Vehicle Loans	13.0%	15.4%	(239)	13.3%	27
Unsecured Loans	17.9%	17.1%	75	17.2%	68
Retail Loans	47.1%	49.4%	(227)	47.0%	13
Non Retail Loans	52.9%	50.6%	227	53.0%	(13)

Source: Company, PL

Exhibit 3: Loan book composition as per internal classification

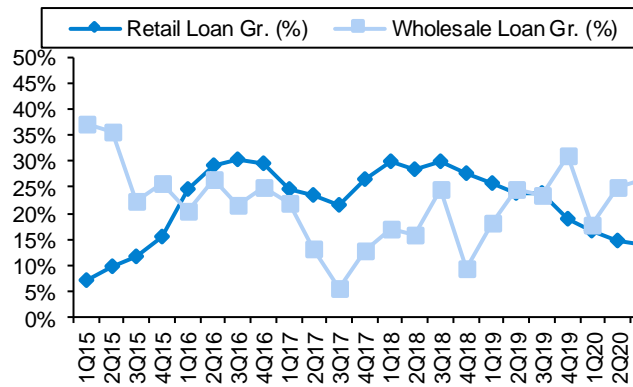
Loan Composition (Rs m)	Q3FY20	Q3FY19	YoY gr. (%)	Q2FY20	QoQ gr. (%)
Car Loans	922,050	930,230	(0.9)	907,480	1.6
CV loans	547,710	528,800	3.6	542,720	0.9
2 wheeler loans	112,550	113,690	(1.0)	112,320	0.2
Sub-total - Auto Loans	1,582,310	1,572,720	0.6	1,562,520	1.3
Personal loans	1,101,740	895,500	23.0	1,028,610	7.1
Business banking	1,425,990	1,204,290	18.4	1,365,780	4.4
Loan against shares	32,080	34,550	(7.1)	32,520	(1.4)
Credit Cards	576,780	448,390	28.6	520,430	10.8
Home loans	617,410	517,990	19.2	600,290	2.9
Gold loans	61,190	57,600	6.2	60,860	0.5
Other Retail	268,120	224,030	19.7	228,240	17.5
Retail Total	5,665,620	4,955,070	14.3	5,399,250	4.9

Source: Company, PL

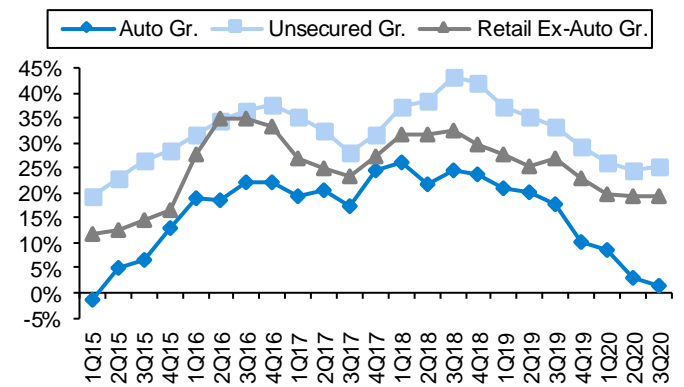
Flattish growth in vehicle loans has affected retail growth

Retail growth mainly being helped by Home loans, Personal Loans and Credit Cards segment

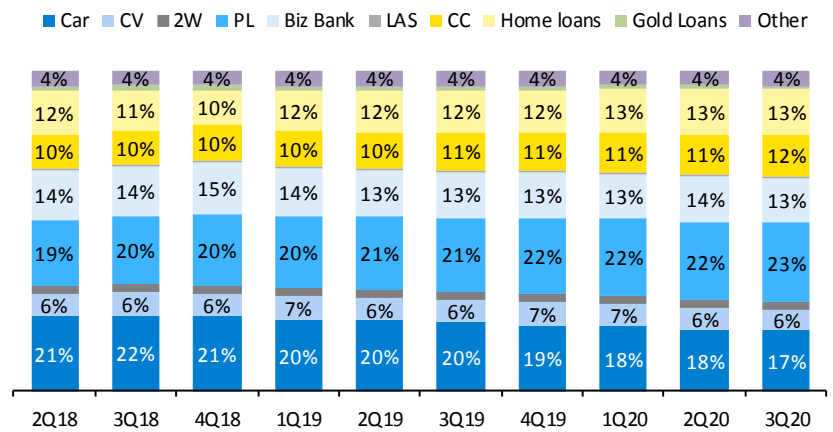
Strong Corporate loan growth of 25% YoY increases share by 227bps on a YoY basis

