

HDFC Bank

Performance Highlights

Particulars (₹ cr)	3QFY12	2QFY12	% chg (qoq)	3QFY11	% chg (yoy)
NII	3,116	2,945	5.8	2,777	12.2
Pre-prov. profit	2,378	2,126	11.9	2,073	14.7
PAT	1,430	1,199	19.2	1,088	31.4

Source: Company, Angel Research

For 3QFY2012, HDFC Bank reported healthy 31.4% yoy growth in net profit to ₹1,430cr, inline with our as well as street estimates. Steady NIMs coupled with largely stable asset quality was the key highlight of the results. **We maintain our Neutral recommendation on the stock.**

Another quarter of steady performance: The bank's net advances growth slowed down to 3.1% qoq, while deposit buildup was also lower, growing by a marginal 0.8% qoq. (On a yoy basis, both advances and deposits grew by 22.1% and 21.0%, respectively). Corporate loans for the bank grew at modest pace of 15.0% yoy, however retail loan book growth was strong at 29.5% yoy despite the rise in interest rates over the last one year. Yoy growth in retail loans was driven by CV, Business banking, Personal loans and Credit card business. In fact on a qoq basis, the corporate book shrank by 1.7% qoq, while retail book grew by 8.0% qoq. The bank ran down ₹5000-6000cr of high cost wholesale deposits during 3QFY2012 which along with traction in retail business helped the bank maintain NIMs (4.1%) on a sequential basis. The pace of CASA deposits accretion for the bank was moderate in 3QFY2012 with a growth of 14.3% yoy. Other income growth for the bank was healthy at 25.9% yoy, primarily due to pick up in forex income / derivatives income (68.6% yoy). Fee income growth was also healthy at 19.6% yoy. The bank witnessed a treasury loss of ₹82cr during 3QFY2012 on account of MTM losses on bond investments and investments in MFs. The bank maintained its strong asset quality track record during 3QFY2012 as well. Gross and Net NPA ratios remained stable at 1.0% and 0.2%, respectively.

Outlook and valuation: HDFC Bank is trading at 3.3x FY2013 ABV, which is only slightly lower than its median of 3.45x (over FY2005-FY2011), even as the rest of the banks are trading close to the bottom of their valuation range. We believe current valuations largely factor in the positives, leaving limited upside in the stock. Hence, we maintain our Neutral recommendation on the stock.

Key financials

Y/E March (₹ cr)	FY2010	FY2011	FY2012E	FY2013E
NII	8,386	10,543	12,178	15,174
% chg	13.0	25.7	15.5	24.6
Net profit	2,949	3,926	5,165	6,715
% chg	31.3	33.2	31.5	30.0
NIM (%)	4.3	4.4	4.2	4.3
EPS (₹)	12.9	16.9	22.2	28.9
P/E (x)	37.6	28.7	21.8	16.8
P/ABV (x)	5.2	4.4	3.8	3.3
RoA (%)	1.5	1.6	1.7	1.8
RoE (%)	16.1	16.7	18.9	21.0

Source: Company, Angel Research

NEUTRAL

CMP	₹485
Target Price	-

Investment Period	-
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Stock Info

Sector	Banking
Market Cap (₹ cr)	1,13,553
Beta	1.0
52 Week High / Low	520/396
Avg. Daily Volume	173,138
Face Value (₹)	2
BSE Sensex	16,644
Nifty	5,018
Reuters Code	HDBK.BO
Bloomberg Code	HDFCB@IN

Shareholding Pattern (%)

Promoters	23.2
MF / Banks / Indian FIs	10.9
FII / NRIs / OCBs	48.1
Indian Public / Others	17.9

Abs. (%)	3m	1yr	3yr
Sensex	(2.6)	(12.3)	78.4
HDFC Bank	(1.2)	16.7	158.0

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Exhibit 1: 3QFY2012 performance

Particulars (₹ cr)	3QFY12	2QFY12	% chg (qoq)	3QFY11	% chg (yoy)
Interest earned	7,203	6,718	7.2	5,230	37.7
- on Advances / Bills	5,417	4,995	8.5	3,950	37.1
- on investments	1,748	1,618	8.0	1,226	42.6
- on balance with RBI & others	35	33	5.0	52	(33.1)
- on others	3	72	(95.8)	2	46.6
Interest Expended	4,087	3,773	8.3	2,453	66.6
Net Interest Income	3,116	2,945	5.8	2,777	12.2
Other income	1,420	1,212	17.2	1,128	25.9
Other income excl. treasury	1,502	1,213	23.8	1,159	29.6
- Fee & commission income	1,128	988	14.1	943	19.6
- Treasury income	(82)	(1)	NA	(31)	NA
- Forex & derivative income	366	218	67.7	217	68.6
Operating income	4,536	4,156	9.1	3,905	16.2
Operating expenses	2,158	2,030	6.3	1,832	17.8
- Employee expenses	867	823	5.4	725	19.6
- Other Opex	1,291	1,207	6.9	1,107	16.6
Pre-provision Profit	2,378	2,126	11.9	2,073	14.7
Provisions & Contingencies	329	366	(10.1)	466	(29.3)
PBT	2,049	1,760	16.4	1,607	27.5
Provision for Tax	619	560	10.5	519	19.3
PAT	1,430	1,199	19.2	1,088	31.4
Effective Tax Rate (%)	30.2	31.8	(163)bp	32.3	(208)bp

