

May 24, 2016

City Union Bank (CITUNI)

₹ 105

Respectable performance relative to peers...

- Overall the bank reported decent set of numbers though asset quality witnessed some deterioration but was better relative to peers.
- Fresh slippages stayed higher at ₹ 127 crore (flat QoQ) but half of which was due to ₹ 69 crore steel account slipping from RA book. CUB does not have any stress related to RBI's asset quality review. Impact due to Chennai floods was minimal and ~₹ 18 crore worth of accounts were restructured.
- GNPA was at ₹ 512 crore (up 11% QoQ) & NNPA at ₹ 323 crore (up 13% QoQ). RA book at 1%. Thus stressed assets stood at 3.4%.
- NII growth was healthy at 29% YoY to ₹ 264 crore led by higher than expected 17% growth in advances and strong margins of 3.96%.
- PAT came in at ₹ 112 crore, up 13.3% YoY (flat QoQ), vs. estimate of ₹ 118.6 crore owing to higher provisions of ₹ 71 crore (highest in the last several quarters) and tax rate of 27% vs. 22% expected.

Strong regional bank; expect 15.5% CAGR in loans over FY16-18E

City Union Bank is the oldest bank in the "old private sector bank" category with 100+ years of existence with continuous profitability and dividend pay out. It is largely a south India oriented bank with a network of 525 branches of which 469 are in South India and 359 in Tamil Nadu alone. CUB's business traction at 29% CAGR over FY06-13 has been higher than industry except in FY14-15 wherein business growth fell to 8.6% at ₹ 17965 crore, focussing on quality rather than growth. We expect business growth of 15.3% CAGR over FY16-18E to ₹ 64089 crore.

NIM above 3%+ for over decade; expect healthy levels to sustain ahead

One of the commendable features of CUB is that it has been able to maintain NIMs of 3%+ for over a decade across economic cycles despite a low CASA base (~20% of total deposits). This is owing to the structure of its loan book, which is focused on the SME/MSME segment (~52% of loans) that is high yielding and wherein re-pricing is possible. Further, ~90% of the book is on a floating basis, which reduces interest rate risk. We expect calculated NIM to stay healthy at >3% levels in FY16-18E.

Asset quality expected to remain resilient compared to peers

CUB's lending philosophy of giving small ticket secured loans helps control asset quality. Around 1:1 loan to collateral ratio was maintained. Unsecured loans are only 2% of loans. The bank did not go overboard on growth in peak years of 2007-08 and maintained its 25-30% credit growth. It improved its NNPA from 7-8% in the FY00 crisis to <1.0% in FY10 and maintained it despite banking system NPAs surging in both FY12 and FY13. As on Q4FY16, GNPA ratio is at 2.4%. We expect GNPA and NNPA ratios at 2.4% and 1.4% to ₹ 665 crore and ₹ 392 crore, respectively, by FY18E.

Operational performance holding up well vs. peers; maintain BUY

We have tweaked our estimates to factor in slightly higher credit traction. We expect PAT CAGR of 16.4% over FY16-18E to ₹ 604 crore with RoEs at ~16% and RoAs at ~1.6%. We continue to prefer CUB as it is well placed among regional players and comfortable on capital adequacy front with tier I ratio at 15.1%. CUB has historically traded at a slight premium to other regional banks owing to better return ratios. We maintain our **BUY** rating and revise our target price higher to ₹ 118 from ₹ 90 earlier as we raise our target multiple to 1.9x vs. 1.8x earlier and roll over to FY18E ABV of ₹ 60.8 per share. Bank seems to be in a better position vs. peers to leverage on the improving economic outlook as and when it happens.

Rating matrix

Rating	:	Buy
Target	:	₹ 118
Target Period	:	12 months
Potential Upside	:	12%

What's Changed?

Target	Changed from ₹ 90 to ₹ 118
EPS FY17E	Changed from ₹ 8.1 to ₹ 8.3
EPS FY18E	Introduced at ₹ 10.1
Rating	Unchanged

Quarterly Performance

₹ crore	Q4FY16	Q4FY15	YoY (%)	Q3FY16	QoQ (%)
NII	264.4	204.6	29.2	252.8	4.6
Other Income	107.3	105.5	1.7	103.3	3.8
PPP	224.0	178.8	25.3	206.9	8.3
PAT	112.2	99.1	13.3	113.0	-0.7

Key Financials

₹ Crore	FY15	FY16	FY17E	FY18E
NII	807	981	1,098	1,273
PPP	682	835	919	1,065
PAT	384	445	497	604

Valuation summary

	FY15	FY16	FY17E	FY18E
P/E	16.3	14.1	12.6	10.4
Target P/E	18.3	15.8	14.2	11.7
P/ABV	2.5	2.3	2.0	1.7
Target P/ABV	2.9	2.6	2.3	1.9
RoA	1.4	1.5	1.5	1.6
RoE	15.9	15.6	15.3	16.2