Exhibit 4: Retail growth slowing and Wholesale driving


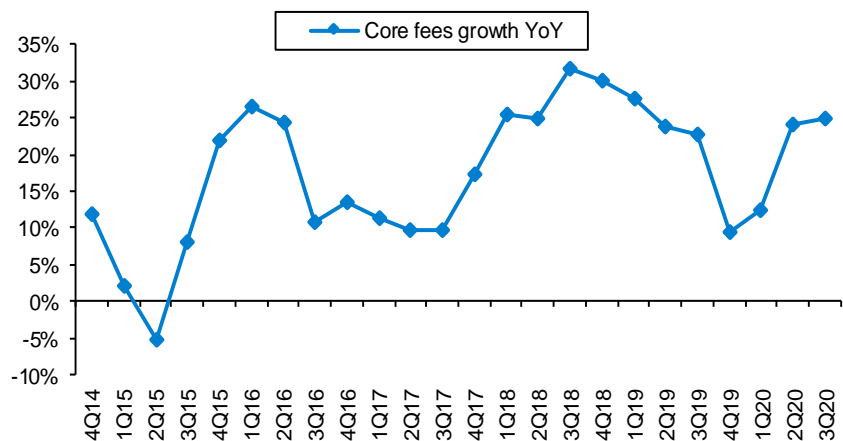
Source: Company, PL

Exhibit 5: Non-Auto growth remains stable


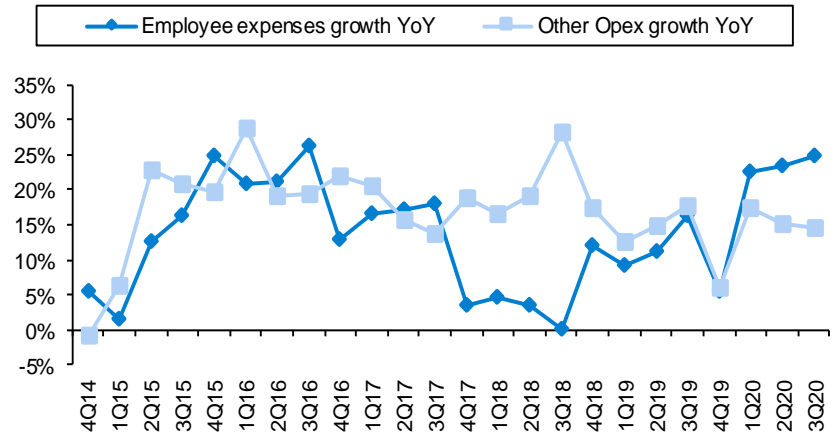
Source: Company, PL

Exhibit 6: Break up of retail book as percentage of retail loans


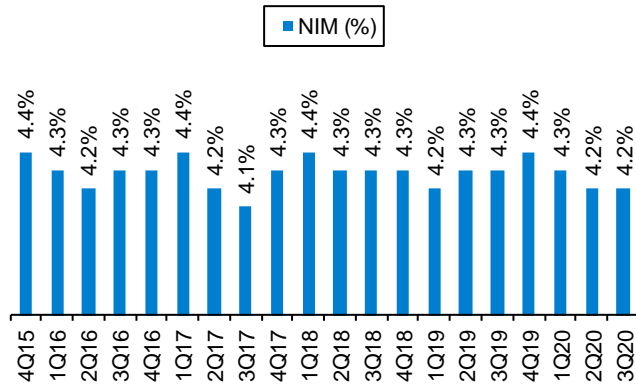
Source: Company, PL

Exhibit 7: Core fees growth has been holding up well


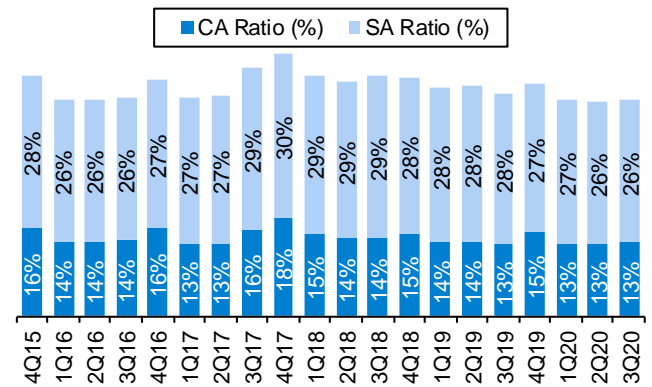
Source: Company, PL

Exhibit 8: Overall opex growth was led from higher staff hiring


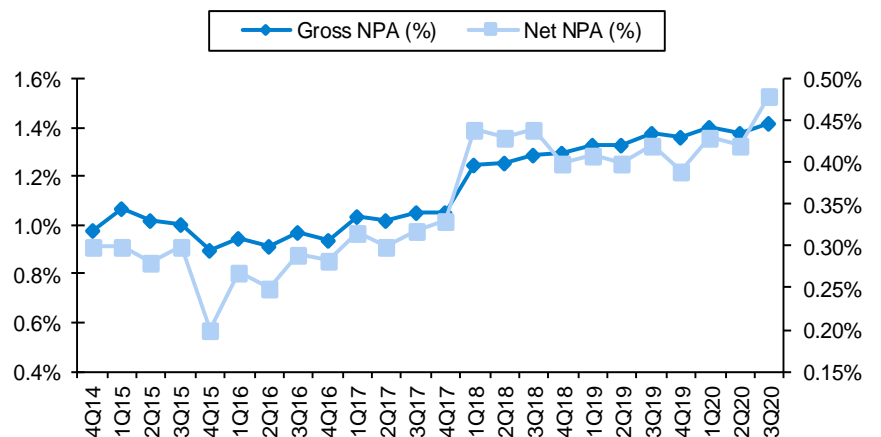
Source: Company, PL

Exhibit 9: NIMs decline on mix change and excess liquidity


Source: Company, PL

Exhibit 10: CASA growth was better helping steady CASA


Source: Company, PL

Exhibit 11: NPAs inch-up on higher slippages from Agri & Corporate