Source: Company, Angel Research

Exhibit 2: 3QFY2012 – Actual vs. estimates

Particulars (₹ cr)	Actual	Estimates	Var. (%)
Net interest income	3,116	3,162	(1.5)
Other income	1,420	1,306	8.7
Operating income	4,536	4,468	1.5
Operating expenses	2,158	2,100	2.8
Pre-prov. profit	2,378	2,369	0.4
Provisions & cont.	329	268	22.9
PBT	2,049	2,101	(2.5)
Prov. for taxes	619	682	(9.2)
PAT	1,430	1,419	0.7

Source: Company, Angel Research

Exhibit 3: 3QFY2012 performance analysis

Particulars	3QFY12	2QFY12	% chg (qoq)	3QFY11	% chg (yoy)
Balance sheet					
Advances (₹ cr)	194,303	188,502	3.1	159,184	22.1
Deposits (₹ cr)	232,508	230,676	0.8	192,202	21.0
Credit-to-Deposit Ratio (%)	83.6	81.7	185bp	82.8	75bp
Current deposits (₹ cr)	40,576	40,093	1.2	36,024	12.6
Saving deposits (₹ cr)	70,330	69,017	1.9	61,038	15.2
CASA deposits (₹ cr)	110,906	109,110	1.6	97,062	14.3
CASA ratio (%)	47.7	47.3	40bp	50.5	(280)bp
CAR (%)	16.3	16.5	(20)bp	16.3	0bp
Tier 1 CAR (%)	11.2	11.4	(20)bp	12.1	(90)bp
Profitability Ratios (%)					
Reported NIM	4.1	4.1	0bp	4.3	(20)bp
Cost-to-income ratio	47.6	48.9	(128)bp	46.9	66bp
Asset quality					
Gross NPAs (₹ cr)	2,021	1,895	6.6	1,782	13.4
Gross NPAs (%)	1.0	1.0	3bp	1.1	(8)bp
Net NPAs (₹ cr)	398	355	12.0	331	20.3
Net NPAs (%)	0.2	0.2	0bp	0.2	0bp
Provision Coverage Ratio (%)	80.3	81.3	(95)bp	81.4	(114)bp

Source: Company, Angel Research

Business growth slows sequentially; NIMs remain steady

The bank's net advances growth slowed down to 3.1% qoq, after 2 quarters of strong growth (7.4% qoq in 2QFY2012 and 9.7% in 1QFY2012). Deposit buildup was also much lower on a sequential basis, growing by a marginal 0.8% compared to 9.3% growth in 2QFY2012. The low sequential rise in deposits can primarily be attributed to shedding off ~₹5000-6000cr of high cost wholesale deposits and the management's conscious stance of slowing down deposits accretion in light of high interest rates. The CD ratio of the bank as of 3QFY2012 stood at 83.6% (81.7% in 2QFY2012). (On a yoy basis, both advances and deposits registered growth of 22.1% and 21.0%, respectively).

Corporate loans for the bank grew at modest pace of 15.0% yoy, however retail loan book growth was strong at 29.5% yoy despite the rise in interest rates over the last one year. Yoy growth in retail loans was driven by CVCE, Business banking, Personal loans and Credit card loans. On a sequential basis, growth in retail loans was even more significant at 8.0%, while the corporate book contracted by 1.7% during the quarter (part of short-term lower yielding corporate loans not rolled over). The share of retail to overall loan book (on net advances basis) increased from 49.3% in 2QFY2012 to 51.6% for 3QFY2012, which should help sustain margins for the bank in the coming few quarters.