Stock data

Market Capitalisation	₹ 6260 crore
GNPA (Q4FY16)	₹ 512 crore
NNPA (Q4FY16)	₹ 323 crore
NIM (Q4FY16)	4.0
52 week H/L	106 / 78
Network	₹ 3071 crore
Face value	₹ 1
DII Holding (%)	39.0
FII Holding (%)	9.6

Price performance (%)

	1M	3M	6M	12M
City Union Bank	8.7	24.9	14.6	3.5
South Indian Bank	-1.1	7.1	-10.0	-24.8
Federal Bank	4.5	2.8	-13.0	-29.4

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Variance analysis

	Q4FY16	Q4FY16E	Q4FY15	YoY (%)	Q3FY16	QoQ (%)	Comments
NII	264	260	205	29.2	253	4.6	NII traction healthy on the back of strong margins and better-than-expected credit growth of 17% YoY
NIM (%)	4.0	3.8	3.4	56 bps	3.8	14 bps	Margins were healthy. However, these margins are unsustainable. Management has guided for full year margins between 3.4-3.6%
Other Income	107	108	105	1.7	103	3.8	
Net Total Income	372	368	310	19.9	356	4.4	
Staff cost	53	55	51	3.5	63	-16.6	
Other Operating Expenses	95	97	80	18.2	86	10.4	
PPP	224	216	179	25.3	207	8.3	Operational performance has sustained well
Provision	71	64	58	21.8	65	9.2	Credit cost came in higher due to pressure on asset quality
PBT	153	152	132	16.5	142	7.9	
Tax Outgo	41	33	33	26.2	29	41.4	
PAT	112	119	99	13.3	113	-0.7	

Key Metrics

GNPA	512	511	336	52.5	460	11.3	Slippages stayed higher at ₹ 127 crore (flat QoQ). However, ~₹ 69 crore were due to a steel account slipping to NPA from RA book. Management expects slippages to be lower in FY17E than ₹ 429 crore seen in FY16.
NNPA	323	298	233	38.8	287	12.7	Provision coverage ratio was steady QoQ at 60%
Total Restructured assets	204	250	261	-21.8	316	-35.4	Outstanding restructuring declined QoQ forming 1.0% of the total credit vs 1.6% in Q3FY16. There is no pipeline of any accounts in 5:25 scheme

Source: Company, ICICIdirect.com Research

Change in estimates

(₹ Crore)	FY17E			FY18E	
	Old	New	% Change	Introduced	
Net Interest Income	1,028	1,098	6.8	1,273	
Pre Provision Profit	868	919	5.8	1,065	
NIM (%)	3.2	3.4	25 bps	3.5	
PAT	485	497	2.5	604	
ABV (₹)	52.3	52.3	0.0	60.8	

Source: Company, ICICIdirect.com Research

Assumptions

	FY15		Current		Earlier
	FY15	FY16	FY17E	FY18E	FY17E
Credit growth (%)	11.6	17.2	15.2	15.8	13.0
Deposit Growth (%)	9.3	12.8	15.1	15.1	14.2
CASA ratio (%)	19.2	20.4	20.5	20.6	19.6
NIM Calculated (%)	3.2	3.5	3.4	3.5	3.1
Cost to income ratio (%)	43.7	39.9	40.6	40.0	43.5
GNPA (₹ crore)	336	513	610	666	514
NNPA (₹ crore)	233	323	367	392	291
Slippage ratio (%)	2.4	2.0	1.6	1.4	1.7
Credit cost (%)	1.0	1.0	0.9	0.8	0.8

Source: Company, ICICIdirect.com Research

Company Analysis

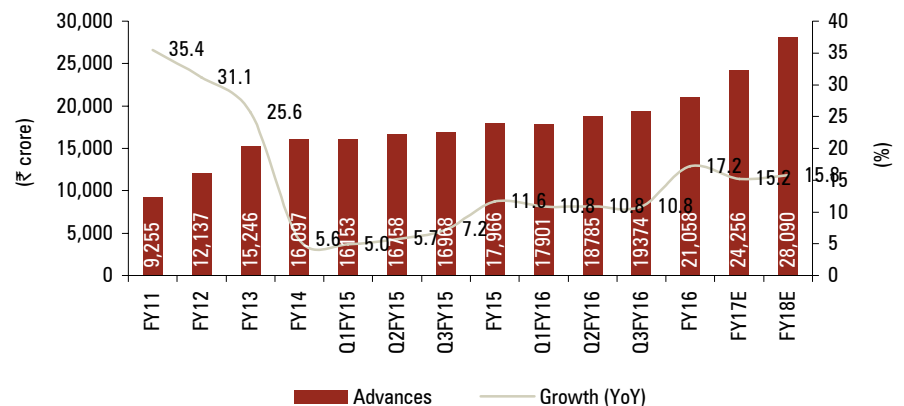
Regional bank with focus on SME segment; expect 15.5% CAGR in loans

CUB is a south India based small sized bank with a legacy of over 100 years. Based out of Tamil Nadu, it has a network of 525 branches with 469 branches concentrated in southern India and 359 branches in Tamil Nadu alone. CUB has a history of 100 years of profits and dividend payouts.