Source: Company Data, PL Research

Exhibit 12: ROEs to improve from FY21 as NIMs recover

RoA decomposition	FY16	FY17	FY18	FY19	FY20E	FY21E	FY22E
Interest income	9.05	8.64	8.32	8.57	8.52	8.64	8.69
Interest expenses	4.90	4.51	4.17	4.40	4.40	4.48	4.48
Net interest income	4.15	4.13	4.16	4.18	4.12	4.16	4.21
Treasury income	0.29	0.30	0.25	0.18	0.27	0.18	0.15
Other Inc. from operations	1.32	1.23	1.33	1.34	1.41	1.46	1.43
Total income	5.76	5.66	5.74	5.71	5.80	5.80	5.79
Employee expenses	0.86	0.81	0.71	0.67	0.70	0.71	0.70
Other operating expenses	1.69	1.65	1.65	1.59	1.55	1.53	1.49
Operating profit	3.21	3.21	3.38	3.44	3.55	3.56	3.59
Tax	0.95	0.95	0.96	0.96	0.79	0.70	0.72
Loan loss provisions	0.41	0.45	0.61	0.65	0.79	0.76	0.74
RoAA	1.85	1.81	1.81	1.83	1.97	2.09	2.13
RoAE	18.26	17.95	17.87	16.50	16.80	18.33	18.96