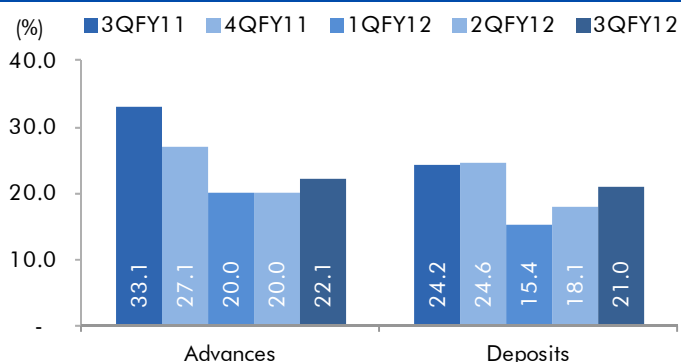
Exhibit 4: Healthy growth in retail loans in spite of high interest rates

Particulars (₹ cr)	3QFY12	2QFY12	% chg (qoq)	3QFY11	% chg (yoy)	% to total
Auto Loans	25,762	24,606	4.7	22,167	16.2	25.7
CVCE	12,604	11,348	11.1	8,748	44.1	12.6
Two Wheelers	2,405	2,173	10.7	1,935	24.3	2.4
Personal Loans	13,112	12,004	9.2	9,833	33.3	13.1
Business Banking	17,358	16,847	3.0	13,443	29.1	17.3
Loans Against Securities	1,034	980	5.5	1,162	(11.0)	1.0
Credit Cards	6,459	5,855	10.3	4,554	41.8	6.4
Home loans	13,128	12,344	6.4	10,933	20.1	13.1
Others	8,485	6,721	26.2	4,704	80.4	8.5
Retail Advances	100,347	92,878	8.0	77,479	29.5	100.0

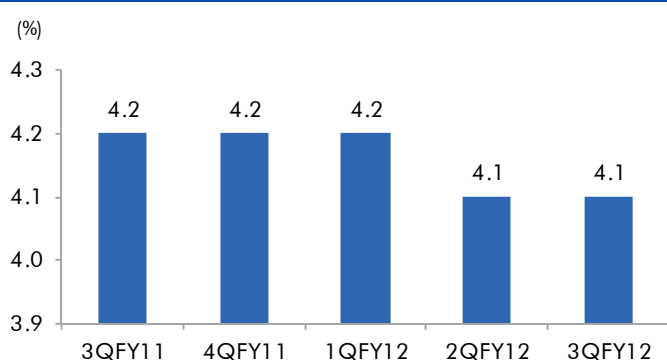
Source: Company, Angel Research

The pace of CASA deposits accretion for the bank has moderated considerably over the past several quarters – the trend continued in 3QFY2012 as well with growth of 14.3% yoy (10.3% growth in 2QFY2012 and 15.1% in 1QFY2012 compared to an average growth of 29.0% yoy in FY2011). The decline in CASA deposit growth can be primarily attributed to the sharp rise in fixed deposit interest rates over the past one year. Current account deposits, after adjusting for one-off current account balance of approx ₹4000cr grew by 12.6% yoy, while the savings account deposits grew by 15.2% yoy. Overall CASA ratio for the bank remains amongst the best in the industry at 47.7%. Going forward, with the bank's aggressive branch expansion (23.7% growth in branch network over the past one year), we expect CASA market share gains to pick up.

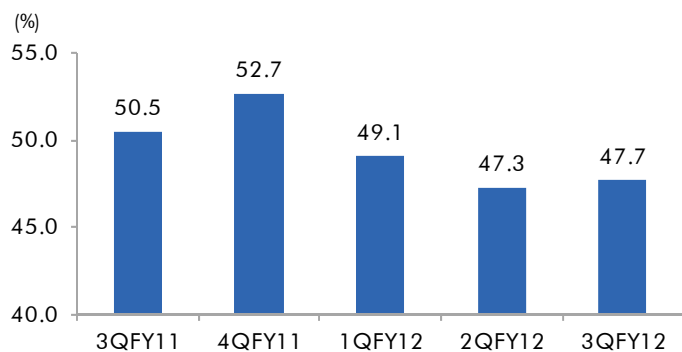
While the CASA growth for the bank has slowed down over the last few quarters, business from retail lending has remained brisk. Higher retail lending and run-off of some high cost whole sale deposits led to margins sustaining at above 4% for 3QFY2012.