One of its distinguishing features is its focus on its target segment of SME/MSME in southern India, which accounts for ~52% of CUB's advances book. The bank capitalises on knowledge of its niche market of small businesses, SME and traders primarily based in south India. Going ahead, the bank maintains that its focus would continue to be the SME/MSME segment.

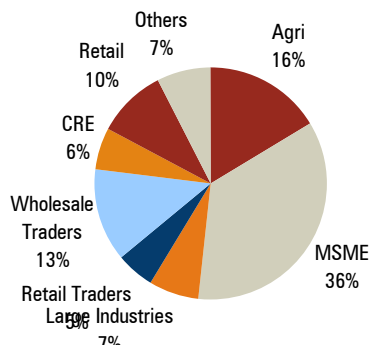
CUB's credit grew above industry at 29% CAGR to ₹ 15246 crore between FY06 and FY13. However, owing to a weak economic scenario, the bank scaled down its advances traction at 8.6% YoY CAGR to ₹ 17965 crore over FY14-15. Going ahead, we expect advances growth of 15.5% CAGR in FY16-18E to ₹ 28090 crore with MSME and retail remaining the thrust areas. Any major improvement in the economic scenario could result in higher-than-expected traction in loans than factored in by us.

Exhibit 1: Strong growth seen before sharp decline in FY13-15; expect traction to be above industry



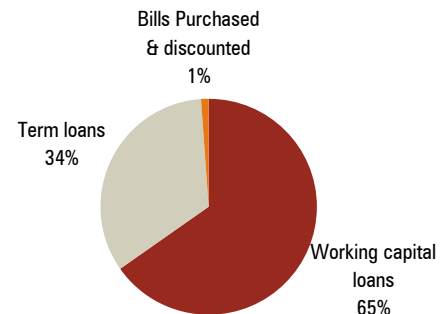
Source: Company, ICICIdirect.com Research

Exhibit 2: Loan break-up --- Sector wise



Source: Company, ICICIdirect.com Research

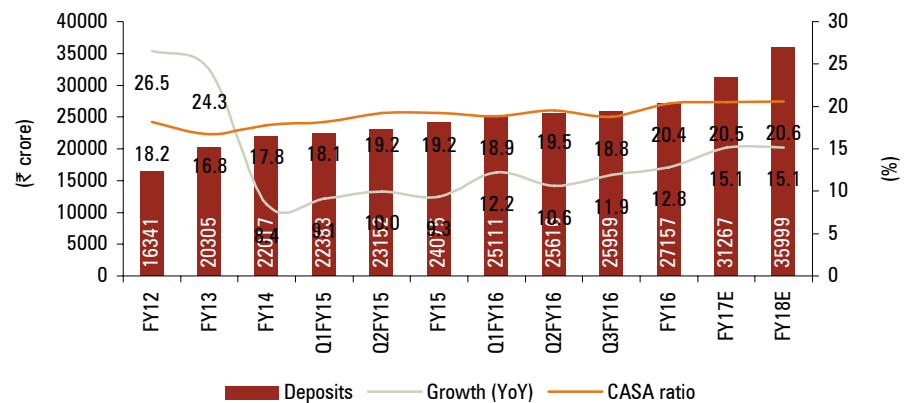
Exhibit 3: Loan break-up --- Product wise



Source: Company, ICICIdirect.com Research

CUB's deposits have also tracked credit growth. It registered a healthy CAGR of 28% over FY06-13 to ₹ 20305 crore. Like credit, deposit growth also slowed in FY14 at 8.4% and 9.3% in FY15 to ₹ 24075 crore.

Exhibit 4: CASA ratio expected to gradually move up, going ahead



Source: Company, ICICIdirect.com Research

We have factored in deposit CAGR of 15.1% over FY16-18E to ₹ 35999 crore. CASA ratio is estimated to gradually move up at 20.6% by FY18E to ₹ 7402 crore

CUB's deposits are largely retail in nature with nil bulk deposits. CASA ratio has been ~20% in FY16 which is on the lower side. Going ahead, we expect deposit to track credit traction and grow at 15.1% CAGR in FY16-18E to ₹ 35999 crore. CASA ratio is estimated to gradually move up at 20.6% by FY18E to ₹ 7402 crore.

