Prabhudas Lilladher
POWERING YOUR FINANCIAL GROWTH

January 17, 2024

Q3FY24 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY25E	FY26E	FY25E	FY26E
Rating	**BUY**		**BUY**	
Target Price	**180**		**180**	
NII (Rs. m)	97,638	1,14,505	99,997	1,15,910
% Chng.	*(2.4)*	*(1.2)*		
Op. Profit (Rs. m)	64,280	75,522	63,712	75,376
% Chng.	*0.9*	*0.2*		
EPS (Rs.)	17.5	20.3	17.4	20.2
% Chng.	*0.6*	*0.6*		

Key Financials - Standalone

Y/e Mar	FY23	FY24E	FY25E	FY26E
NII (Rs m)	72,322	82,616	97,638	1,14,505
Op. Profit (Rs m)	47,944	53,485	64,280	75,522
PAT (Rs m)	30,106	36,966	42,810	49,680
EPS (Rs.)	14.2	15.2	17.5	20.3
Gr. (%)	*58.3*	*6.7*	*15.5*	*15.8*
DPS (Rs.)	1.8	1.2	1.2	1.2
Yield (%)	*1.2*	*0.8*	*0.8*	*0.8*
NIM (%)	*3.2*	*3.1*	*3.1*	*3.1*
RoAE (%)	*14.9*	*14.6*	*14.1*	*14.7*
RoAA (%)	*1.3*	*1.3*	*1.3*	*1.3*
P/BV (x)	1.5	1.3	1.1	1.0
P/ABV (x)	1.6	1.3	1.2	1.1
PE (x)	10.5	9.9	8.5	7.4
CAR (%)	14.8	16.4	15.9	15.5

Key Data

Key Data	FED.BO | FB IN
52-W High / Low	Rs.159 / Rs.121
Sensex / Nifty	73,129 / 22,032
Market Cap	Rs.364bn/ $ (2,14,68,26,273)m
Shares Outstanding	2,433m
3M Avg. Daily Value	Rs.1861.23m

Shareholding Pattern (%)

Promoter's	-
Foreign	29.39
Domestic Institution	44.70
Public & Others	25.91
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(4.7)	15.8	6.7
Relative	(6.8)	4.6	(12.3)

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Federal Bank (FB IN)

Rating: BUY | CMP: Rs150 | TP: Rs180

Slower growth in low yielding segments a key

Quick Pointers:

- NIM in-line but core PPoP miss due to weaker fee income.
- Trim loan growth by 1% due to systemic deposit squeeze.

FB reported a steady quarter with NIM in-line at 3.33%; core PPoP missed PLe by 1.8% due to weaker fees. Asset quality was a owing to higher slippages led by a chunky corporate account of Rs700mn. While loan accretion was stable for the quarter at 18.4% YoY, tight systemic liquidity and deposit squeeze could compress system LDR. Bank would like to reduce LDR from 83% to 80% by CY24 end. Hence we lower loan growth over FY23-26E by 1% and cut FY25/26E NIM by 7bps each which would be partly offset by softer opex and credit costs. For FY24/25/26E we are factoring a RoA of 1.25-1.30% and NIM is the key driver for RoA upgrade; for margins to outperform it is imperative that quality of loan growth is superior by controlling credit flow in corporate and housing. Maintaining multiple at 1.4x on Sep'25 ABV, we keep TP unchanged at Rs180. Retain BUY.

- **Slight miss on core PPoP owing to lower fees; miss on asset quality:** NII was in-line at Rs21.2bn as NIM at 3.33% came in as expected; both yield on assets and cost of funds were in-line. Loan growth was 18.4% YoY while deposits grew by 19.0% YoY. Other income was more at Rs8.6bn (PLe Rs7.5bn) due to higher treasury; fees was a 3% miss at Rs5.83bn. Opex too came in as expected at Rs15.5bn; staff cost was higher but other opex was lower. Core PPoP at Rs11.6bn was a 1.8% miss to PLe. Asset quality was a bit weaker due to higher slippages leading to GNPA at 2.3% (PLe 2.2%); NNPAs was stable QoQ at 0.64%. Provisions were slightly below estimates at Rs912mn (PLe Rs1.0bn). PAT came at Rs10.1bn (PLe Rs9.2bn) while core PAT at Rs8.0bn missed PLe by 0.8%.

