

Result Preview



Company name

Bajaj Finance
Chola Inv. & Fin.
HDFC
ICICI Securities
IIFL Wealth Management
LIC Housing Finance
M&M Financial Services
Manappuram Finance
MAS Financial Services
Muthoot Finance
PNB Housing Finance
Shriram City Union
Shriram Transport Finance

A decisive quarter

Collection efficiency improving, but below pre-COVID levels; all eyes on restructuring numbers

- 3QFY21 is the first quarter post lifting of the moratorium. Across product segments, there is expected to be MoM improvement in collection efficiency (CE). Adjusted for arrear collections, on-time CE is only marginally below pre-COVID levels. In addition, a large portion of customers who had not paid a single EMI during the moratorium period have started making payments in 3Q.
- The festival season was largely healthy across segments. Home loans witnessed a sharp improvement in volumes, with disbursements expected to be up YoY for the large players. In the Vehicle Finance segment, 2W volumes were slightly tepid, while PV and Tractor volumes remained healthy. M&HCV sales, though subdued, continue to improve every quarter. In the Consumer Durables space, BAF regained some lost market share. Gold lenders witnessed a steady quarter on disbursements.
- Given the accommodative stance of RBI, the incremental cost of funds continued to decline in the quarter. AAA-rated players with strong parentage are now able to borrow three-year money at ~5%. While the securitization market was largely shut during the moratorium period, there was some opening up. Sell-down volumes gained traction in 3Q, though not to pre-COVID levels yet. We expect margin expansion across most players in the quarter.
- Capital market players continued to witness strong traction during the quarter. Equity and derivative trading volumes for the industry remained elevated. New margin regulations from 1 December 2020 have not had any major impact on brokers. However, managements are guiding at a larger impact with the gradual tightening in margin funding norms over the next three quarters. Within the wealth management space, inflows remain healthy. However, clients remain risk-averse and continue to invest more in debt as compared to equity.
- Over the past six months, steady improvement across all important parameters has been encouraging. Continued excess liquidity at the system level should be positive for margins going forward. On the asset quality front, we expect companies to make elevated provisions for another 1-2 quarters, post which credit costs should revert to normal. Disclosures on restructuring will be a key monitorable. We continue to favor players with strong balance sheets and least impacted by the COVID-19 lockdown. Our top picks are HDFC, MUTH, ISEC, and IIFLWAM.

HFCs: Growth momentum picking up; asset quality least disrupted

Contrary to initial expectations, home sales witnessed a sharp recovery in the past few months. Good schemes/discounts by builders, record low interest rates, and stamp duty cuts in certain states were key drivers, in our view. The home loan segment continues to witness heightened competitive intensity, especially from banks. **Nevertheless, HDFC delivered 26% YoY disbursement growth in individual loans in the quarter. We expect it to deliver ~10% YoY AUM growth, while other large HFCs are likely to deliver muted growth.** PNBHOUSI has nearly stopped fresh corporate sanctions and is undertaking primarily retail lending now. At the same time, its priority remains raising equity capital as soon as possible. REPCO is focusing more on collections. Hence, loan growth has taken a back seat and is likely to be in mid-single digits. While companies have not guided at any number, they do not foresee any major asset quality stress in the Retail Lending segment. The Non-Retail segment remains a key monitorable.

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Vehicle financiers – Disbursements divergent; asset quality tail risk remains

Auto sales remained healthy across most products. Tractors and PVs witnessed a healthy festival season, while the same for 2Ws was a bit tepid compared to expectations. Though M&HCV volumes have seen a recovery QoQ, sales remain much below pre-COVID levels. **Used CV sales remain healthy on the back of unaffordability of new M&HCVs due to the recent price hikes.** Disbursements of vehicle financiers under our coverage are likely to be divergent. **In our opinion, CIFC and SHTF would deliver disbursements close to YoY levels, while that for MMFS would be at ~65% of YoY levels given its cautious approach to growth.** Margins could be a key positive surprise for MMFS and CIFC, given the sharp decline in incremental cost of funds in the quarter. On the asset quality front, CE has been on an improving trend. Also, as per managements, restructuring has been minimal (less than 1-2% of loans).