Exhibit 5: YoY Advances growth trends


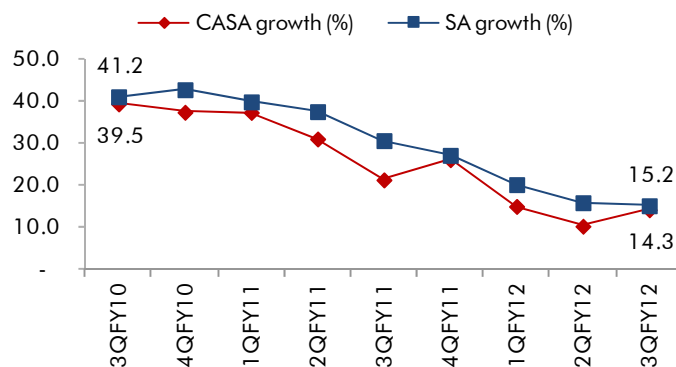
Source: Company, Angel Research

Exhibit 6: Reported NIM remains above 4%


Source: Company, Angel Research

Exhibit 7: CASA ratio marginally up qoq


Source: Company, Angel Research

Exhibit 8: CASA growth remains on moderating path


Source: Company, Angel Research

Other income growth picks up on the back of forex income

Other income growth for the bank was healthy at 25.9% yoy, primarily due to pick up in forex income / derivatives income (68.6% yoy). Fee income growth was also healthy at 19.6% yoy, part of which can be accredited to the festive season (Higher bullion sales and credit card fees). The bank witnessed a treasury loss of ₹82cr during 3QFY2012 on account of MTM losses on bond investments and investments in MFs.

Exhibit 9: Fee income growth at 19.6% yoy; Forex income rises sharply

Particulars (₹ cr)	3QFY12	2QFY12	% chg (qoq)	3QFY11	% chg (yoy)
Fees & Commission	1,128	988	14.1	943	19.6
Treasury Income	(82)	NA	6,192.3	(31)	NA
Forex Income & Others	366	218	67.7	217	68.6
Other	9	7	21.5	(1)	NA
Other income	1,420	1,212	17.2	1,128	25.9
Other income excl. treasury	1,502	1,213	23.8	1,159	29.6

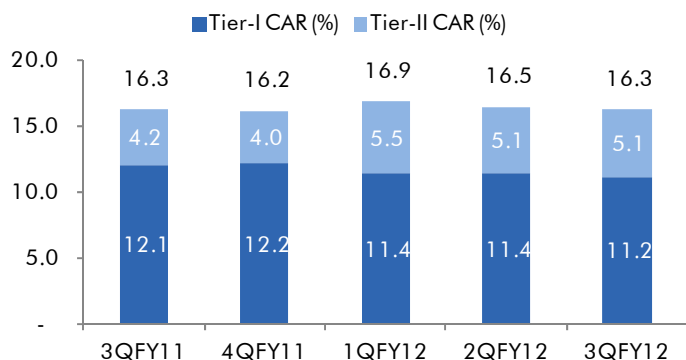
Source: Company, Angel Research

Strong capital adequacy, branch expansion to drive credit and CASA market share gains, respectively

The bank's total capital adequacy ratio (CAR) remained strong at 16.3%, with tier-1 constituting 68.7% of the total CAR. On the back of this strong CAR, we expect the bank to further improve its credit market share over FY2012–13. Accordingly, we expect the bank to record credit growth of 24-25% each in FY2012 and FY2013.

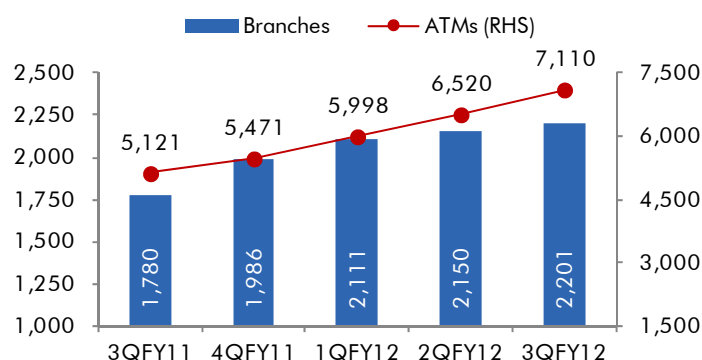
Notwithstanding the recent moderation in pace of CASA deposits accretion, we expect the same to remain higher than the industry average over the coming quarters on the back of the bank's aggressive branch expansion. During the past four quarters alone, the bank has added 421 branches (increase of 23.7%), taking its branch network to 2,201.