- **Loan growth to moderate due to tighter liquidity:** Credit growth at 3.3% QoQ was led by corporate, SME and high yielding segments. Due to tight systemic liquidity and softer deposit accretion, loan growth should decline which may impact LDR. Hence bank would like to reduce current LDR from 83% to 80% by CY24 end. Bank suggested of prevailing opportunities for loan growth but there are funding challenges as well, since deposits are undergoing structural changes. However, in our opinion loan offtake should be calibrated so as to not pressurize margins by controlling growth in lower yielding segments like housing and corporate. Hence we trim loan growth by 1% each in FY24/25/26 and expect a loan CAGR of 16% over FY24-26E.

- **Lower NIM for FY25/26E; employee cost and asset quality were a drag:** While loan growth is lowered by 1%, we trim NIM for FY25/26E by 7bps to 3.14% and 3.15%. For NIM to outperform it is imperative that high margin businesses contribute majorly to credit flow. In Q3'24 staff cost grew by 10.7% QoQ due to catch up in provisions for wage revision from 15% to 17%. Slippages for Q3FY24 were higher at Rs4.96bn mainly led by one corporate account of Rs700mn which is expected to be restored by Q4'24.

NII was in-line at Rs.21.2bn growing 8.5% YoY/3.3% QoQ.

Other income was beat at Rs.8.6Bn led by higher treasury and fee income.

Opex was in-line at Rs15.5bn led by increased staff cost and lower other opex.

Core PPoP was a miss at Rs11.6bn led by higher fee income.

Provisions were lower at Rs0.91bn.

Loan growth was strong at 18.4% YoY/3.3% QoQ mainly led by wholesale. Corporate, SME and retail grew by 5.8%/4.8%/0.9% QoQ.

NIM decreased by 35bps YoY due to higher rise in CoF.

Asset quality deteriorated with GNPA/NNPA at 2.29%/0.64% due to higher slippages at Rs.4.96Bn in retail and corporate.

Exhibit 1: PAT beat at Rs10.1bn led by higher fee inc. and lower provisions

P&L Statement (Rs m)	Q3FY24	Q3FY23	YoY gr. (%)	Q2FY24	QoQ gr. (%)
Interest Income	57,301	44,333	29.3	54,553	5.0
Interest Expended	36,067	24,767	45.6	33,989	6.1
Net interest income (NII)	**21,234**	**19,565**	**8.5**	**20,564**	**3.3**
-Treasury income	2,210	386	472.4	700	215.7
Other income	8,626	5,816	48.3	7,304	18.1
Total income	**29,859**	**25,381**	**17.6**	**27,868**	**7.1**
Operating expenses	15,486	12,163	27.3	14,624	5.9
-Staff expenses	6,932	5,608	23.6	6,263	10.7
-Other expenses	8,554	6,555	30.5	8,361	2.3
Operating profit	**14,373**	**13,218**	**8.7**	**13,245**	**8.5**
Core Operating Profit	**12,163**	**12,832**	**(5.2)**	**12,545**	**(3.0)**
Total provisions	912	2,463	(63.0)	439	107.8
Profit before tax	**13,461**	**10,755**	**25.2**	**12,806**	**5.1**
Tax	3,394	2,719	24.8	3,267	3.9
Profit after tax	**10,067**	**8,036**	**25.3**	**9,538**	**5.5**
Balance Sheet (Rs m)					
Deposits	2,395,910	2,014,080	19.0	2,328,684	2.9
Advances	1,991,850	1,681,730	18.4	1,928,167	3.3
Ratios (%) – Calc.					
NIM	**3.3**	**3.7**	**(35)**	**3.4**	**(4)**
RoaA	1.5	1.4	7	1.5	2
RoaE	16.5	16.6	(3)	16.6	(12)
Asset Quality					
Gross NPL (Rs m)	46,288	41,479	11.6	44,361	4.3
Net NPL (Rs m)	12,844	12,286	4.5	12,298	4.4
Gross NPL ratio	2.29	2.42	(13.9)	2.26	2
Net NPL ratio	0.64	0.73	(8.6)	0.64	1
Coverage ratio (Calc)	72.3	70.4	187.2	72.3	(2)
Business & Other Ratios					
Low-cost deposit mix	30.6	34.2	(361)	31.2	(54)
Cost-income ratio	51.9	47.9	394	52.5	(61)
Non int. inc / total income	28.9	22.9	597	26.2	268
Credit deposit ratio	83.1	83.5	(36)	82.8	33
CAR	15.0	13.4	167	15.5	(48)
Tier-I	13.5	12.1	135	13.8	(31)