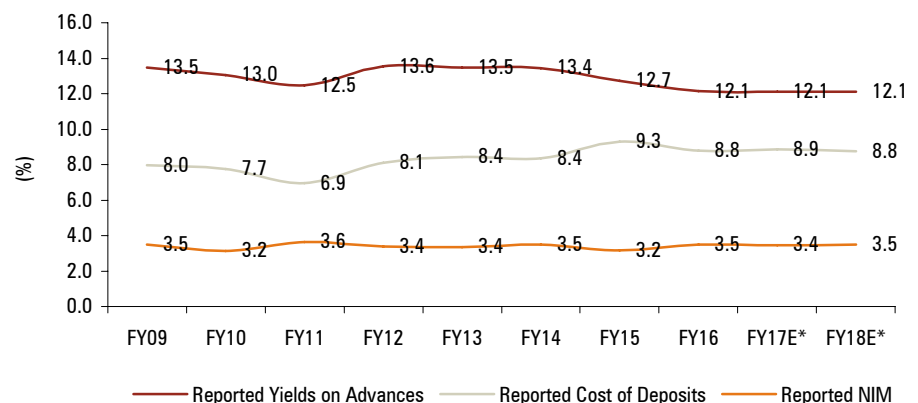
Structure of loan book aids NIMs; expect to stay at healthy levels

CUB has historically maintained a higher NIM of above 3%. In FY16, reported margins were at 3.81%. This is commendable considering that its CASA ratio has been ~20%.

As discussed above, given its positioning as an SME/MSME (~52% of loans) focused bank catering to their specific requirements, higher churn and yields due to greater proportion of short-term loans (working capital loans at ~65%), extensive knowledge about its market dynamics and a floating loan book size of approximately 90%, the bank has been able to manage its yields on advances across business cycles, thus maintaining the spread. The bank has enjoyed high yields of over 12% since FY08.

Moreover, the deposit base consists mainly of retail term deposits, which have a higher maturity. This reduces the bank's dependence on high cost bulk deposits, which currently is nil. However, owing to declining interest rate scenario and rising NPA pressure we expect some pressure on margins. However, it is expected to stay at healthy levels of >3% ahead.

Exhibit 5: Margins historically healthy at >3% levels; expect it to be maintained



Source: Company, ICICIdirect.com Research, * Calculated

We expect margins to stay at healthy levels of > 3% over FY16-18E

Margins for Q4FY16 remained at healthy levels of 3.96% despite higher slippages. Rise of 300 bps in CD ratio and improvement in CASA ratio supported NIMs

Asset quality expected to remain prudent

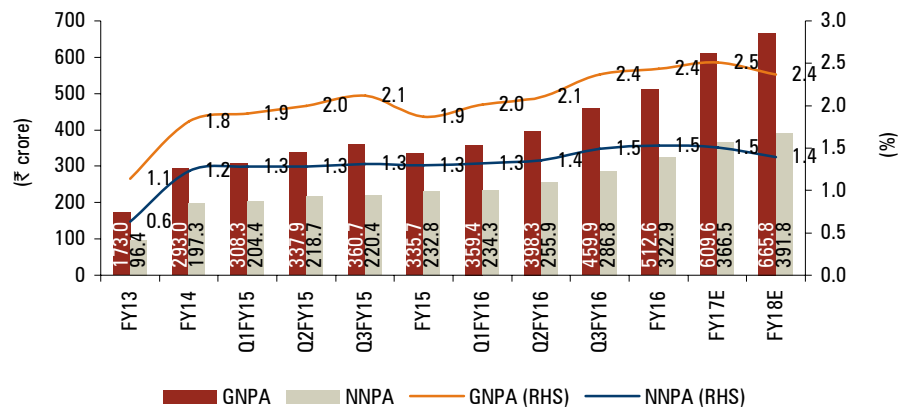
CUB has largely maintained its asset quality well over a long time. The GNPA and NNPA ratios declined to 1.1% and 0.6% as on FY13 from 4.43% and 1.95%, respectively, in FY06. CUB's lending philosophy of giving small ticket secured loans helps control asset quality. Around 1:1 loan to collateral ratio is maintained. Unsecured advances aggregate to only 2% of loans. The bank did not go overboard on growth in the peak years of 2007-08 and maintained its 25-30% credit growth.

RA is also one of the lowest in the industry at 1.0% (₹ 204 crore) as on Q4FY16. However, during FY14, owing to a weak economy, CUB witnessed asset quality pressures with fresh slippages rising to ₹ 456 crore from ₹ 223 crore in FY13. During FY14, absolute GNPA and NNPA increased to ₹ 293 crore (GNPA ratio at 1.8%) and ₹ 197 crore (NNPA ratio at 1.2%), respectively. Further, PCR fell to 62% from 70% levels earlier. In FY15, slippages came in higher than trajectory prior to FY14. However, it remained lower compared to last year at ₹ 425 crore along with higher reduction at ₹ 382 crore in FY15 vs. 336 crore in FY14. Consequently, GNPA and NNPA increased to ₹ 336 crore and ₹ 233 crore, respectively. Despite deterioration, we believe CUB's asset quality remains manageable compared to its peers. Lower exposure to stressed segments like the infra segment at ~1% also provides comfort.