Exhibit 10: Healthy capital adequacy



Source: Company, Angel Research

Exhibit 11: Branch expansion gaining traction

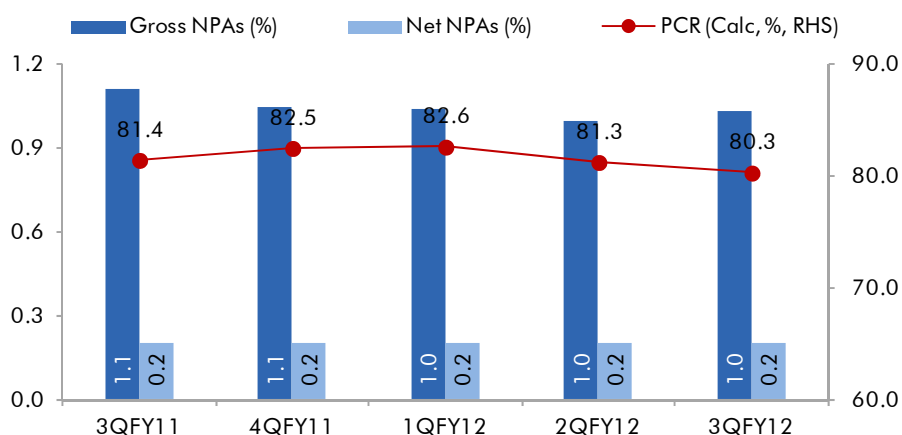


Source: Company, Angel Research

Asset quality remains largely stable

The bank maintained its strong asset quality track record during 3QFY2012 as well. Gross and Net NPA ratios remained stable at 1.0% and 0.2%, respectively. NPA provision coverage ratio remained at elevated levels at 80.3%, even without considering the floating provisions. Restructured advances for the bank grew by ~3.4% qoq (at 0.4% of gross advances) to ~₹772cr.

Exhibit 12: Stable asset quality



Source: Company, Angel Research

Investment arguments

Strong capital adequacy, expanding network to sustain traction in credit market share and CASA deposits, respectively

In 2QFY2012, the bank's capital adequacy stood strong at 16.3%, with tier-1 comprising a substantial 68.7%. On the back of this strong CAR, we expect the bank to increase its credit market share over FY2012–13. Accordingly, we expect the bank to record credit growth of 24-25% each in FY2012 and FY2013.

The bank's strong and profitable growth over the last six years (FY2005–11) was supported by significant traction in CASA market share (from 3.3% in FY2005 to ~6.0% in FY2011). The dominant transaction banking business lies at the core of the bank's strength in CASA deposits. Moreover, aided by the merger of CBoP, the bank's branch network moved up at a 30% CAGR during FY2006–11. We believe HDFC Bank would be in a position to further increase its CASA market share going ahead by increasing CASA mobilisation at the branches, expanding its network at a healthy pace and leveraging its comprehensive product range and strong brand.

Comprehensive product portfolio, effective cross-selling to sustain traction in fee income

Apart from the traditional CEB and forex income, the bank earns substantial fee income from transaction banking, cards and third-party distribution, among others. Overall, the bank's core fee income increased at a 27.4% CAGR over FY2008–11 and stood at around 1.7% of ATA in FY2011, one of the best in the sector – offering another significant competitive advantage to the bank.

Healthy in asset quality

The bank has been able to improve its asset quality consistently, as reflected in slippages, which declined from 5.2% in FY2009 to 1.1% during FY2011. Provisions to average assets also declined from 1.2% in FY2009 to 0.8% in FY2011. With the slowdown on the domestic growth front and heightened global macro risks, we expect slippages to rise from the current low levels. However, we believe that the bank is better placed vis-à-vis peers in tackling expected asset quality pressures considering the loan book mix and the healthy provision coverage ratio.

Valuations leave limited upside

We believe HDFC Bank is among the most competitive banks in the sector, with an A-list management at the helm of affairs, which has one of the best track records in the sector. We believe HDFC Bank is well positioned for high qualitative growth, with strong CAR, healthy 20%+ branch expansion and robust asset quality. On the back of this, in our view, the bank is set to further gain credit and CASA market share.

HDFC Bank is trading at 3.3x FY2013 ABV, which is only slightly lower than its median of 3.45x (over FY2005-FY2011), even as the rest of the banks are trading close to the bottom of their valuation range. We believe current valuations largely factor in the positives, leaving limited upside in the stock. Hence, we maintain our Neutral recommendation on the stock.

Exhibit 13: Key assumptions

Particulars (%)	Earlier estimates		Revised estimates	
	FY2012	FY2013	FY2012	FY2013
Credit growth	24.0	25.0	24.0	25.0
Deposit growth	25.0	27.0	22.0	27.0
CASA ratio	51.8	50.1	53.1	51.4
NIMs	4.2	4.2	4.2	4.3
Other income growth	18.1	24.5	20.0	23.7
Growth in staff expenses	16.3	23.0	17.0	23.0
Growth in other expenses	16.3	23.0	17.0	23.0
Slippages	1.0	1.0	1.1	1.1
Coverage ratio	78.3	79.9	80.8	76.9