Source: Company, PL

Q3FY24 Concall Highlights

Assets & Liabilities – Commentary & build-up

- **Advances grew by 18.4% YoY in Q3FY24**. Management suggested there was strong business momentum in Q3 and expects demand to sustain for FY24 with credit growth opportunities intact. High yielding business are expected to show good results by FY25. Bank reiterated guidance of 18% growth in advances as well as liabilities in FY24.
- **Deposits:** CASA + RTD stood at 81% of total deposits in Q3FY24. Bank suggested of challenges in deposit growth as deposit market is going through structural changes; focus would be on reorganizing strategies to grow and expand balance sheet as deposits are available at higher rates.
- In terms of RBI guidelines, bank would aim at bringing LDR down to 80% by the end of calendar year 2024 which would be led by deposit growth.
- Partnership led account opening is growing at a stable rate, bank has made a cautious decision to grow only quality base and improving wallet share from existing book.
- FCNR and NRO deposits are witnessing growth although they are coming in at higher cost. Remittance book too is gaining share. Focus would be on growing the book further.
- In Q3FY24 bank raised money to the tune of Rs45bn via IBPC as management saw an opportunity to raise money at attractive cost.
- **RoA/RoE for Q3FY24 stood at 1.39%/14.8%,** aim is to bring and maintain RoA/RoE in the range of 1.4%/15% by FY25.

NIMs/Yields

- **For Q3FY24, bank reported NIM of 3.33% vs 3.37% in Q2FY24**. Focus would be on maintaining NIMs at current levels.
- Cost of deposits for Q3FY24 stood at 5.73%, management guided to maintain a competitive stance in terms of offering interest rates. Aim is to offer attractive rates in one or two buckets based on the liquidity profile of the bank.

Opex/Fee income/Others

- **In Q3FY24 employee expenses grew by 10.7%** majorly driven by catch up in provisions for wage revision from 15% to currently 17%. Going ahead, provisions are expected to be in the range of Rs6.5bn
- **Other operating expenses grew by 26.2% YoY** management guided the opex to remain at current levels driven by technological cost which will eventually result in higher efficiencies.
- **In H2FY24 bank added 65 new branches** out of which 30 were materialized in Q3FY24.

- Cost to income ratio stood at 51.9% in Q3FY24 vs 52.5% in Q2FY24, led by volume related cost and deposits from fin-tech partners which are available at higher cost to income of 65-70%. There is a conscious effort to expand high cost business as they are ROA accretive.

Asset Quality

- **GNPA/NNPA stood at 2.29%/0.64% in Q3FY24,** declining by 2bps /1bps QoQ. Slippages for Q3FY24 were higher at Rs4.96bn majorly driven by one corporate account to the tune of Rs700mn which is expected to get restored by Q4FY24.

- **Credit risk in the quarter stood at Rs158.98bn vs Rs148.03bn in Q2FY24,** majorly driven by regulatory changes.

- **Credit cost for Q3FY24 stood at 13bps vs 41bps in Q2FY24.** Management suggested the trend to continue in the zone of ~25-30bps in for FY24. Unsecured and granular credit are behaving well.

Retail grew by 20.4% YoY while SME grew by 22.2% YoY.

Corporate credit was strong at 14.4% YoY.