Fresh slippages during Q4FY16 was ₹ 127 crore (flat QoQ). An account in the steel segment of ₹ 69 crore slipped from RA book. The management guided that slippages will remain between 1.75% and 2% in FY17E. We expect GNPA and NNPA ratios at 2.4% and 1.4% to ₹ 666 crore and ₹ 392 crore, respectively, by FY18E.

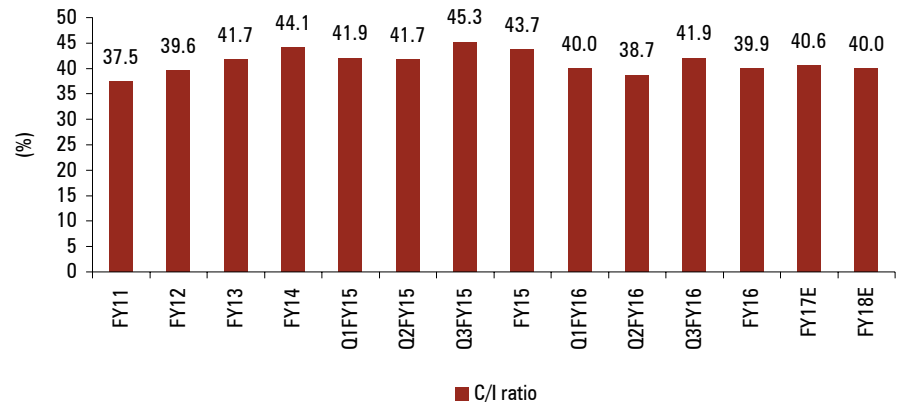
We expect GNPA and NNPA ratios at 2.4% and 1.4%, respectively, by FY18E

Exhibit 6: Asset quality remains acceptable despite pressures witnessed recently



Source: Company, ICICIdirect.com Research

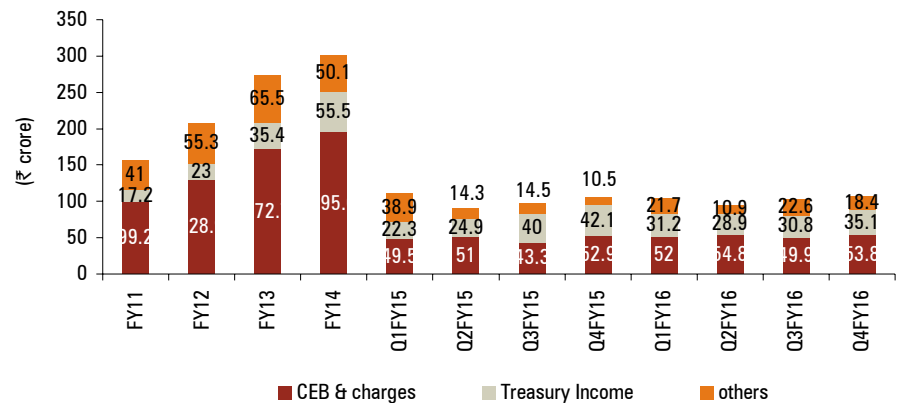
Exhibit 7: Superior operational efficiency in past; expect to stabilise near 40-43% in FY16-18E



Source: Company, ICICIdirect.com Research

CUB's cost-to-income ratio (C/I ratio) has largely stayed near 40%, which is been better than its peers wherein the C/I ratio was ~45%. Positives for the bank include no pressure from provisioning for gratuity & pension as faced by public sector banks.