Source: Angel Research

Exhibit 14: Change in estimates

Particulars (₹ cr)	FY2012			FY2013		
	Earlier estimates	Revised estimates	Var. (%)	Earlier estimates	Revised estimates	Var. (%)
NII	12,235	12,178	(0.5)	15,189	15,174	(0.1)
Non-interest income	5,121	5,200	1.5	6,375	6,434	0.9
Operating income	17,356	17,378	0.1	21,563	21,608	0.2
Operating expenses	8,315	8,369	0.6	10,224	10,290	0.6
Pre-prov. profit	9,041	9,009	(0.4)	11,340	11,319	(0.2)
Provisions & cont.	1,410	1,469	4.2	1,404	1,378	(1.8)
PBT	7,631	7,540	(1.2)	9,936	9,940	0.0
Prov. for taxes	2,476	2,375	(4.1)	3,224	3,225	0.0
PAT	5,155	5,165	0.2	6,712	6,715	0.0

Source: Angel Research

Exhibit 15: Angel EPS forecast vs. consensus

Year (₹)	Angel forecast	Bloomberg consensus	Var. (%)
FY2012E	22.2	21.8	1.9
FY2013E	28.9	27.5	5.0

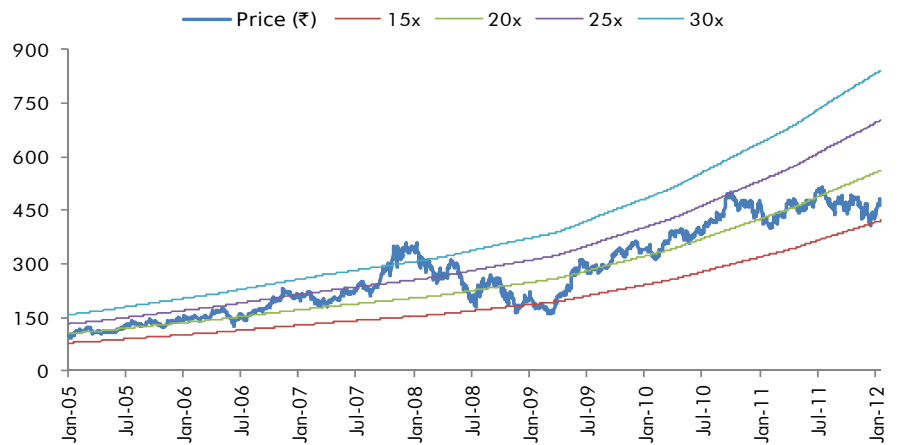
Source: Bloomberg, Angel Research

Exhibit 16: P/ABV band



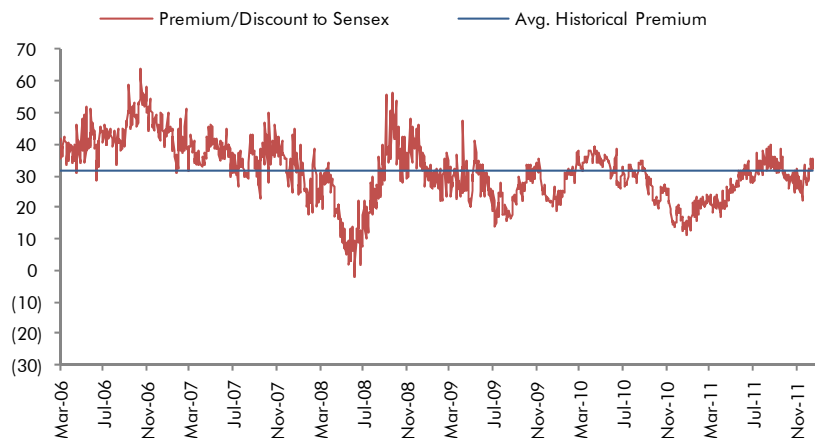
Source: Company, Angel Research

Exhibit 17: P/E band



Source: Company, Angel Research

Exhibit 18: HDFC Bank – Premium/Discount to the Sensex (%)