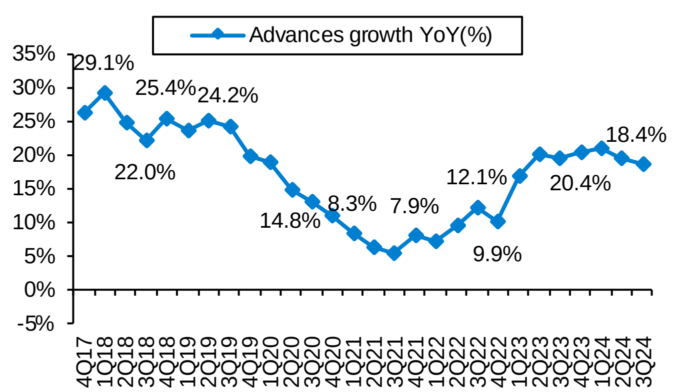
High yielding segments like CV/CE and personal loans continue to show strong growth

Exhibit 2: Loan growth at 19.8% YoY with growth across segments

Advances break-up (Rs m)	Q3FY24	Q3FY23	*YoY gr. (%)*	Q2FY24	*QoQ gr. (%)*
Advances					
Retail	650,410	540,250	*20.4*	620,090	*4.9*
SME	374,540	306,490	*22.2*	357,260	*4.8*
Agriculture	266,470	209,910	*26.9*	251,150	*6.1*
CV/CE	30,570	18,410	*66.1*	27,340	*11.8*
Corporate	719,780	629,290	*14.4*	680,590	*5.8*
Total	**2,041,770**	**1,704,350**	***19.8***	**1,936,430**	***5.4***
Retail Loans break-up					
Housing	272,260	241,010	*13.0*	264,540	*2.9*
LAP	113,520	95,730	*18.6*	108,920	*4.2*
Auto	67,750	51,290	*32.1*	63,010	*7.5*
Personal	36,470	19,570	*86.4*	32,320	*12.8*
Gold	45,400	47,600	*(4.6)*	45,370	*0.1*
Others	115,010	85,040	*35.2*	105,930	*8.6*