Exhibit 8: Other income break up & trend

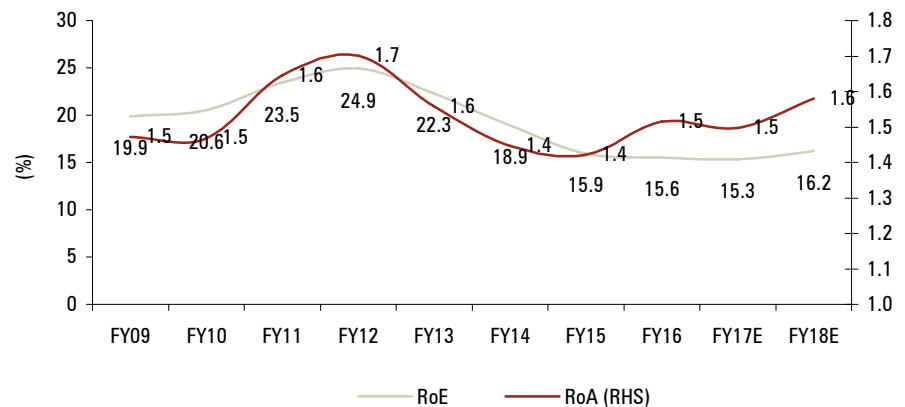


Source: Company, ICICIdirect.com Research

Outlook and valuation

We have tweaked our estimates to factor in slightly higher credit traction. We expect PAT CAGR of 16.4% over FY16-18E to ₹ 604 crore with RoEs at ~16% and RoAs at ~1.6%. We continue to prefer CUB as it is well placed among regional players and comfortable on capital adequacy front with tier I ratio at 15.1%. CUB has historically traded at a slight premium to other regional banks owing to better return ratios. We maintain our **BUY** rating and revise our target price higher to ₹ 118 from ₹ 90 earlier as we raise our target multiple to 1.9x vs. 1.8x earlier and roll over to FY18E ABV of ₹ 60.8 per share. Bank seems to be in better position vs. peers to leverage on the improving economic outlook as and when it happens.

Exhibit 9: RoEs better relative to peers and expected to improve



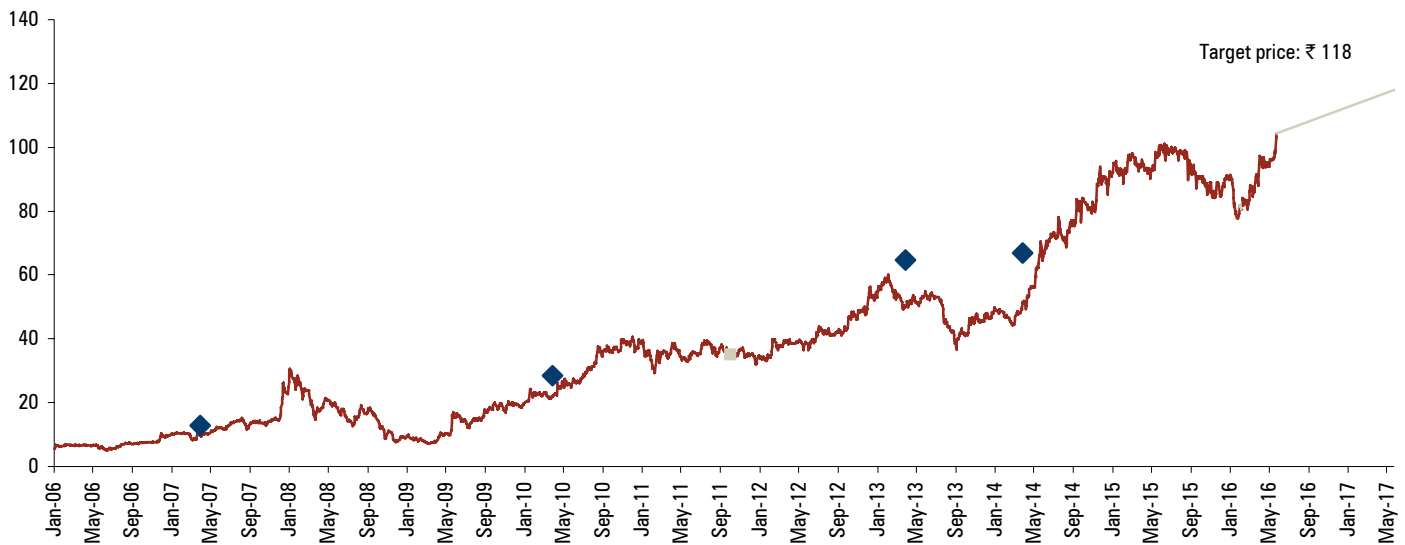
Source: Company, ICICIdirect.com Research

Exhibit 10: Valuation

	NII (₹ cr)	Growth (%)	PAT (₹ cr)	Growth (%)	P/E (x)	ABV (₹)	P/ABV (x)	RoA (%)	RoE (%)
FY15	807	6.3	384.1	10.7	16.3	41.2	2.5	1.4	15.9
FY16	981	21.5	445.3	15.9	14.1	45.9	2.3	1.5	15.6
FY17E	1,098	12.0	497.3	11.7	12.6	52.3	2.0	1.5	15.3
FY18E	1,273	16.0	603.8	21.4	10.4	60.8	1.7	1.6	16.2

Source: Company, ICICIdirect.com Research

Company snapshot



Source: Bloomberg, Company, ICICIdirect.com Research

Key events

Date	Event
FY98	A 100 year old regional bank, gets listed in FY98
FY02	They enter into an MoU with Life Insurance Corporation of India and National Insurance Co Ltd for selling insurance products
FY03	Bank starts expanding beyond south and opens branch in Mumbai
FY07	Bank makes major preferential placement to L&T, LIC and other funds in ₹169 to ₹190 range
FY07	Announces share split in the ratio of 1:10 and rights issue in 1:4 ratio at ₹ 10
FY10	Mr Kamakodi takes over as CEO and MD, a young top management replacing Mr Balasubramanian, who became chairman
FY13	Further rights issue announced at ₹ 30 in 1:4 ratio
Jul-14	The bank raises ₹ 350 crore via QIP by diluting 8% stake