Source: Bloomberg, Angel Research

Exhibit 19: Recommendation summary

Company	Reco.	CMP (₹)	Tgt. price (₹)	Upside (%)	FY2013E P/ABV (x)	FY2013E Tgt P/ABV (x)	FY2013E P/E (x)	FY2011-13E EPS CAGR (%)	FY2013E RoA (%)	FY2013E RoE (%)
AxisBk	Buy	952	1,216	27.7	1.6	2.0	8.7	15.1	1.4	19.2
FedBk	Neutral	364	-	-	1.0	-	8.3	13.0	1.1	12.5
HDFCBk	Neutral	485	-	-	3.3	-	16.8	30.8	1.8	21.0
ICICIBk*	Buy	796	954	19.8	1.5	1.8	12.5	19.2	1.3	14.4
SIB	Neutral	23	-	-	1.1	-	6.8	13.5	0.9	17.5
YesBk	Accumulate	287	314	9.5	1.8	2.0	9.9	17.7	1.3	20.1
AllBk	Neutral	142	-	-	0.7	-	4.0	9.6	0.9	17.6
AndhBk	Neutral	97	-	-	0.7	-	4.7	(4.8)	0.8	14.6
BOB	Accumulate	743	834	12.1	1.0	1.2	5.8	9.3	1.1	19.1
BOI	Neutral	306	-	-	1.0	-	6.7	0.1	0.6	13.3
BOM	Accumulate	45	51	13.8	0.7	0.8	5.0	21.2	0.7	15.6
CanBk	Neutral	421	-	-	0.9	-	5.4	(7.0)	0.8	15.8
CentBk	Neutral	76	-	-	0.6	-	4.8	(24.3)	0.4	11.4
CorpBk	Accumulate	387	420	8.3	0.6	-	4.2	(1.8)	0.8	15.5
DenaBk	Neutral	60	-	-	0.4	-	3.1	2.4	0.8	14.9
IDBI#	Neutral	93	-	-	0.6	-	4.6	9.9	0.7	13.4
IndBk	Neutral	204	-	-	0.8	-	4.9	3.8	1.2	18.4
IOB	Neutral	85	-	-	0.5	-	4.3	7.1	0.5	13.0
J&KBk	Neutral	742	-	-	0.8	-	4.4	14.9	1.4	18.6
OBC	Neutral	222	-	-	0.6	-	5.0	(7.4)	0.7	11.1
PNB	Accumulate	911	1,015	11.4	1.0	1.2	5.7	7.3	1.0	19.7
SBI*	Accumulate	1,884	2,124	12.8	1.5	1.7	9.1	26.0	0.8	17.9
SynBk	Buy	84	102	20.9	0.6	0.7	3.6	12.5	0.7	16.3
UcoBk	Neutral	60	-	-	0.7	-	3.9	10.9	0.6	15.4
UnionBk	Accumulate	188	210	11.6	0.8	0.9	4.8	(0.3)	0.7	15.4
UtdBk	Accumulate	60	67	12.1	0.6	0.6	4.2	4.3	0.6	12.1
VijBk	Reduce	53	49	(7.0)	0.7	0.7	5.5	4.1	0.5	11.6

Source: Company, Angel Research; Note: *Target multiples=SOTP Target Price/ABV (including subsidiaries), #Without adjusting for SASF

Income statement

Y/E March (₹ cr)	FY07	FY08	FY09	FY10	FY11	FY12E	FY13E
Net Interest Income	3,710	5,228	7,421	8,386	10,543	12,178	15,174
- YoY Growth (%)	45.7	40.9	42.0	13.0	25.7	15.5	24.6
Other Income	1,510	2,205	3,471	3,983	4,335	5,200	6,434
- YoY Growth (%)	24.4	46.0	57.4	14.8	8.8	20.0	23.7
Operating Income	5,220	7,433	10,892	12,370	14,878	17,378	21,608
- YoY Growth (%)	38.8	42.4	46.5	13.6	20.3	16.8	24.3
Operating Expenses	2,421	3,746	5,685	5,940	7,153	8,369	10,290
- YoY Growth (%)	43.2	54.7	51.8	4.5	20.4	17.0	23.0
Pre - Provision Profit	2,799	3,688	5,207	6,430	7,725	9,009	11,319
- YoY Growth (%)	35.3	31.7	41.2	23.5	20.2	16.6	25.6
Prov. & Cont.	1,160	1,407	1,908	2,141	1,907	1,469	1,378
- YoY Growth (%)	42.4	21.2	35.6	12.2	(10.9)	(23.0)	(6.2)
Profit Before Tax	1,639	2,281	3,299	4,289	5,819	7,540	9,940
- YoY Growth (%)	30.7	39.2	44.6	30.0	35.7	29.6	31.8
Prov. for Taxation	497	691	1,054	1,340	1,892	2,375	3,225
- as a % of PBT	30.3	30.3	32.0	31.3	32.5	31.5	32.4
PAT	1,141	1,590	2,245	2,949	3,926	5,165	6,715
- YoY Growth (%)	31.1	39.3	41.2	31.3	33.2	31.5	30.0