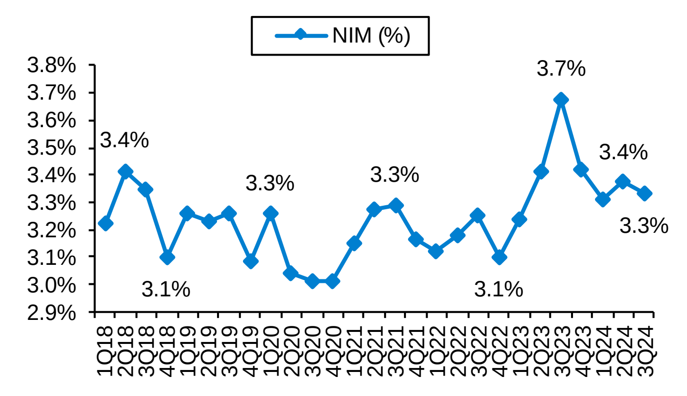
Source: Company, PL

Exhibit 3: Loan growth was slower at 18.4%YoY



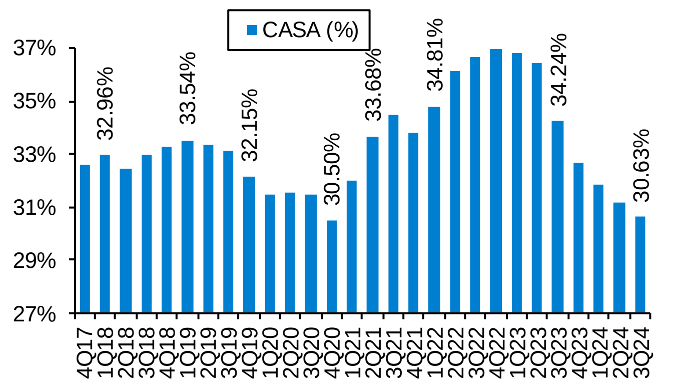
Source: Company, PL

Exhibit 4: NIM declined by 4bps as CoF rise faster



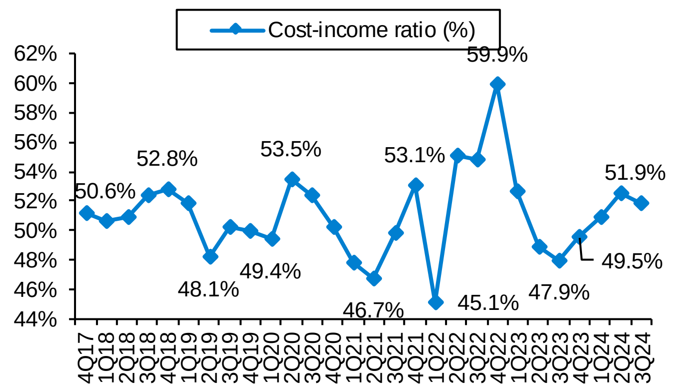
Source: Company, PL

Exhibit 5: CASA ratio declines to 30.6% as TD grows faster



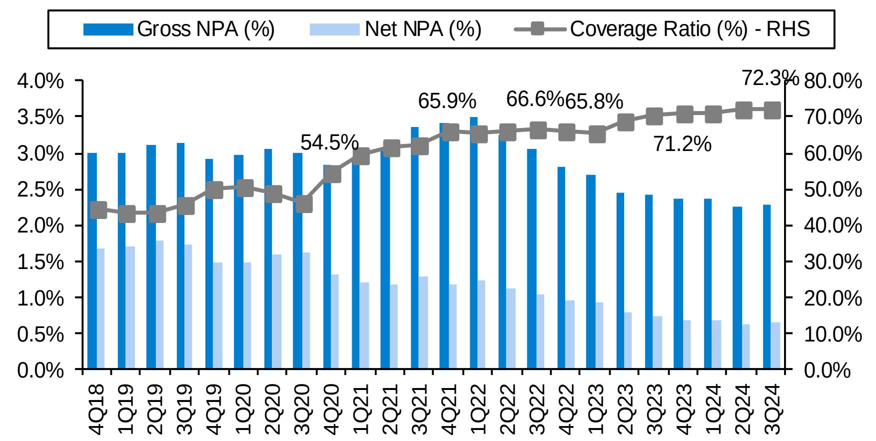
Source: Company, PL

Exhibit 6: C/I decreased to 52% led by lower other expense



Source: Company, PL

Exhibit 7: GNPA/NNPA increased by 2/1bps QoQ; PCR stable at 72.3%



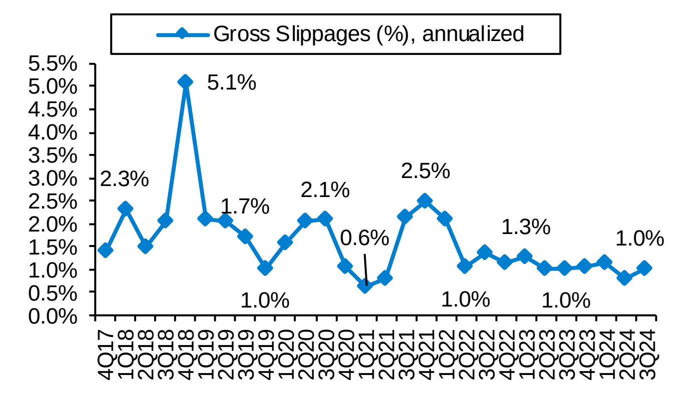
Source: Company, PL

Exhibit 8: Fresh slippages increased to 1.37%, recoveries too were lower

Movement of NPL	**Q3FY24**	**Q3FY23**	***YoY gr. (%)***	**Q2FY24**	***QoQ gr. (%)***
Opening	44,358	40,309	*10.0*	44,351	*0.0*
Additions	4,960	4,120	*20.4*	3,730	*33.0*
Reduction	3,030	2,950	*2.7*	3,720	*(18.5)*
Closing	**46,288**	**41,479**	*11.6*	**44,361**	*4.3*
Slippages (%)	***1.37***	***1.14***	***23***	***1.03***	***34***
Segmental fresh slippages:					
Retail	2,140	1,810	*18.2*	1,940	*10.3*
Agri	500	660	*(24.2)*	540	*(7.4)*
SME	2,150	1,450	*48.3*	1,170	*83.8*
Corporate	-	60	*(100.0)*	-	*N.A.*
Retail (% annualized)	**0.97**	**1.02**	***(5)***	**0.96**	***1***
Agri (% annualized)	**0.86**	**1.28**	***(43)***	**1.29**	***(43)***
SME (% annualized)	**1.11**	**1.02**	***9***	**1.03**	***8***
Corporate (% annualized)	**-**	**0.01**	***(1)***	**-**	***-***