Source: Company Data, PL Research

Exhibit 13: We retain our TP at Rs1,406 based on 3.7x Sep FY21 ABV

PT calculation and upside	
Market risk premium	6.5%
Risk-free rate	7.0%
Adjusted beta	1.04
Terminal Growth	5.0%
Cost of equity	13.8%
Fair price - P/ABV	1,406
Target P/ABV	3.7
Target P/E	20.6
Current price, Rs	1,278
Upside (%)	10.0%
Dividend yield (%)	1.6%
Total return (%)	11.6%

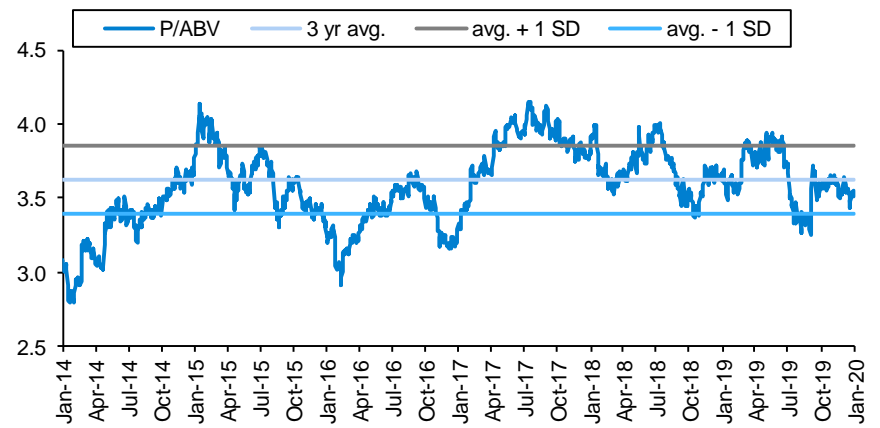
Source: Company Data, PL Research

Exhibit 14: Change in earnings estimates – We lower NII growth and adjust upwards other income

(Rs mn)	Old			Revised			%Change		
	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E	FY20E	FY21E	FY22E
Net interest income	573,337	682,544	815,139	559,485	667,993	799,420	(2.4)	(2.1)	(1.9)
Operating profit	483,981	573,705	683,156	482,332	572,182	682,183	(0.3)	(0.3)	(0.1)
Net profit	266,258	333,530	401,595	267,939	336,353	405,688	0.6	0.8	1.0
EPS (Rs)	48.9	61.2	73.7	49.2	61.8	74.5	0.6	0.8	1.0
ABVPS (Rs)	298.5	347.4	406.2	298.0	347.4	406.4	(0.2)	(0.0)	0.1
Price target (Rs)		1,406			1,406			0.0	
Recommendation		BUY			BUY				

Source: Company Data, PL Research

Exhibit 15: HDFCB one year forward P/ABV trend



Source: Company Data, PL Research

Income Statement (Rs. m)

Y/e Mar	FY19	FY20E	FY21E	FY22E
Int. Earned from Adv.	775,441	923,875	1,114,058	1,330,380
Int. Earned from invt.	199,975	211,562	255,383	303,263
Others	14,304	22,179	18,614	17,976
Total Interest Income	989,720	1,157,616	1,388,055	1,651,619
Interest Expenses	507,288	598,131	720,062	852,199
Net Interest Income	482,432	559,485	667,993	799,420
Growth(%)	19.1	19.7	18.1	18.1
Non Interest Income	176,259	229,137	263,507	300,398
Net Total Income	658,690	788,621	931,500	1,099,818
Growth(%)	22.1	18.9	19.1	18.2
Employee Expenses	77,618	95,470	113,609	133,490
Other Expenses	172,175	198,346	231,073	268,044
Operating Expenses	261,194	306,289	359,318	417,634
Operating Profit	397,497	482,332	572,182	682,183
Growth(%)	21.8	21.3	18.6	19.2
NPA Provision	63,941	87,430	99,508	114,218
Total Provisions	75,501	107,651	122,693	140,037
PBT	321,996	374,681	449,489	542,146
Tax Provision	111,215	106,742	113,136	136,458
Effective tax rate (%)	34.5	28.5	25.2	25.2
PAT	210,781	267,939	336,353	405,688
Growth(%)	20.5	27.1	25.5	20.6

