

BUY

TP: Rs 729 | ▲ 27%

STATE BANK OF INDIA

| Banking

| 19 May 2023

Sustaining growth and profitability

- Lower provisioning supported robust 83% YoY PAT growth in Q4, though PPOP declined sequentially on higher opex
- Deposit repricing had no major impact on NIM (guided to hold at 3%); recovery in other income likely offset elevated opex
- We assume coverage with BUY and a TP of Rs 729 (1.3x FY25E ABV)

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Strong Q4: SBIN's Q4FY23 PAT grew 83% YoY to Rs 167bn supported by lower provisions. PPOP dipped 2% sequentially due to higher opex, and the C/I ratio remained elevated at 55% due to provisions towards wage revision and sticky retirement benefit costs. NII grew 30% YoY (+6% QoQ), leading to 48bps (+10bps QoQ) expansion in NIM to 3.2%. Advances increased 17% YoY, beating industry growth, whereas deposits rose 9.2% YoY, resulting in a CD ratio of 72%.

Sharp reduction in credit cost: Controlled slippages and higher upgrades & recoveries helped lower credit cost to 42bps (vs. 77bps in Q3FY23 and 109bps in Q4FY22). GNPA/NNPA/PCR thus improved 36bps/10bps/27bps QoQ to 2.8%/0.7%/76%. SBIN's restructured book at Rs 243bn formed 0.7% of loans while SMA1&2 stood at Rs 32.6bn (-31% QoQ).

Healthy growth outlook: We model for a credit and deposit CAGR of 14.3% and 10% respectively over FY22-FY25 aided by the bank's aggressive retail centric strategy and prudent pricing (targeting high-yield assets but controlled costs). Competitive deposit pricing and a slowing overseas business are likely to keep NIM at ~3% through FY25. We estimate a 14% NII and 17% PPOP CAGR over our forecast period. Network expansion and digital integration are likely to keep C/I elevated above 50%.

Asset quality improving: SBIN's control over slippages and proactive provisioning should help it maintain a healthy asset base. A steady reduction in the restructured book (to Rs 243bn, -7% QoQ) along with a decline in SMA1/2 lend confidence, and healthy PCR at 76% (92% incl. AUCA) provides a cushion against any sudden quality shocks. We model for GNPA/NNPA improving to 2.3%/0.6% in FY25.

BUY, TP Rs 729: In view of the bank's prudent approach towards growth and margins, we expect return ratios to improve and pencil in ROA/ROE of 1%/16% in FY25. Further, with no immediate dilution plan given healthy CAR of 14.8%, we believe overall profitability has further potential to move up. Given healthy growth prospects, we assume coverage with BUY for a TP of Rs 729, based on 1.3x FY25E ABV (Gordon Growth Model) and adding in Rs 166/sh for subsidiaries.

Key changes

Target	Rating
▲	◀ ▶

Ticker/Price	SBIN IN/Rs 575
Market cap	US\$ 62.5bn
Free float	42%
3M ADV	US\$ 124.9mn
52wk high/low	Rs 630/Rs 431
Promoter/FPI/DII	58%/10%/32%

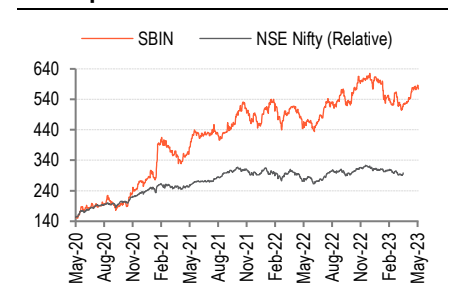
Source: NSE | Price as of 19 May 2023

Key financials

Y/E 31 Mar	FY23P	FY24E	FY25E
Net interest income	144,841	159,024	177,210
NII growth (%)	20.0	9.8	11.4
Adj. net profit (Rs mn)	50,232	55,856	62,954
EPS (Rs)	56.3	62.6	70.5
Consensus EPS (Rs)	56.3	63.5	75.3
P/E (x)	10.2	9.2	8.2
P/BV (x)	1.6	1.4	1.2
ROA (%)	1.1	1.0	1.0
ROE (%)	19.3	16.0	15.8