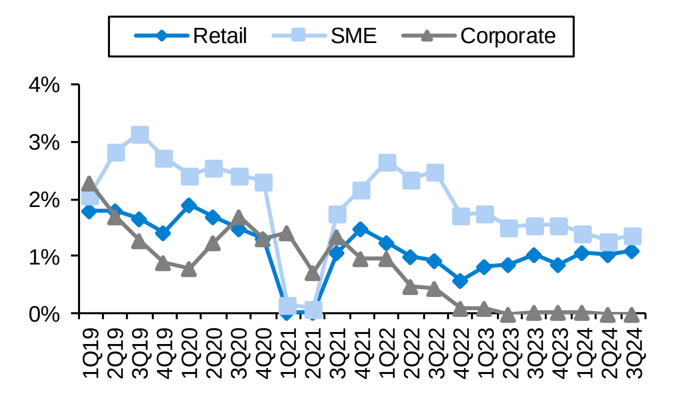
Source: Company, PL

Exhibit 9: Slippages increased to 1% vs 0.8% in Q2FY24



Source: Company, PL

Exhibit 10: Retail and SME slippages increased QoQ



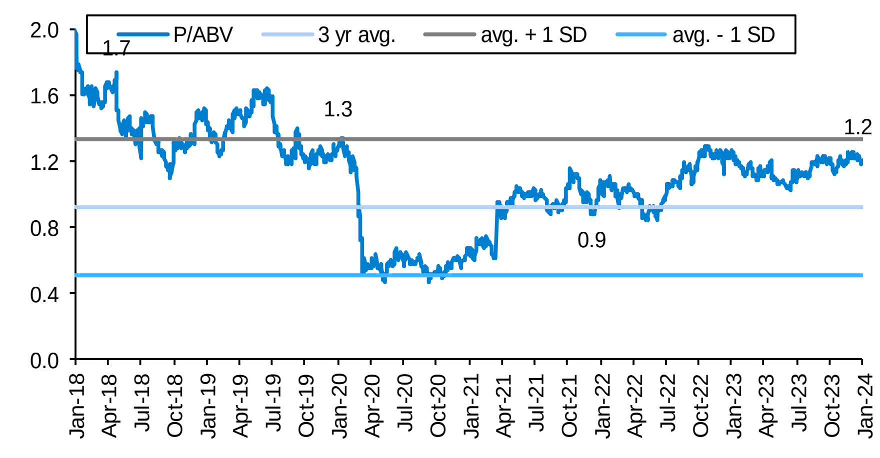
Source: Company, PL

Exhibit 11: Return ratios are on track to be in 14-15% range

Du-pont Analysis	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
NII/Assets	**2.8**	**2.7**	**2.9**	**2.8**	**3.0**	**2.9**	**2.9**	**2.9**
Other inc./Assets	0.9	1.1	1.0	1.0	1.0	1.1	1.0	1.1
Net revenues/Assets	**3.7**	**3.9**	**3.9**	**3.8**	**4.0**	**4.0**	**4.0**	**4.0**
Opex/Assets	1.9	2.0	1.9	2.0	2.0	2.1	2.0	2.1
Provisions/Assets	0.6	0.7	0.9	0.6	0.3	0.1	0.2	0.2
Taxes/Assets	0.4	0.3	0.3	0.3	0.4	0.4	0.4	0.4
ROA (%)	**0.8**	**0.9**	**0.8**	**0.9**	**1.3**	**1.3**	**1.3**	**1.3**
ROE (%)	**9.8**	**11.1**	**10.4**	**10.8**	**14.9**	**14.6**	**14.1**	**14.7**