Gold financiers shining

Our interactions with the managements of gold financiers suggest that disbursements remained healthy, in line with 2Q levels. Both specialized gold financiers continue to focus on increasing share of online gold loans. There is a negligible impact of the 90% LTV cap norm for banks on the ground. With portfolio LTV ~65%, there is unlikely to be any asset quality risk. In the non-gold portfolio, we expect MGFL to witness a healthy performance on disbursements and asset quality in the Housing Finance segment. However, vehicle Finance and MFI segments still face some collection headwinds, in our opinion.

Wholesale lending still muted; diversified financiers better off

Real Estate activity, in terms of construction and sales, has been picking up. Labor, which was an issue at some projects, has returned to cities with the lifting of lockdown restrictions. However, lenders are disbursing only to existing projects and are not looking much at new projects. Diversified financiers are better off. **BAF witnessed a sharp sequential improvement in disbursement volumes to ~80% of YoY levels. AUM grew 5% QoQ to INR1.44t. We expect it to undertake elevated provisioning in 3Q too.** LTFH and SCUF, too, are likely to have sequentially flattish AUM. We expect LTFH to continue to build up its macro-prudential provision buffer.

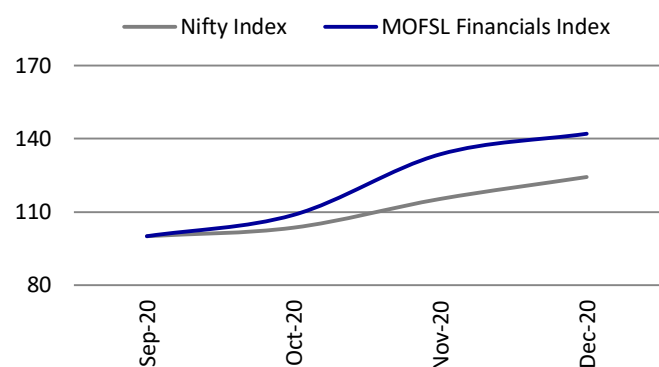
Capital market players on healthy growth trajectory

3QFY21 remained a healthy quarter in terms of cash and derivatives trading volumes. We expect this to result in strong retail brokerage volumes for ISEC. The impact of the margin funding regulations from 1 December 2020 on industry volumes was minimal. However, with tightening of these regulations over the next three quarters, the impact could be more meaningful. ISEC continues to deliver a steady run-rate in new client acquisition, backed by its open architecture and increasing share of non-ICICIBC channels. IIFL Wealth had a stable quarter in terms of flows, in our view. TBR revenue could be lumpy as it is dependent on deal syndication opportunities. Traction in IIFL One and expense ratio reduction are key monitorables.