Source: Company, Bloomberg, BOBCAPS Research | P – Provisional

Stock performance



Source: NSE



Fig 1 – Quarterly snapshot: Income statement

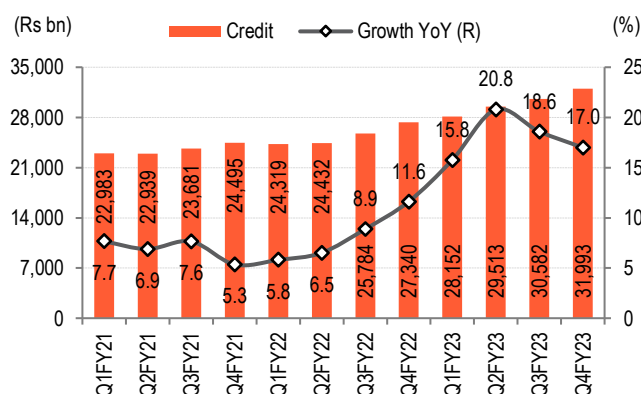
(Rs mn)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	YoY (%)	QoQ (%)
Income Statement										
Interest Income	411,435	423,169	437,527	446,106	464,735	523,829	588,650	636,792	42.7	8.2
Income on investments	203,698	210,747	215,931	218,396	224,396	236,696	245,254	252,937	15.8	3.1
Int. on bal. with RBI & inter-bank funds & Others	40,511	60,899	43,323	42,830	37,632	38,071	32,257	39,782	(7.1)	23.3
Interest income	655,644	694,815	696,781	707,333	726,764	798,596	866,160	929,511	31.4	7.3
Interest expense	379,260	382,976	389,907	395,354	414,804	446,762	485,474	525,586	32.9	8.3
Net interest income	276,384	311,839	306,874	311,979	311,959	351,834	380,686	403,925	29.5	6.1
Growth YoY (%)	3.7	10.7	6.5	15.3	12.9	12.8	24.1	29.5	1,421bps	542bps
Non-interest income	118,027	82,076	86,734	118,802	23,122	88,743	114,677	139,614	17.5	21.7
Growth YoY (%)	24.3	(3.8)	(6.2)	(26.8)	(80.4)	8.1	32.2	17.5	4,430bps	(1,470bps)
Total income	394,412	393,915	393,608	430,780	335,081	440,577	495,364	543,539	26.2	9.7
Growth YoY (%)	9.1	7.3	3.4	(0.5)	(15.0)	11.8	25.9	26.2	2,667bps	32bps
Staff expenses	125,383	125,778	124,715	125,560	120,514	128,674	147,567	176,164	40.3	19.4
Other operating expenses	79,281	87,346	83,677	108,052	87,042	100,703	95,604	121,164	12.1	26.7
Operating expenses	204,664	213,124	208,392	233,612	207,556	229,377	243,171	297,328	27.3	22.3
Pre-Provisioning Profit (PPoP)	189,748	180,791	185,216	197,168	127,526	211,200	252,193	246,211	24.9	(2.4)
Growth YoY (%)	5.1	9.8	6.9	0.1	(32.8)	16.8	36.2	24.9	2,479bps	(1,129bps)
Provisions	100,520	1,888	69,740	72,375	43,924	30,387	57,606	33,157	(54.2)	(42.4)
Growth YoY (%)	(19.6)	(98.1)	(32.6)	(34.5)	(56.3)	1509.9	(17.4)	(54.2)	(1,968bps)	(3,679bps)
PBT	89,229	178,903	115,477	124,794	83,602	180,814	194,587	213,054	70.7	9.5
Tax	24,189	28,454	31,158	33,659	22,921	48,168	52,534	46,109	37.0	(12.2)
PAT	65,040	150,450	84,319	91,135	60,681	132,645	142,053	166,945	83.2	17.5
Growth YoY (%)	55.3	228.9	62.3	41.3	(6.7)	(11.8)	68.5	83.2	4,191bps	1,471bps
Per Share										
FV (Rs)	1	1	1	1	1	1	1	1	0.0	0.0
EPS (Rs)	16	16	16	16	16	16	16	19	17.5	17.5
Book Value (Rs)	293	301	310	314	326	342	360	367	17.0	2.0

Source: Company, BOBCAPS Research

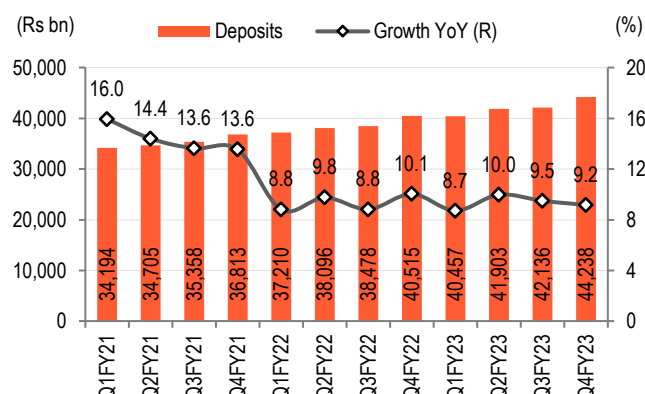
Fig 2 – Quarterly snapshot: Balance sheet & Key ratios