Source: Company, ICICIdirect.com Research

Top 10 shareholders

Rank	Name	Latest Filing date	%	O/S Position	Change
1	Capital Research Global Investors	31-Mar-2016	4.00%	23.94M	0
2	Lavender Investments, Ltd.	31-Mar-2016	3.95%	23.61M	0
3	George Kaiser Family Foundation	31-Mar-2016	3.93%	23.49M	0
4	NTAsset (Cayman) Ltd.	31-Mar-2016	3.77%	22.56M	+5.46M
5	Life Insurance Corporation of India	31-Mar-2016	3.43%	20.49M	+5.86M
6	Capital World Investors	31-Mar-2016	3.31%	19.81M	0
7	Ardisia Ltd	31-Mar-2016	2.45%	14.65M	+14.65M
8	Vaidyanathan (Vilasini)	31-Mar-2016	2.09%	12.50M	0
9	Visalam (G)	31-Mar-2016	2.09%	12.50M	+12.50M
10	Norges Bank Investment Management (NBIM)	31-Dec-2015	1.91%	11.44M	+11.44M

Source: Reuters, ICICIdirect.com Research

Shareholding Pattern

(in %)	Mar-15	Jun-15	Sep-15	Dec-15	Mar-16
Promoter	-	-	-	-	-
FII	34.6	37.1	36.2	37.5	39.0
DII	10.2	10.1	9.9	9.6	9.6
Others	55.2	52.9	53.9	52.9	51.4

Recent Activity

Buys			Sells		
Investor name	Value	Shares	Investor name	Value	Shares
Ardisia Ltd	+20.97M	+14.65M	DSP BlackRock Investment Managers Pvt. Ltd.	-1.47M	-1.25M
Visalam (G)	+17.89M	+12.50M	Religare Invesco Asset Management Company Private Limited	-0.55M	-0.39M
Norges Bank Investment Management (NBIM)	+15.93M	+11.44M	Canara Robeco Asset Management Company Ltd.	-0.54M	-0.38M
Life Insurance Corporation of India	+8.39M	+5.86M	ICICI Prudential Asset Management Co. Ltd.	-0.32M	-0.22M
NTAsset (Cayman) Ltd.	+7.81M	+5.46M	Kotak Mahindra Asset Management Company Ltd.	-0.20M	-0.14M

Source: Reuters, ICICIdirect.com Research

Financial summary

Profit and loss statement				
	₹ Crore			
(Year-end March)	FY15	FY16	FY17E	FY18E
Interest Earned	2,698.9	2,942.7	3,332.1	3,817.3
Interest Expended	1891.5	1961.9	2234.2	2544.2
Net Interest Income	807.4	980.8	1,098.0	1,273.2
growth (%)	6.3	21.5	12.0	16.0
Non Interest Income	404.1	411.1	454.1	506.3
Net Income	1211.5	1391.8	1552.0	1779.5
Staff cost	210.3	215.7	242.9	273.3
Other Operating expense	319.4	341.6	390.4	440.7
Operating profit	681.8	834.5	918.7	1065.4
Provisions	182.5	232.7	246.7	249.5
Taxes	126.0	156.5	174.7	212.1
Net Profit	384.1	445.3	497.3	603.8
growth (%)	10.7	15.9	11.7	21.4
EPS (₹)	6.4	7.4	8.3	10.1

Source: Company, ICICIdirect.com Research

Key ratios				
(Year-end March)	FY15	FY16	FY17E	FY18E
Valuation				
No. of Equity Shares	59.7	59.8	59.8	59.8
EPS (Rs.)	6.4	7.4	8.3	10.1
BV (Rs.)	45.1	51.3	58.4	67.4
ABV (Rs.)	41.2	45.9	52.3	60.8
P/E	16.3	14.1	12.6	10.4
P/BV	2.3	2.0	1.8	1.6
P/ABV	2.5	2.3	2.0	1.7
Yields & Margins (%)				
Net Interest Margins	3.2	3.5	3.4	3.5
Yield on assets	10.6	10.5	10.5	10.4
Avg. cost on funds	8.1	7.6	7.6	7.5
Yield on average advances	12.7	12.1	12.1	12.1
Avg. Cost of Deposits	8.0	7.6	7.6	7.5
Quality and Efficiency (%)				
Cost to income ratio	43.7	39.9	40.6	40.0
Credit/Deposit ratio	74.6	77.5	77.6	78.0
GNPA	1.9	2.4	2.5	2.4
NNPA	1.3	1.5	1.5	1.4
ROE	15.9	15.6	15.3	16.2
ROA	1.4	1.5	1.5	1.6