Balance Sheet (Rs. m)

Y/e Mar	FY19	FY20E	FY21E	FY22E
Face value	1	1	1	1
No. of equity shares	5,447	5,447	5,447	5,447
Equity	5,447	5,447	5,447	5,447
Networth	1,492,064	1,698,042	1,972,434	2,306,378
Growth(%)	40.4	13.8	16.2	16.9
Adj. Networth to NNPA's	32,145	43,144	37,683	42,409
Deposits	9,231,409	11,354,633	13,625,560	16,350,672
Growth(%)	17.0	23.0	20.0	20.0
CASA Deposits	3,911,981	4,598,627	5,586,480	6,752,828
% of total deposits	42.4	40.5	41.0	41.3
Total Liabilities	12,445,407	14,727,700	17,400,323	20,615,932
Net Advances	8,194,012	9,832,815	11,799,378	14,159,253
Growth(%)	24.5	20.0	20.0	20.0
Investments	2,905,879	3,386,439	4,099,506	4,789,949
Total Assets	12,445,407	14,727,700	17,400,323	20,615,932
Growth (%)	17.0	18.3	18.1	18.5

Asset Quality

Y/e Mar	FY19	FY20E	FY21E	FY22E
Gross NPAs (Rs m)	112,242	139,385	135,201	156,293
Net NPAs (Rs m)	32,145	43,144	37,683	42,409
Gr. NPAs to Gross Adv.(%)	1.4	1.4	1.1	1.1
Net NPAs to Net Adv. (%)	0.4	0.4	0.3	0.3
NPA Coverage %	71.4	69.0	72.1	72.9

Profitability (%)

Y/e Mar	FY19	FY20E	FY21E	FY22E
NIM	4.4	4.3	4.3	4.3
RoAA	1.8	2.0	2.1	2.1
RoAE	16.5	16.8	18.3	19.0
Tier I	15.8	15.1	14.7	14.5
CRAR	17.1	16.7	16.1	15.7

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q4FY19	Q1FY20	Q2FY20	Q3FY20
Interest Income	263,333	273,916	281,663	293,697
Interest Expenses	132,438	140,973	146,512	151,968
Net Interest Income	130,895	132,943	135,150	141,729
YoY growth (%)	24.2	20.1	17.8	14.1
CEB	36,921	35,516	40,545	45,268
Treasury	-	-	-	-
Non Interest Income	48,712	49,703	55,887	66,693
Total Income	312,045	323,618	337,550	360,390
Employee Expenses	20,744	22,174	23,551	24,550
Other expenses	50,427	48,999	50,506	54,418
Operating Expenses	71,171	71,173	74,057	78,968
Operating Profit	108,436	111,472	116,981	129,454
YoY growth (%)	22.1	28.9	23.4	20.1
Core Operating Profits	106,147	109,352	112,174	122,689
NPA Provision	14,312	24,135	20,380	28,836
Others Provisions	18,892	26,137	27,007	30,436
Total Provisions	18,892	26,137	27,007	30,436
Profit Before Tax	89,544	85,336	89,974	99,019
Tax	30,693	29,654	26,524	24,854
PAT	58,851	55,682	63,450	74,165
YoY growth (%)	21.5	21.0	26.8	32.8
Deposits	9,231,409	9,545,537	10,216,149	10,674,335
YoY growth (%)	17.0	18.5	22.6	25.2
Advances	8,194,012	8,297,298	8,969,838	9,360,295
YoY growth (%)	24.5	17.1	19.5	19.9