(Rs mn)	Q1FY22	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	YoY (%)	QoQ (%)
Deposits	37,209,870	38,096,299	38,477,937	40,515,341	40,456,956	41,902,549	42,135,571	44,237,778	9.2	5.0
Growth YoY (%)	8.8	9.8	8.8	10.1	8.7	10.0	9.5	9.2	(87bps)	(32bps)
Advances	24,319,081	24,431,942	25,783,865	27,339,666	28,152,492	29,512,875	30,581,770	31,992,693	17.0	4.6
Growth YoY (%)	5.8	6.5	8.9	11.6	15.8	20.8	18.6	17.0	541bps	(159bps)
Investment	13,865,100	14,665,295	14,898,758	14,814,455	15,292,037	15,553,219	15,692,020	15,703,662	6.0	0.1
Equity	2,612,804	2,684,004	2,767,823	2,800,881	2,913,635	3,049,128	3,212,037	3,276,085	17.0	2.0
Assets	45,570,057	46,919,173	48,218,690	49,875,974	50,258,199	51,998,008	53,241,229	55,169,785	10.6	3.6
Growth YoY (%)	10.7	12.8	10.7	10.0	10.3	10.8	10.4	10.6	62bps	20bps
Yield (%)										
Yield on Funds	6.29	6.54	6.37	6.25	6.29	6.78	7.14	7.45	120bps	31bps
Cost of Funds	3.69	3.67	3.64	3.58	3.69	3.88	4.11	4.34	76bps	23bps
Spread	2.60	2.87	2.73	2.66	2.61	2.89	3.03	3.11	44bps	8bps
Net Interest Margin	2.65	2.94	2.81	2.76	2.70	2.99	3.14	3.24	48bps	10bps
Ratios (%)										
Other Income / Net Income	29.9	20.8	22.0	27.6	6.9	20.1	23.2	25.7	(189bps)	254bps
Cost to Income ratio	51.9	54.1	52.9	54.2	61.9	52.1	49.1	54.7	47bps	561bps
CASA ratio	44.6	44.8	44.2	43.8	43.7	42.9	42.7	42.1	(170bps)	(62bps)
C/D ratio	65.4	64.1	67.0	67.5	69.6	70.4	72.6	72.3	484bps	(26bps)
Investment to Assets	30.4	31.3	30.9	29.7	30.4	29.9	29.5	28.5	(124bps)	(101bps)
Assets Quality										
GNPA	1,342,595	1,239,418	1,200,288	1,120,234	1,132,717	1,068,041	983,465	909,278	(18.8)	(7.54)
NNPA	431,525	371,186	345,397	279,657	282,579	235,722	234,843	214,666	(23.2)	(8.6)
Provision	911,070	868,232	854,891	840,577	850,138	832,320	748,622	694,611	(17.4)	(7.2)
GNPA (%)	5.32	4.90	4.50	3.97	3.91	3.52	3.14	2.78	(119bps)	(36bps)
NNPA (%)	1.77	1.52	1.34	1.02	1.00	0.80	0.77	0.67	(35bps)	(10bps)
Provision (%)	67.9	70.1	71.2	75.0	75.1	77.9	76.1	76.4	136bps	27bps

Source: Company, BOBCAPS Research

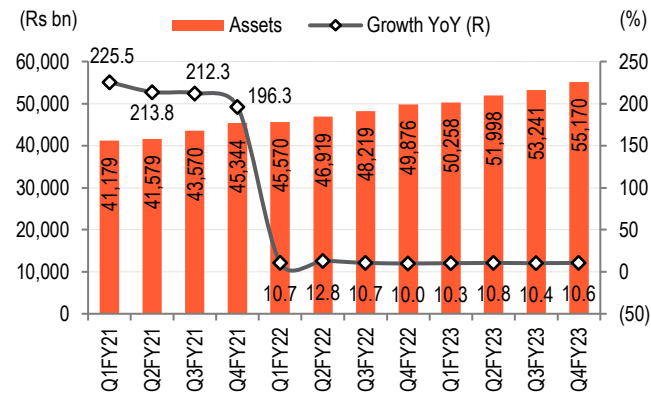
Fig 3 – Strong credit growth in Q4 driven by retail lending