Exhibit 1: Quarterly performance

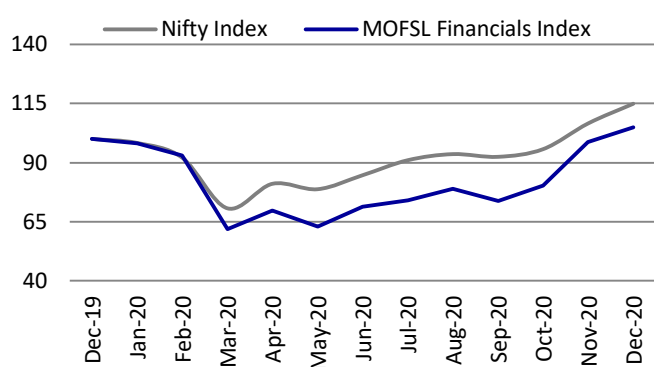
Sector	CMP (INR)	Rating	NII (INR m)			Operating profit (INR m)			Net profit (INR m)		
			Dec-20	Variance YoY (%)	Variance QoQ (%)	Dec-20	Variance YoY (%)	Variance QoQ (%)	Dec-20	Variance YoY (%)	Variance QoQ (%)
Bajaj Finance	5280	Neutral	39,586	9.5	16.3	34,070	13.5	13.3	14,074	-12.8	45.9
Chola. Inv & Fin.	412	Buy	12,752	17.8	1.9	8,950	36.0	-0.5	4,115	5.9	-4.7
HDFC	2570	Buy	38,102	18.6	5.8	35,795	16.6	3.0	25,512	14.5	-5.3
ICICI Securities	466	Buy	5,871	38.9	-13.7	2,842	53.6	-23.7	2,111	53.8	-24.1
IIFL Wealth Mgt	1029	Buy	2,234	1.1	5.9	958	26.0	22.8	796	8.8	-8.9
L&T Fin.Holdings	97	Buy	15,799	-9.2	4.0	11,618	-11.6	0.0	3,212	-45.7	29.7
LIC Housing Fin	378	Buy	12,772	4.0	3.2	11,671	2.1	4.2	7,034	17.7	-11.1
M & M Financial	179	Buy	14,874	8.4	6.9	10,366	16.7	0.5	2,297	-37.1	-24.3
Manappuram Finance	167	Buy	10,064	10.6	3.1	6,757	13.9	3.6	4,289	6.6	5.8
MAS Financial	928	Buy	893	-22.3	7.3	733	-20.8	4.1	399	-27.6	16.6
Muthoot Finance	1214	Buy	16,672	6.1	5.4	12,599	8.9	4.1	8,963	9.9	0.2
PNB Housing	368	Neutral	4,839	12.7	-22.0	4,892	2.1	-14.9	2,060	-13.1	-34.2
Repco Home Fin	241	Buy	1,373	4.2	-1.6	1,158	10.5	0.3	738	5.8	-8.7
Shriram City Union	1081	Buy	8,440	-4.9	-0.8	5,577	-2.6	-0.7	1,928	-35.0	-25.0
Shriram Transport Fin.	1070	Buy	20,922	3.9	2.7	16,170	-0.8	2.6	7,939	-9.7	16.0
NBFC			2,05,195	8.3	4.7	1,64,156	9.7	3.2	85,466	-2.3	0.9

Exhibit 2: Relative performance — three months (%)



Source: Bloomberg, MOFSL

Exhibit 3: Relative performance —one-year (%)



Source: Bloomberg, MOFSL

Exhibit 4: EPS estimates largely unchanged for FY21-22E

Company	Old estimates (INR)		New estimates (INR)		Change (%)	
	FY21E	FY22E	FY21E	FY22E	FY21E	FY22E
BAF	72.1	132.0	73.9	140.1	9.3	7.5
CIFC	19.9	23.2	20.3	24.3	1.8	4.6
HDFC	55.0	61.7	55.0	61.7	-0.8	4.8
ISEC	27.8	27.7	27.8	27.7	-	-
IIFL Wealth	39.1	49.9	39.1	49.9	-	-
LICHF	59.6	59.6	59.6	64.8	-0.0	8.8
MMFS	8.0	9.1	7.3	9.3	-8.7	2.5
MASFIN	28.6	34.4	28.6	34.4	-	-
MUTH	87.3	102.2	88.4	104.7	1.2	2.5
MGFL	19.6	23.8	19.4	23.9	-0.7	0.5
PNBHOU	56.9	66.6	56.9	66.6	-	-0.0
SCUF	130.2	147.1	129.1	166.6	-0.9	13.2
SHTF	99.7	115.2	101.4	123.2	1.7	6.2
REPCO	48.0	50.8	46.6	49.4	-3.0	2.8

Source: MOFSL, Company, Note: HDFC's numbers are for the core mortgage business only

The tables below provide a snapshot of actual and estimated numbers for companies under the MOFSL coverage universe. Highlighted columns indicate the quarter/financial year under review.

Bajaj Finance

Neutral
CMP INR5,280 | TP: INR4,900 (-7%)
EPS CHANGE (%): FY21|22: 9.3|7.5

- Client acquisition/disbursement volumes at ~90%/80% of YoY levels
- Expect INR15b in provisions in 3QFY21E.
- AUM grew 5% QoQ to INR1.44t.
- Incremental cost of funds sub-6%

BAF: Quarterly performance

(INR m)