Source: Company, PL

Exhibit 12: One-year forward P/ABV trades at 1.2x



Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Int. Earned from Adv.	1,34,918	1,77,924	2,05,468	2,32,712
Int. Earned from invt.	27,956	36,658	42,828	49,180
Others	3,100	4,102	3,095	3,254
Total Interest Income	1,68,036	2,21,853	2,53,805	2,87,819
Interest Expenses	95,715	1,39,238	1,56,167	1,73,314
Net Interest Income	**72,322**	**82,616**	**97,638**	**1,14,505**
Growth(%)	*21.3*	*14.2*	*18.2*	*17.3*
Non Interest Income	23,300	30,725	34,895	41,425
Net Total Income	95,622	1,13,341	1,32,534	1,55,930
Growth(%)	*21.5*	*32.0*	*14.3*	*14.0*
Employee Expenses	21,730	26,640	30,106	35,360
Other Expenses	24,302	33,216	38,148	45,048
Operating Expenses	47,678	59,856	68,254	80,408
Operating Profit	**47,944**	**53,485**	**64,280**	**75,522**
Growth(%)	*27.6*	*11.6*	*20.2*	*17.5*
NPA Provision	5,913	2,534	5,180	7,215
Total Provisions	7,499	3,907	6,816	8,838
PBT	**40,445**	**49,578**	**57,463**	**66,684**
Tax Provision	10,339	12,611	14,653	17,004
Effective tax rate (%)	*25.6*	*25.4*	*25.5*	*25.5*
PAT	**30,106**	**36,966**	**42,810**	**49,680**
Growth(%)	*59.3*	*22.8*	*15.8*	*16.0*

Balance Sheet (Rs. m)

Y/e Mar	FY23	FY24E	FY25E	FY26E
Face value	2	2	2	2
No. of equity shares	2,116	2,435	2,441	2,447
Equity	4,232	4,870	4,882	4,894
Networth	2,15,063	2,90,543	3,18,264	3,55,902
Growth(%)	*14.4*	*35.1*	*9.5*	*11.8*
Adj. Networth to NNPAs	12,050	13,451	14,183	14,630
Deposits	21,33,860	24,93,751	29,55,053	34,77,782
Growth(%)	*17.4*	*16.9*	*18.5*	*17.7*
CASA Deposits	7,01,204	7,50,769	8,86,516	10,43,335
% of total deposits	*32.9*	*30.1*	*30.0*	*30.0*
Total Liabilities	**26,03,419**	**30,71,522**	**35,98,902**	**41,99,475**
Net Advances	17,44,469	20,57,344	24,09,342	28,20,142
Growth(%)	*20.4*	*17.9*	*17.1*	*17.1*
Investments	4,89,833	5,98,500	7,09,213	8,52,057
Total Assets	**26,03,418**	**30,71,522**	**35,98,902**	**41,99,475**
Growth (%)	*17.8*	*18.0*	*17.2*	*16.7*

Asset Quality

Y/e Mar	FY23	FY24E	FY25E	FY26E
Gross NPAs (Rs m)	41,838	46,278	49,043	50,869
Net NPAs (Rs m)	12,050	13,451	14,183	14,630
Gr. NPAs to Gross Adv.(%)	*2.4*	*2.2*	*2.0*	*1.8*
Net NPAs to Net Adv. (%)	*0.7*	*0.7*	*0.6*	*0.5*
NPA Coverage %	*71.2*	*70.9*	*71.1*	*71.2*

Profitability (%)

Y/e Mar	FY23	FY24E	FY25E	FY26E
NIM	3.2	3.1	3.1	3.1
RoAA	1.3	1.3	1.3	1.3
RoAE	14.9	14.6	14.1	14.7
Tier I	13.0	14.8	14.3	13.9
CRAR	14.8	16.4	15.9	15.5

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Interest Income	47,207	50,245	54,553	57,301
Interest Expenses	28,115	31,059	33,989	36,067
Net Interest Income	**19,093**	**19,186**	**20,564**	**21,234**
YoY growth (%)	*25.2*	*19.6*	*16.7*	*8.5*
CEB	5,160	5,050	5,780	5,830
Treasury	-	-	-	-
Non Interest Income	7,339	7,324	7,304	8,626
Total Income	**54,546**	**57,569**	**61,857**	**65,927**
Employee Expenses	5,972	6,167	6,263	6,932
Other expenses	7,114	7,319	8,361	8,554
Operating Expenses	13,086	13,487	14,624	15,486
Operating Profit	**13,346**	**13,024**	**13,245**	**14,373**
YoY growth (%)	*67.2*	*33.8*	*9.3*	*8.7*
Core Operating Profits	11,426	11,054	12,545	12,163
NPA Provision	-	-	-	-
Others Provisions	1,167	1,556	439	912
Total Provisions	1,167	1,556	439	912
Profit Before Tax	**12,179**	**11,468**	**12,806**	**13,461**
Tax	3,153	2,930	3,267	3,394
PAT	**9,026**	**8,537**	**9,538**	**10,067**
YoY growth (%)	*67.0*	*42.1*	*35.5*	*25.3*
Deposits	**21,33,860**	**22,24,960**	**23,28,684**	**23,95,910**
YoY growth (%)	*17.4*	*21.3*	*23.1*	*19.0*
Advances	**17,44,469**	**18,34,870**	**19,28,167**	**19,91,850**
YoY growth (%)	*20.4*	*21.0*	*19.6*	*18.4*