Source: Company, BOBCAPS Research

Fig 4 – Deposits grew in line with industry

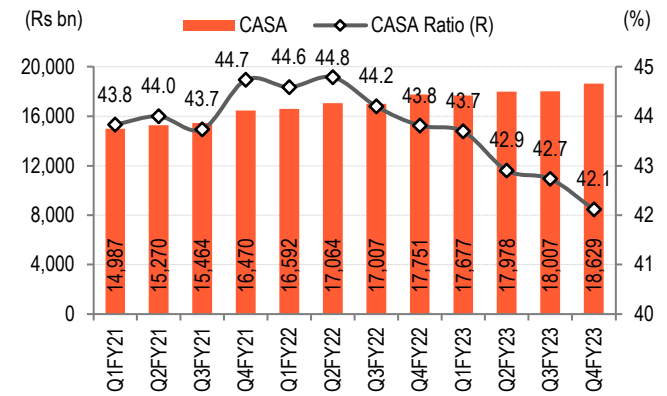
Source: Company, BOBCAPS Research

Fig 5 – Asset growth at 10.6% YoY



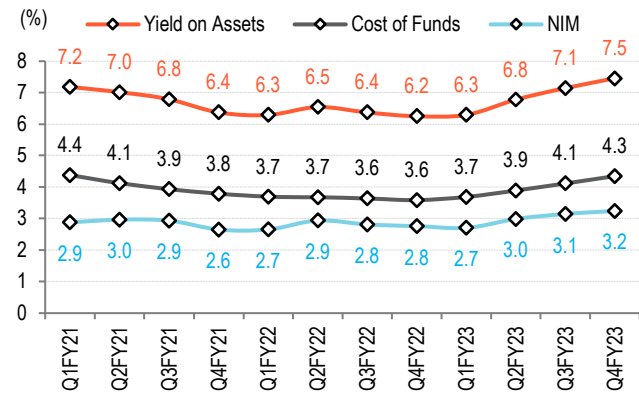
Source: Company, BOBCAPS Research

Fig 6 – CASA ratio remained muted



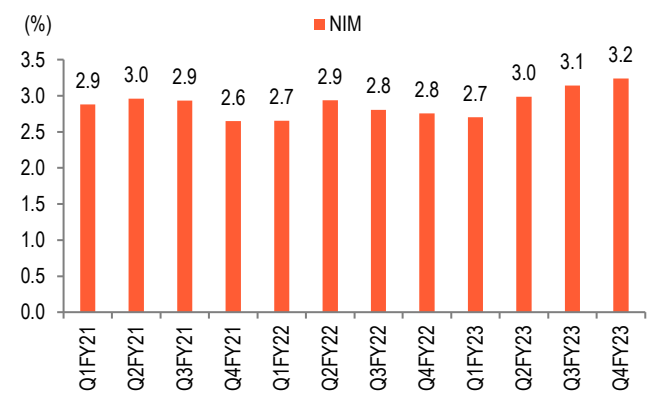
Source: Company, BOBCAPS Research

Fig 7 – NIM (calc.) up 10bps QoQ...