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	51,010	54,635	61,037	63,023	57,932	57,631	62,810	64,136	229,704	242,508
Interest expenses	21,134	23,234	24,890	25,474	24,976	23,581	23,224	23,010	94,732	94,792
Net Interest Income	29,876	31,400	36,147	37,549	32,956	34,050	39,586	41,125	134,972	147,716
YoY Growth (%)	38.9	40.8	38.9	36.9	10.3	8.4	9.5	9.5	38.8	9.4
Other Operating Income	7,068	8,596	9,201	9,286	8,565	7,602	7,611	7,840	34,152	31,619
Net Income	36,944	39,997	45,347	46,834	41,521	41,652	47,197	48,965	169,124	179,335
YoY Growth (%)	43.3	47.7	41.4	38.4	12.4	4.1	4.1	4.5	42.4	6.0
Operating Expenses	12,922	13,830	15,339	14,515	11,567	11,593	13,127	15,112	56,608	51,399
Operating Profit	24,022	26,167	30,008	32,320	29,954	30,059	34,070	33,853	112,516	127,936
YoY Growth (%)	47.9	49.6	43.8	45.5	24.7	14.9	13.5	4.7	46.5	13.7
Provisions and Cont.	5,507	5,942	8,308	19,538	16,857	17,004	15,000	14,987	39,295	63,848
Profit before Tax	18,514	20,224	21,701	12,782	13,097	13,055	19,070	18,866	73,221	64,088
Tax Provisions	6,562	5,161	5,560	3,301	3,474	3,406	4,996	4,947	20,584	16,823
Net Profit	11,953	15,063	16,141	9,481	9,623	9,649	14,074	13,919	52,638	47,265
YoY Growth (%)	43.0	63.1	52.3	-19.4	-19.5	-35.9	-12.8	46.8	31.8	-10.2
Key Operating Parameters (%)										
Credit Cost	1.85	1.86	2.46	5.56	4.93	5.15	4.39	4.09	3.06	
Cost to Income Ratio	35.0	34.6	33.8	31.0	27.9	27.8	27.8	30.9	33.5	
Tax Rate	35.4	25.5	25.6	25.8	26.5	26.1	26.2	26.2	28.1	

Cholamandalam Inv. & Fin.

Buy
CMP: INR412 | TP: INR475 (+15%)
EPS CHANGE (%): FY21|22: 1.8|4.6

- Disbursements back to prior year levels.
- Lower yields with stable CoF to impact margin marginally.
- Collection efficiency continues to improve MoM.
- Expect to continue to build the COVID provision buffer.

CIFC: Quarterly performance

(INR m)

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Income from Operations	20,295	21,970	22,749	21,513	21,136	24,364	24,722	25,223	86,529	95,446
Interest Expense	10,870	11,769	11,924	11,359	11,307	11,852	11,970	12,463	45,922	47,592
Net Interest Income	9,425	10,200	10,825	10,154	9,830	12,512	12,752	12,760	40,607	47,854
YoY Growth (%)	16.3	24.6	23.7	13.0	4.3	22.7	17.8	25.7	19.3	17.8
Total Income	9,425	10,201	10,825	10,156	9,830	12,546	12,753	12,760	40,609	47,889
YoY Growth (%)	16.2	24.6	23.7	13.0	4.3	23.0	17.8	25.6	19.3	17.9
Operating Expenses	3,500	4,016	4,244	4,016	3,458	3,551	3,803	4,368	15,776	15,180
Operating Profit	5,925	6,185	6,581	6,140	6,372	8,996	8,950	8,392	24,833	32,709
YoY Growth (%)	11.9	17.0	17.6	18.8	7.5	45.5	36.0	36.7	16.3	31.7
Provisions & Loan Losses	1,095	952	1,360	5,567	562	3,176	3,500	3,228	8,973	10,465
Profit before Tax	4,830	5,233	5,221	573	5,810	5,820	5,450	5,164	15,860	22,244
Tax Provisions	1,688	2,163	1,336	147	1,501	1,501	1,335	1,269	5,334	5,605
Net Profit	3,142	3,070	3,885	427	4,309	4,319	4,115	3,895	10,526	16,638
YoY Growth (%)	10.2	0.8	27.6	-85.4	37.1	40.7	5.9	813.1	-11.3	58.1
Key Parameters (Calc., %)										
Yield on loans	14.2	14.7	15.0	14.6	14.6	15.7	15.2	15.0	14.5	15.3
Cost of funds	8.2	8.5	8.6	8.3	8.0	8.0	7.9	8.0	8.7	8.1
Spread	6.0	6.2	6.4	6.4	7.7	7.7	7.4	7.0	5.8	7.3
NIM	6.1	6.2	6.6	6.5	6.6	7.8	7.5	7.2	6.0	7.4
C/I ratio	37.1	39.4	39.2	39.5	35.2	28.3	29.8	34.2	38.9	31.7
Credit cost	0.8	0.7	0.9	3.7	0.4	1.9	2.1	1.9	1.6	1.6
Tax rate	34.9	41.3	25.6	25.6	25.8	25.0	24.5	24.6	33.6	25.2