Key Ratios

Y/e Mar	FY23	FY24E	FY25E	FY26E
CMP (Rs)	150	150	150	150
EPS (Rs)	14.2	15.2	17.5	20.3
Book Value (Rs)	102	119	130	145
Adj. BV (Rs)	96	114	125	139
P/E (x)	10.5	9.9	8.5	7.4
P/BV (x)	1.5	1.3	1.1	1.0
P/ABV (x)	1.6	1.3	1.2	1.1
DPS (Rs)	1.8	1.2	1.2	1.2
Dividend Payout Ratio (%)	-	-	-	-
Dividend Yield (%)	*1.2*	*0.8*	*0.8*	*0.8*

Efficiency

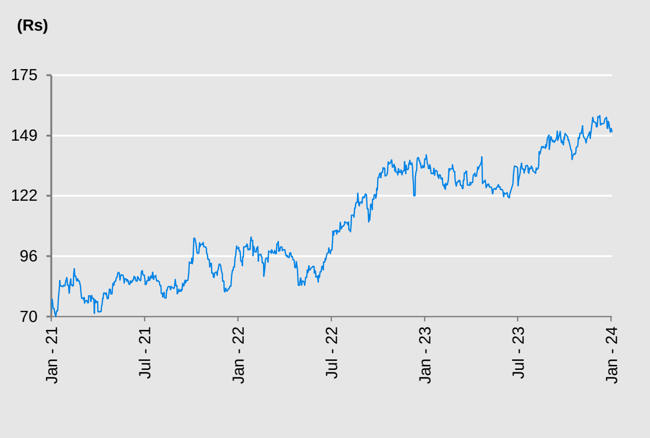
Y/e Mar	FY23	FY24E	FY25E	FY26E
Cost-Income Ratio (%)	*49.9*	*52.8*	*51.5*	*51.6*
C-D Ratio (%)	*81.8*	*82.5*	*81.5*	*81.1*
Business per Emp. (Rs m)	288	328	374	424
Profit per Emp. (Rs lacs)	22	27	30	33
Business per Branch (Rs m)	2,862	3,194	3,612	4,076
Profit per Branch (Rs m)	22	26	29	32

Du-Pont

Y/e Mar	FY23	FY24E	FY25E	FY26E
NII	3.01	2.91	2.93	2.94
Total Income	3.97	3.99	3.97	4.00
Operating Expenses	1.98	2.11	2.05	2.06
PPoP	1.99	1.88	1.93	1.94
Total provisions	0.31	0.14	0.20	0.23
RoAA	1.25	1.30	1.28	1.27
RoAE	14.94	14.62	14.06	14.74

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	08-Jan-24	BUY	180	154
2	17-Oct-23	BUY	180	149
3	07-Oct-23	BUY	175	147
4	14-Jul-23	BUY	175	127
5	06-Jul-23	BUY	170	135
6	06-May-23	BUY	170	128
7	11-Apr-23	BUY	175	127
8	01-Mar-23	BUY	175	129

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Hold	1,560	1,566
2	Axis Bank	BUY	1,250	1,137
3	Bank of Baroda	BUY	240	235
4	Can Fin Homes	BUY	900	781
5	City Union Bank	Accumulate	160	153
6	DCB Bank	BUY	160	158
7	Federal Bank	BUY	180	154
8	HDFC Asset Management Company	BUY	3,900	3,501
9	HDFC Bank	BUY	2,000	1,679
10	ICICI Bank	BUY	1,280	994
11	IndusInd Bank	BUY	1,620	1,643
12	Kotak Mahindra Bank	BUY	2,250	1,848
13	LIC Housing Finance	Hold	460	575
14	State Bank of India	BUY	770	642
15	UTI Asset Management Company	BUY	900	875

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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