Source: Company, ICICIdirect.com Research

Balance sheet				
	₹ Crore			
(Year-end March)	FY15	FY16	FY17E	FY18E
Sources of Funds				
Capital	59.7	59.8	59.8	59.8
Reserves and Surplus	2635.9	3011.2	3438.5	3972.3
Networth	2695.5	3071.0	3498.3	4032.2
Deposits	24075.0	27156.5	31266.5	35998.9
Borrowings	168.8	112.4	130.3	151.2
Other Liabilities & Provisions	931.8	929.6	991.6	1059.0
Total	27871.1	31269.6	35886.8	41241.2
Applications of Funds				
Fixed Assets	210.4	217.9	237.4	257.3
Investments	6365.3	6320.7	7238.3	8289.6
Advances	17965.5	21058.4	24256.0	28089.7
Other Assets	793.2	1067.9	1273.2	1410.5
Cash with RBI & call money	2536.8	2604.7	2881.9	3194.1
Total	27871.1	31269.6	35886.8	41241.2

Source: Company, ICICIdirect.com Research

Growth				
	FY15			
(Year-end March)	FY15	FY16	FY17E	FY18E
Total assets	11.5	12.2	14.8	14.9
Advances	11.6	17.2	15.2	15.8
Deposit	9.3	12.8	15.1	15.1
Total Income	9.8	8.2	13.0	14.2
Net interest income	6.3	21.5	12.0	16.0
Operating expenses	15.6	5.2	13.6	12.8
Operating profit	17.4	22.4	10.1	16.0
Net profit	10.7	15.9	11.7	21.4
Net worth	33.2	13.9	13.9	15.3
EPS	0.7	15.6	11.7	21.4

Source: Company, ICICIdirect.com Research

ICICIdirect.com coverage universe (Banking)

Sector / Company	CMP		Rating	M Cap (₹ Cr)	EPS (₹)			P/E (x)			P/ABV (x)			RoA (%)			RoE (%)		
	(₹)	TP(₹)			FY15	FY16E	FY17E	FY15	FY16E	FY17E	FY15	FY16E	FY17E	FY15	FY16E	FY17E	FY15	FY16E	FY17E
Bank of Baroda (BANBAR)	130	140	Hold	29,969	15	-23	6	8.5	-5.6	23.2	0.9	1.5	1.5	0.5	-0.8	0.2	9	-13	3
Punjab National Bank (PUNBAN)	72	74	Hold	14,108	17	-20	14	4.4	-3.6	5.3	0.6	3.9	1.3	0.5	-0.6	0.4	8	-10	7
State Bank of India (STABAN)	170	160	Hold	126,544	18	14	18	9.7	12.2	9.5	1.3	1.3	1.2	0.7	0.5	0.6	11	8	9
Indian Bank (INDIBA)	90	91	Hold	3,864	21	15	14	4.3	6.1	6.5	0.4	0.5	0.5	0.5	0.4	0.3	7	5	4
Axis Bank (AXIBAN)	489	480	Hold	116,113	31	35	37	15.8	14.2	13.3	2.7	2.3	2.0	1.7	1.7	1.5	18	17	15
City Union Bank (CITUNI)	105	118	Buy	6,260	6	7	8	16.3	14.1	12.6	2.5	2.3	2.0	1.4	1.5	1.5	16	16	15
DCB Bank (DCB)	89	85	Hold	2,294	7	7	7	13.0	12.9	12.6	1.7	1.5	1.4	1.3	1.1	1.0	15	12	11
Federal Bank (FEDBAN)	49	45	Hold	8,504	6	3	4	8.4	17.9	12.8	1.1	1.2	1.1	1.3	0.5	0.7	14	6	8
HDFC Bank (HDFBAN)	1,140	1,225	Buy	284,988	41	49	59	28.0	23.4	19.4	4.7	4.0	3.5	1.9	1.9	1.9	19	18	19
IndusInd Bank (INDBA)	1,044	1,060	Hold	62,098	34	38	49	30.8	27.2	21.1	5.3	3.5	3.1	1.8	1.9	2.0	18	16	15
Jammu & Kashmir Bk(JAMKAS)	59	70	Hold	2,848	10	12	17	5.6	4.7	3.5	0.6	0.6	0.5	0.7	0.8	1.0	9	10	12
Kotak Mahindra Bank (KOTMAH)	698	750	Hold	127,768	14	11	14	51.2	61.3	49.9	6.1	5.6	5.1	1.5	1.1	1.2	12	9	10
Yes Bank (YESBAN)	977	890	Hold	41,017	48	60	73	20.4	16.2	13.3	3.5	3.0	2.5	1.6	1.7	1.7	21	20	20

Source: Company, ICICIdirect.com Research

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Buy: > 10%/15% for large caps/midcaps, respectively;

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