HDFC**Buy****CMP INR2,570 | TP: INR2,960 (+15%)****EPS CHANGE (%): FY21|22: -0.8|4.8**

- 26% YoY growth in individual disbursements in the quarter
- Expect ~12% YoY retail AUM growth in FY21E.
- Margin to expand due to lower CoF and capital raise in 2Q.
- ESOP expense of INR1.5b in 2QFY21

HDFC: Quarterly Performance**(INR m)**

Y/E March	FY20				FY21				FY20	FY21
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	1,07,811	1,07,809	1,09,827	1,12,046	1,11,524	1,10,020	1,10,984	1,12,063	4,37,493	4,44,590
Interest Expense	77,393	78,307	77,696	76,618	78,171	73,991	73,621	73,336	3,10,014	2,99,118
Net Interest Income	30,418	29,502	32,132	35,428	33,353	36,028	37,362	38,727	1,27,480	1,45,471
YoY Change (%)	10.9	12.7	11.0	12.1	9.7	22.1	16.3	9.3	11.4	14.1
Assignment Income	2,962	2,639	1,703	2,376	1,834	1,590	2,000	2,415	9,679	7,840
NII (including assignment income)	33,380	32,141	33,834	37,803	35,188	37,619	39,362	41,142	1,37,158	1,53,311
YoY Change (%)	15.7	6.6	7.4	17.1	5.4	17.0	16.3	8.8	11.5	11.8
Other Operating Income	628	641	699	1,014	484	780	838	943	2,983	3,046
Core Income	34,008	32,782	34,534	38,818	35,672	38,399	40,200	42,086	1,40,141	1,56,357
YoY Change (%)	15.4	6.1	7.7	15.1	4.9	17.1	16.4	8.4	11.1	11.6
Operating Expenses	3,817	3,789	3,839	3,534	3,964	3,658	4,995	5,347	14,980	17,964
YoY Change (%)	-25.1	17.7	13.2	11.9	3.8	-3.5	30.1	51.3	0.8	19.9
Core Operating profits	30,191	28,992	30,695	35,284	31,708	34,741	35,205	36,738	1,25,161	1,38,392
YoY Change (%)	23.9	4.7	7.1	15.4	5.0	19.8	14.7	4.1	12.5	10.6
Provisions	3,200	2,541	2,950	7,240	2,990	4,360	4,000	4,187	15,931	15,537
Core PBT	26,991	26,451	27,745	28,044	28,718	30,381	31,205	32,551	1,09,230	1,22,855
YoY Change (%)	11.6	0.3	0.9	0.0	6.4	14.9	12.5	16.1	2.9	12.5
Profit on Sale of Inv./MTM on Inv.	18,492	13,048	90,588	4,300	13,352	1,660	2,500	2,498	1,26,428	20,010
Dividend income	11	10,738	38	21	2,982	3,230	3,000	2,946	10,807	12,158
One off expense/Prov	-5,700	-5,000	-27,000	-5,500	-9,000				-43,200	-9,000
Other Income	58	67	60	59	16	47	75	106	244	244
PBT	39,851	45,304	91,430	26,924	36,068	35,318	36,780	38,100	2,03,509	1,46,267
YoY Change (%)	29.8	29.8	218.7	-27.1	-9.5	-22.0	-59.8	41.5	55.1	-28.1
Provision for Tax	7,820	5,689	7,705	4,599	5,553	6,617	7,356	7,534	25,813	27,059
PAT	32,031	39,615	83,725	22,325	30,515	28,701	29,424	30,567	1,77,697	1,19,207
YoY Change (%)	46.3	60.6	296.1	-22.0	-4.7	-27.6	-64.9	36.9	84.5	-32.9

ICICI Securities**Buy****CMP INR466 | TP: INR625 (+34%)****EPS CHANGE (%): FY21|22: 0.0|0.0**

- Industry volumes healthy; ISEC to gain market share.
- Pick-up in non-ICICIBC customer acquisition to drive market share gains.
- Opex to remain elevated given the revenue sharing agreement with ICICIBC.
- Distribution income to witness a sequential pick-up.