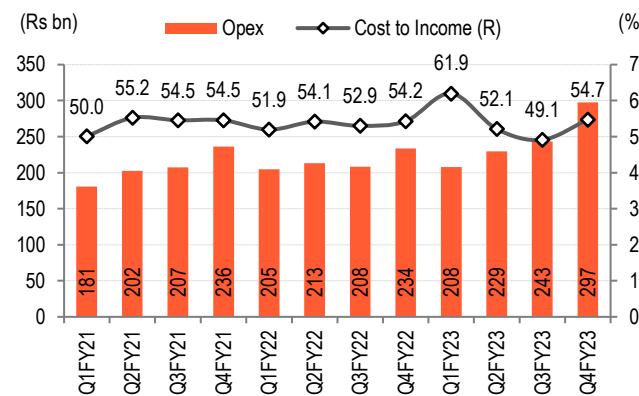
Source: Company, BOBCAPS Research

Fig 8 – ...expected to sustain at ~3% over FY22-FY25E



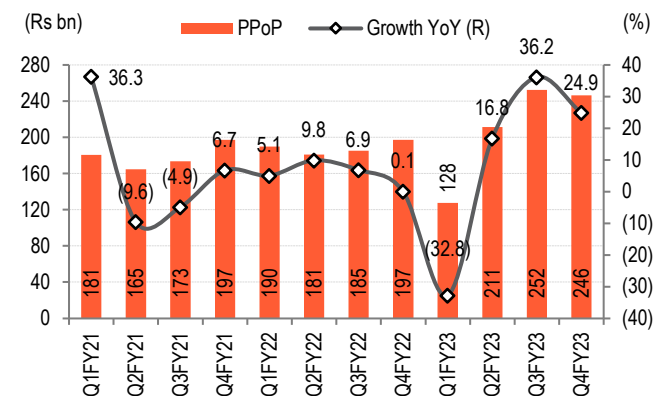
Source: Company, BOBCAPS Research

Fig 9 – Higher employee cost pushed up opex



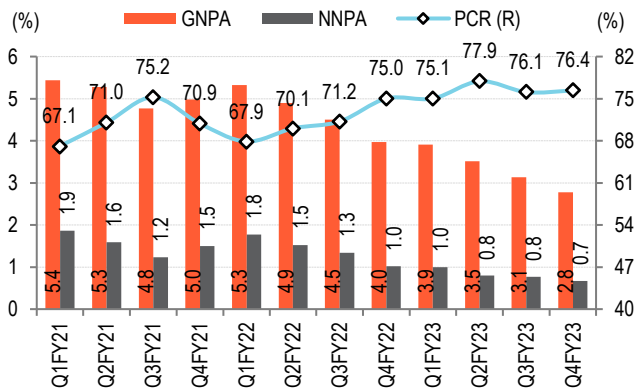
Source: Company, BOBCAPS Research

Fig 10 – Strong topline drove PPOP in Q4FY23



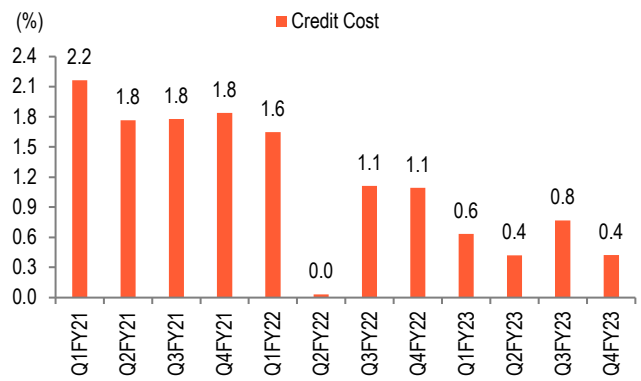
Source: Company, BOBCAPS Research

Fig 11 – Continued improvement in asset quality



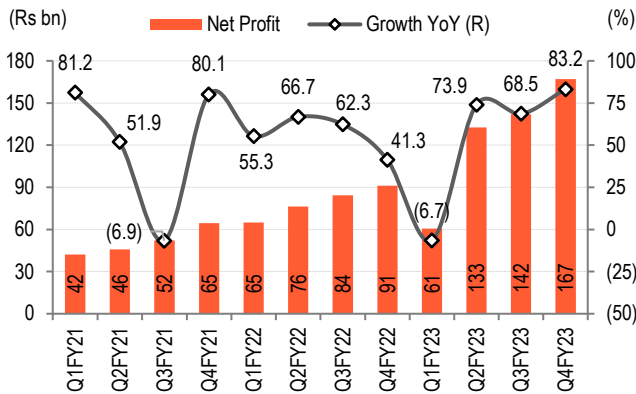
Source: Company, BOBCAPS Research

Fig 12 – Lower credit cost aided the bottomline



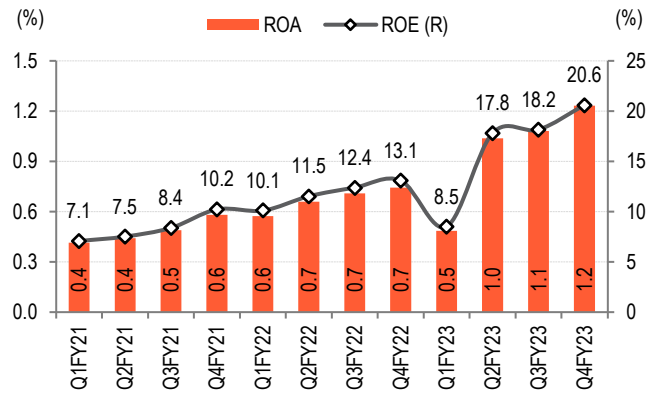
Source: Company, BOBCAPS Research

Fig 13 – Higher margin and low provisions YoY led to 83% PAT growth



Source: Company, BOBCAPS Research

Fig 14 – Return ratios remain strong



Source: Company, BOBCAPS Research

Earnings call highlights

Asset quality

- SBIN's asset quality improved during Q4FY23 on the back of controlled slippages along with sustained upgrades and recoveries (slippages at Rs 34.6bn and upgrades & recoveries at Rs 109bn). GNPA and NNPA stood at 2.8% and 0.7% respectively with PCR of 76% (92% including AUCA).
- Credit cost declined to 42bps vs. 77bps in Q3 and 109bps in Q4FY22, driving PAT.
- Restructured loans reduced by 7% QoQ to Rs 243bn (0.7% of total loans). SMA1/2 decreased 31% QoQ to Rs 32.6bn (SMA1 at Rs 24.6bn and SMA2 at Rs 7.9bn), toward which the bank has already provided for 30%.
- Management expects no meaningful impact on profitability from the new ECL provisioning norms.

Loans and deposits

- SBIN expects advances to grow at 12-14% over FY24 and deposits to track industry growth with an upward bias given its excess SLR of Rs 4tn.
- The bank's large corporate loans grew 12.5% YoY (+6% QoQ) in Q4 while SMEs grew 17.6% YoY (+2.5% QoQ). Retail also witnessed a strong uptick of 17.6% YoY (+5% QoQ) led by home loans and express credit, whereas international business grew 19.6% YoY (+1.3% QoQ), mainly in corporate loans. Management indicated an emphasis on retail loans while the corporate business is likely to play a supporting role. In the international business, SBIN intends to prioritise margins over growth.
- On the liability side, deposits grew 9.2% YoY led by term deposits. Saving and current accounts increased by 5% and 7.5% YoY respectively, leading to a CASA ratio of 42.1% (-62bps QoQ).