Key Ratios

Y/e Mar	FY19	FY20E	FY21E	FY22E
CMP (Rs)	1,278	1,278	1,278	1,278
EPS (Rs)	39.6	49.2	61.8	74.5
Book Value (Rs)	274	312	362	423
Adj. BV (70%)(Rs)	263	298	347	406
P/E (x)	32.3	26.0	20.7	17.2
P/BV (x)	4.7	4.1	3.5	3.0
P/ABV (x)	4.9	4.3	3.7	3.1
DPS (Rs)	6.2	9.5	9.5	11.0
Dividend Payout Ratio (%)	19.2	23.1	18.4	17.7
Dividend Yield (%)	0.5	0.7	0.7	0.9

Efficiency

Y/e Mar	FY19	FY20E	FY21E	FY22E
Cost-Income Ratio (%)	39.7	38.8	38.6	38.0
C-D Ratio (%)	88.8	86.6	86.6	86.6
Business per Emp. (Rs m)	178	212	249	293
Profit per Emp. (Rs lacs)	21	27	33	39
Business per Branch (Rs m)	3,415	3,880	4,352	4,880
Profit per Branch (Rs m)	41	49	58	65

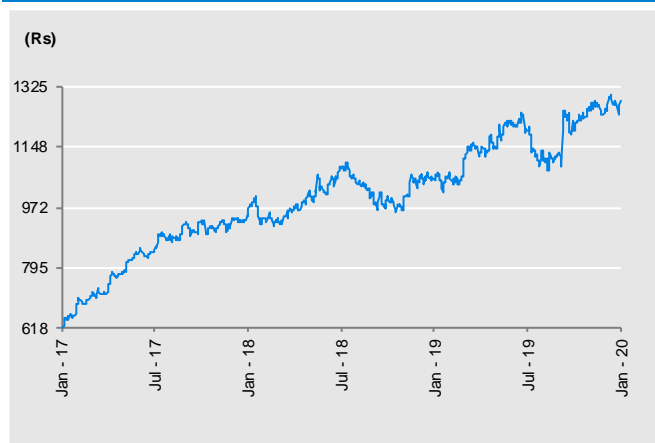
Du-Pont

Y/e Mar	FY19	FY20E	FY21E	FY22E
NII	4.18	4.12	4.16	4.21
Total Income	5.71	5.80	5.80	5.79
Operating Expenses	2.26	2.25	2.24	2.20
PPoP	3.44	3.55	3.56	3.59
Total provisions	0.65	0.79	0.76	0.74
RoAA	1.83	1.97	2.09	2.13
RoAE	16.50	16.80	18.33	18.96

Source: Company Data, PL Research

Price Chart

Recommendation History



No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	3-Jan-20	BUY	1,406	1,267
2	19-Oct-19	BUY	1,406	1,229
3	3-Oct-19	BUY	1,406	1,224
4	12-Aug-19	BUY	2,732	2,285
5	4-Jul-19	BUY	2,700	2,484
6	21-Apr-19	BUY	2,700	2,293
7	5-Apr-19	BUY	2,371	2,306
8	19-Jan-19	BUY	2,371	2,130

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	Axis Bank	Accumulate	800	744
2	Bank of Baroda	BUY	115	102
3	Bank of India	Reduce	58	70
4	Federal Bank	BUY	102	91
5	HDFC	BUY	2,700	2,376
6	HDFC Bank	BUY	1,406	1,267
7	HDFC Life Insurance Company	Hold	624	630
8	ICICI Bank	BUY	605	538
9	ICICI Prudential Life Insurance Company	Accumulate	529	485
10	IDFC First Bank	BUY	44	46
11	IndusInd Bank	Accumulate	1,640	1,478
12	Jammu & Kashmir Bank	Under Review	-	30
13	Kotak Mahindra Bank	Hold	1,586	1,655
14	Max Financial Services	BUY	596	554
15	Punjab National Bank	Reduce	57	65
16	SBI Life Insurance Company	BUY	991	975
17	South Indian Bank	BUY	18	10
18	State Bank of India	BUY	413	334
19	Union Bank of India	Reduce	44	55
20	YES Bank	Hold	59	47

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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