Balance sheet

Y/E March (₹ cr)	FY07	FY08	FY09	FY10	FY11	FY12E	FY13E
Share Capital	319	354	425	458	465	465	465
Reserves & Surplus	6,114	11,143	14,627	21,065	24,914	28,889	34,064
Deposits	68,298	100,769	142,812	167,404	208,586	254,475	323,184
- Growth (%)	22.4	47.5	41.7	17.2	24.6	22.0	27.0
Borrowings	2,815	4,595	2,686	7,012	7,447	10,151	12,765
Tier 2 Capital	3,283	3,449	6,478	5,904	6,947	7,920	9,108
Other Liab. & Prov.	10,407	12,867	16,243	20,616	28,993	36,469	45,902
Total Liabilities	91,236	133,177	183,271	222,459	277,353	338,370	425,487
Cash Balances	5,182	12,553	13,527	15,483	25,101	19,086	24,239
Bank Balances	3,971	2,225	3,979	14,459	4,568	8,459	10,637
Investments	30,565	49,394	58,818	58,608	70,929	86,989	110,723
Advances	46,945	63,427	98,883	125,831	159,983	198,379	247,973
- Growth (%)	33.9	35.1	55.9	27.3	27.1	24.0	25.0
Fixed Assets	967	1,175	1,707	2,123	2,171	2,569	3,133
Other Assets	3,605	4,403	6,357	5,955	14,601	22,889	28,782
Total Assets	91,236	133,177	183,271	222,459	277,353	338,370	425,487
- Growth (%)	24.1	46.0	37.6	21.4	24.7	22.0	25.7

Ratio analysis

Y/E March	FY07	FY08	FY09	FY10	FY11	FY12E	FY13E
Profitability ratios (%)							
NIMs	4.7	4.9	4.9	4.3	4.4	4.2	4.3
Cost to Income Ratio	46.4	50.4	52.2	48.0	48.1	48.2	47.6
RoA	1.4	1.4	1.4	1.5	1.6	1.7	1.8
RoE	19.5	17.7	16.9	16.1	16.7	18.9	21.0
B/S ratios (%)							
CASA Ratio	57.7	54.5	44.4	52.0	52.7	53.1	51.4
Credit/Deposit Ratio	68.7	62.9	69.2	75.2	76.7	78.0	76.7
CAR	13.1	13.6	15.1	17.4	16.2	14.5	13.6
- Tier I	8.6	10.3	10.2	13.3	12.2	11.0	10.4
Asset Quality (%)							
Gross NPAs	1.4	1.4	2.0	1.4	1.0	1.1	1.2
Net NPAs	0.4	0.5	0.6	0.3	0.2	0.2	0.3
Slippages	2.2	2.5	5.3	2.6	1.1	1.1	1.1
Loan Loss Prov. /Avg. Assets	0.8	0.9	1.0	1.0	0.3	0.3	0.3
Provision Coverage	69.2	67.1	68.4	78.4	82.5	80.8	76.9
Per Share Data (₹)							
EPS	7.1	9.0	10.6	12.9	16.9	22.2	28.9
ABVPS (75% cover.)	40.0	64.5	70.2	94.0	109.1	126.2	148.4
DPS	1.4	1.7	1.7	2.4	3.3	4.4	5.7
Valuation Ratios							
PER (x)	67.9	54.1	45.9	37.6	28.7	21.8	16.8
P/ABVPS (x)	12.1	7.5	6.9	5.2	4.4	3.8	3.3
Dividend Yield	0.3	0.4	0.4	0.5	0.7	0.9	1.2
DuPont Analysis							
NII	4.5	4.7	4.7	4.1	4.2	4.0	4.0
(-) Prov. Exp.	1.4	1.3	1.2	1.1	0.8	0.5	0.4
Adj. NII	3.1	3.4	3.5	3.1	3.5	3.5	3.6
Treasury	(0.1)	0.1	0.3	0.2	(0.0)	(0.0)	0.0
Int. Sens. Inc.	3.0	3.6	3.7	3.3	3.4	3.4	3.6
Other Inc.	1.9	1.8	1.9	1.8	1.8	1.7	1.7
Op. Inc.	4.9	5.4	5.7	5.0	5.2	5.2	5.3
Opex	2.9	3.3	3.6	2.9	2.9	2.7	2.7
PBT	2.0	2.0	2.1	2.1	2.3	2.4	2.6
Taxes	0.6	0.6	0.7	0.7	0.8	0.8	0.8
RoA	1.4	1.4	1.4	1.5	1.6	1.7	1.8
Leverage	14.0	12.5	11.9	11.1	10.7	11.2	12.0
RoE	19.5	17.7	16.9	16.1	16.7	18.9	21.0

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HDFC Bank

1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	No
4. Broking relationship with company covered	No

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Ratings (Returns):

Buy (> 15%)

Reduce (-5% to 15%)

Accumulate (5% to 15%)

Sell (< -15%)

Neutral (-5 to 5%)