NII and NIM

- SBIN expects to maintain NIM at the 3% mark assuming no major increase in deposit cost. Lower deposit cost would be supported by the excess SLR of Rs 4tn on the balance sheet which the bank can use to fund assets. Management also stated that there was headroom to increase the MCLR to maintain healthy margins.
- NII grew 6% QoQ (+30% YoY) in Q4 while other income was up 18% YoY (+22% QoQ). Relatively slower growth in other income was due to a treasury loss of Rs 290mn vs. gains of Rs 13.9bn in Q3FY23 and Rs 15.2bn in Q4FY22.
- Management intends to focus on fee income (with cross-selling of products and some increase in processing fees) to boost other income. Further, it expects strong traction in treasury income during FY24 as interest rates seem to have peaked out (booked MTM loss of Rs 70bn during FY23).

Operating parameters

- Pre-provisioning operating profit (PPOP) dipped 2.5% QoQ but grew 25% YoY.
- Total opex rose 27% YoY (+22% QoQ) due to provisions towards wage revision (Rs 5bn per month starting Nov'22), production-linked incentives and higher technology expenses.
- Management expects opex to remain elevated on the back of higher retirement benefit costs along with technology-driven expenses, but sees some operating leverage from higher volumes (guides for C/I ratio of 50% over the next 1-2 years)
- Credit cost is guided to remain at FY23 levels of 56bps.
- ROA and ROE are guided at above 1% and 16-18% respectively over FY24-FY25.

Valuation methodology

SBIN's Q4FY23 performance was strong, supported by healthy credit growth, lower provisions and a reduced cost of funds. The bank continues to harness retail loans to drive credit growth while corporate accounts support the baseline. We estimate a credit CAGR of 14.3% during FY22-FY25, with deposits estimated to grow at 10%.

We expect the bank to sustain NIM at 3% assuming an increased share of high yielding assets. Further, the potential MCLR hike is likely to aid margins, while a strong liability franchise helps it to garner lower cost deposits. We expect CASA ratio to improve further by 100bps over FY25.

We pencil in substantial recovery in non-interest income growth (19%/14% over FY24/FY25 vs. a 10% decline in FY23), mainly underpinned by fee income and treasury gains. On the cost front, the bank is guiding for continued branch expansion along with spends on technology to drive volumes. We thus expect C/I ratio to remain elevated during FY24 (52.6%) and FY25 (51.5%). NII is estimated to clock a 14% CAGR and PPOP a 17.4% CAGR over FY22-FY25 supported by a strong topline and improvement in non-core income.

The bank's proactive strategy towards provisioning has led to substantial improvement in asset quality. On the back of controlled slippages and higher upgrades and recoveries, we forecast a healthy asset base (GNPA/NNPA/PCR at ~2.3%/0.6%/ 76% over FY24-FY25 vs. 3.9%/1.0% /75% in FY22). A shrinking restructured (Rs 243bn, 0.7% of loans) and SMA book with ample provisioning provide further comfort in terms of asset quality. We estimate credit cost of ~60bps over FY22-FY25 (vs. 56bps in FY23).

SBIN's CAR is at 14.7% with tier-1 at 12.1%. We see no major addition to RWA and expect CAR to remain at current levels with tier - at 12.3%. Management indicated no plans for fund raising in the near term as it believes internal profit along with existing capital would be ample to fund growth. Given above-industry growth expectations coupled with sustainable NIM and healthy asset quality, we believe SBIN would deliver ROA/ROE at 1%/16% over FY25 vs. 0.7%/12% in FY22.

The stock is currently trading at 0.9x FY25E P/ABV and looks attractive. We assume coverage with BUY for an SOTP-based TP of Rs 729, based on 1.3x FY25E ABV (Gordon Growth Model) and adding in Rs 166/sh as the value of subsidiaries.

Fig 15 – Key operational assumptions

Parameter (%)	FY22	FY23E	FY24E	FY25E
Advances	11.6	17.0	13.2	12.6
Net Interest Income	9.0	20.0	9.8	11.4
PPoP	(5.1)	23.3	14.6	14.6
PAT	55.2	58.6	11.2	12.7
NIM	2.8	3.0	3.0	3.0
GNPA	3.9	2.8	2.4	2.3
CAR	13.8	14.7	14.6	14.7

Source: Company, BOBCAPS Research

Fig 16 – Valuation summary

Business	Valuation method	Holdings (%)	Value (Rs/sh)
Bank	1.3x FY25E ABV	100	563
SBI Life	Mcap	55	72
SBI AMC	7% of AUM	63	35
SBI General	25x FY25E EPS	70	6
SBI Card	Mcap	69	65
SBI Capital	15x FY25E EPS	100	17
Holding Company Discount	15%	-	(29)
Total	-	-	729

Source: Company, BOBCAPS Research

Fig 17 – Valuation assumptions (Gordon growth model)

Parameter	Assumptions
Risk-free rate (%)	6.3
Equity risk premium (%)	5.0
Beta	1.2
Cost of equity (%)	12.3
Blended ROE (%)	13.3
Initial high growth period (yrs)	10.0
Payout ratio of high-growth phase (%)	20.0
Long-term growth (%)	5.3
Long term dividend payout ratio (%)	60.0
Justified P/BV Multiple (x)	1.3

Source: BOBCAPS Research

Key risks

Key downside risks to our estimates are:

- any sudden delinquency in the retail and SME segments, resulting in higher provision requirements, and
- inability to manage cost of funds, which may drag down NIM as well as overall profitability.

Sector recommendation snapshot

Company	Ticker	Market Cap (US\$ bn)	Price (Rs)	Target (Rs)	Rating
Axis Bank	AXSB IN	34.6	924	1,111	BUY
Federal Bank	FB IN	3.2	126	165	BUY
HDFC Bank	HDFCB IN	111.8	1,647	1,956	BUY
ICICI Bank	ICICIB IN	81.1	954	1,015	HOLD
Indusind Bank	IIB IN	11.8	1,248	1,550	BUY
Kotak Mahindra Bank	KMB IN	46.9	1,942	2,122	HOLD
State Bank of India	SBIN IN	62.5	575	729	BUY

Source: BOBCAPS Research, NSE | Price as of 19 May 2023

Glossary

Glossary of Abbreviations			
AUCA	Advance Under Collection Account	MTM	Mark to Market
CASA	Current Account and Savings Account	NII	Net Interest Income
CAR	Capital Adequacy Ratio	NIM	Net Interest Margin
CET1	Common Equity Tier 1	NNPA	Net Non-Performing Assets
CD	Credit-Deposit Ratio	PCR	Provision Coverage Ratio
C/I	Cost-Income Ratio	PPOP	Pre-Provision Operating Profit
EBLR	External Benchmark-based Lending Rate	PSU	Public Sector Unit
ECL	Expected Credit Loss	RWA	Risk-weighted Assets
GNPA	Gross Non-Performing Assets	SLR	Statutory Liquidity Ratio
LCR	Liquidity Coverage Ratio	SMA	Special Mention Account
MCLR	Marginal Cost of Funds-based Lending Rate	SME	Small and Medium-sized Enterprises

Financials

Income Statement

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Net interest income	110,710	120,708	144,841	159,024	177,210
NilI growth (%)	12.9	9.0	20.0	9.8	11.4
Non-interest income	43,496	40,564	36,616	43,548	49,421
Total income	154,206	161,272	181,456	202,573	226,632
Operating expenses	82,652	93,398	97,743	106,629	116,726
PPOP	71,554	67,874	83,713	95,944	109,905
PPOP growth (%)	5.0	(5.1)	23.3	14.6	14.6
Provisions	44,013	24,452	16,507	20,463	24,253
PBT	27,541	43,422	67,206	75,481	85,652
Tax	7,131	11,746	16,973	19,625	22,698
Reported net profit	20,410	31,676	50,232	55,856	62,954
Adjustments	0	0	0	0	0
Adjusted net profit	20,410	31,676	50,232	55,856	62,954

Balance Sheet

Y/E 31 Mar (Rs mn)	FY21A	FY22A	FY23P	FY24E	FY25E
Equity capital	892	892	892	892	892
Reserves & surplus	252,983	279,196	326,716	371,401	421,764
Net worth	253,875	280,088	327,608	372,293	422,657
Deposits	3,681,277	4,051,534	4,423,778	4,888,274	5,411,809
Borrowings	417,298	426,043	493,135	557,243	618,539
Other liab. & provisions	181,980	229,932	272,457	278,120	287,715
Total liab. & equities	4,534,430	4,987,597	5,516,979	6,095,931	6,740,720
Cash & bank balance	343,039	394,552	307,900	335,234	370,803
Investments	1,351,705	1,481,445	1,570,366	1,683,895	1,778,759
Advances	2,449,498	2,733,967	3,199,269	3,621,573	4,077,891
Fixed & Other assets	390,188	377,633	439,443	455,229	513,267
Total assets	4,534,430	4,987,597	5,516,979	6,095,931	6,740,720
Deposit growth (%)	13.6	10.1	9.2	10.5	10.7
Advances growth (%)	5.3	11.6	17.0	13.2	12.6

Per Share

Y/E 31 Mar (Rs)	FY21A	FY22A	FY23P	FY24E	FY25E
EPS	22.9	35.5	56.3	62.6	70.5
Dividend per share	4.0	7.1	11.3	12.5	14.1
Book value per share	284.5	313.8	367.1	417.2	473.6

Valuations Ratios

Y/E 31 Mar (x)	FY21A	FY22A	FY23P	FY24E	FY25E
P/E	25.1	16.2	10.2	9.2	8.2
P/BV	2.0	1.8	1.6	1.4	1.2
Dividend yield (%)	0.7	1.2	2.0	2.2	2.5

DuPont Analysis

Y/E 31 Mar (%)	FY21A	FY22A	FY23P	FY24E	FY25E
Net interest income	2.8	2.8	3.1	2.7	2.8
Non-interest income	1.1	0.9	0.8	0.8	0.8
Operating expenses	2.1	2.1	2.0	1.8	1.8
Pre-provisioning profit	1.9	1.7	1.8	1.7	1.7
Provisions	1.1	0.6	0.3	0.4	0.4
PBT	0.8	1.1	1.5	1.3	1.3
Tax	0.2	0.3	0.4	0.3	0.4
ROA	0.6	0.8	1.1	1.0	1.0
Leverage (x)	16.5	17.1	17.0	16.6	16.1
ROE	9.7	14.1	19.3	16.0	15.8

Ratio Analysis

Y/E 31 Mar	FY21A	FY22A	FY23P	FY24E	FY25E
YoY growth (%)					
Net interest income	12.9	9.0	20.0	9.8	11.4
Pre-provisioning profit	5.0	(5.1)	23.3	14.6	14.6
EPS	40.9	55.2	58.6	11.2	12.7
Profitability & Return ratios (%)					
Net interest margin	3.0	3.1	3.4	3.3	3.3
Fees / Avg. assets	0.1	0.1	0.1	0.1	0.1
Cost-Income	53.6	57.9	53.9	52.6	51.5
ROE	9.7	14.1	19.3	16.0	15.8
ROA	0.6	0.8	1.1	1.0	1.0
Asset quality (%)					
GNPA	4.9	3.9	2.8	2.4	2.3
NNPA	1.5	1.0	0.7	0.6	0.6
Slippage ratio	1.2	1.0	0.7	0.9	1.2
Credit cost	1.8	0.9	0.6	0.6	0.6
Provision coverage	69.4	74.0	75.7	75.4	75.4
Ratios (%)					
Credit-Deposit	66.5	67.5	72.3	74.1	75.4
Investment-Deposit	36.7	36.6	35.5	34.4	32.9
CAR	13.7	13.8	14.7	14.6	14.7
Tier-1	11.4	11.4	12.1	12.1	12.3

Source: Company, BOBCAPS Research

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Recommendation scale: Recommendations and Absolute returns (%) over 12 months

BUY – Expected return >+15%

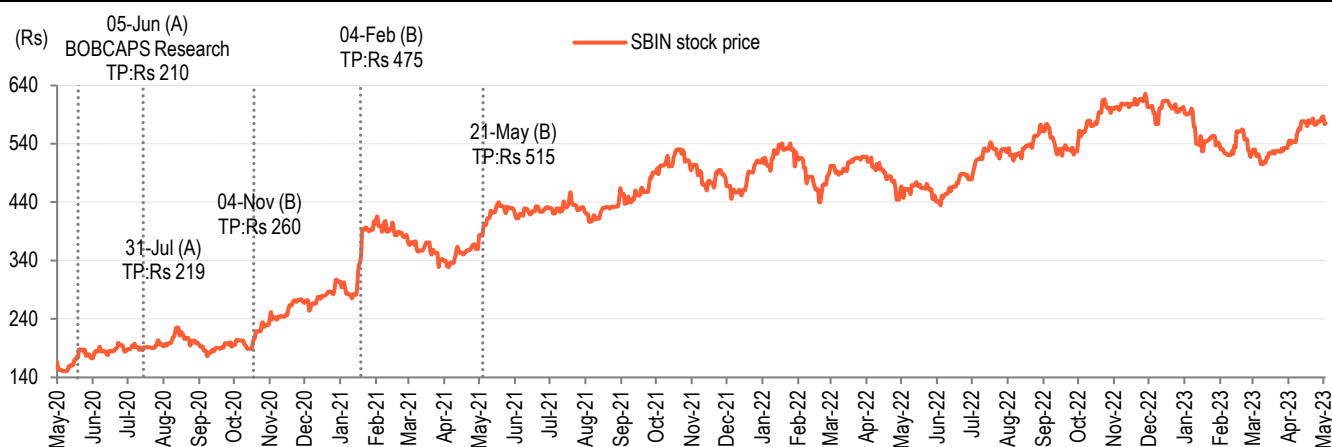
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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Ratings and Target Price (3-year history): STATE BANK OF INDIA (SBIN IN)



B – Buy, H – Hold, S – Sell, A – Add, R – Reduce

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