Quarterly Performance**(INR m)**

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE		
Revenue from Operations	3,865	4,170	4,222	4,804	5,460	6,807	5,866	5,920	17,062	24,053
Other Income	156	12	4	15	4	-2	5	14	187	20
Total Income	4,021	4,182	4,227	4,819	5,464	6,805	5,871	5,934	17,249	24,073
Change YoY (%)	-7.7	-8.7	4.4	12.5	35.9	62.7	38.9	23.1	-0.1	39.6
Operating Expenses	2,261	2,341	2,376	2,742	2,870	3,082	3,029	3,051	9,720	12,032
Change YoY (%)	-3.1	-6.5	-3.7	14.5	26.9	31.6	27.5	11.3	0.2	23.8
PBT	1,760	1,841	1,851	2,077	2,594	3,723	2,842	2,882	7,529	12,042
Change YoY (%)	-13.1	-11.4	17.1	10.0	47.4	102.2	53.6	38.8	-0.6	59.9
Tax Provisions	622	490	479	519	663	942	731	735	2,109	3,071
Net Profit	1,138	1,351	1,372	1,559	1,931	2,782	2,111	2,147	5,420	8,971
Change YoY (%)	-15.0	0.7	35.6	28.3	69.7	105.9	53.8	37.8	10.4	65.5
Key Operating Parameters (%)										
Cost to Income Ratio	56.2	56.0	56.2	56.9	52.5	45.3	51.6	51.4	56.4	50.0
PBT Margin	43.8	44.0	43.8	43.1	47.5	54.7	48.4	48.6	43.6	50.0
Tax Rate	35.4	26.6	25.9	25.0	25.6	25.3	25.7	25.5	28.0	25.5
PAT Margin	28.3	32.3	32.5	32.3	35.3	40.9	36.0	36.2	31.4	37.3

IIFL Wealth Management**Buy****CMP INR1,029 | TP: INR1,240 (+21%)****EPS CHANGE (%): FY21|22: 0.0|0.0**

- 3% QoQ growth in net AUM to INR1.71t.
- Expect a pick-up in ARR.
- ESOP provisioning to keep employee cost elevated.
- Commentary on trend in new flows and margin important.

Quarterly performance**(INR m)**

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Net Revenue	2,108	2,316	2,210	2,570	1,990	2,110	2,234	2,412	9,204	8,746
Change (%)	-27.5	-13.7	1.0	5.0	-5.6	-8.9	1.1	-6.2	-10.0	-5.0
ARR Assets Income	1,286	1,249	1,390	1,420	1,280	1,390	1,490	1,643	5,345	5,803
TBR Assets Income	823	1,067	820	1,150	710	720	744	769	3,860	2,943
Operating Expenses	1,269	1,304	1,450	1,630	1,300	1,330	1,276	1,282	5,650	5,188
Change (%)	-11.0	-7.2	12.4	38.6	2.4	2.0	-12.0	-21.4	6.7	-8.2
Cost-to-Income Ratio (%)	60.2	56.3	65.6	63.4	65.3	63.0	57.1	53.1	61.4	59.3
Operating Profit	839	1,011	760	940	690	780	958	1,130	3,554	3,558
Change (%)	-43.4	-20.9	-15.4	-26.1	-17.8	-22.9	26.0	20.2	-28.0	0.1
Other Income	62	-191	230	-790	400	350	125	125	-690	1,000
Profit Before Tax	901	820	990	150	1,090	1,130	1,083	1,255	2,865	4,558
Change (%)	-40.3	-47.1	-4.1	-88.3	20.9	37.8	9.4	736.9	-46.7	59.1
Tax	287	136	258	171	271	257	287	334	853	1,149
Tax Rate (%)	31.8	16.6	26.1	114.2	24.8	22.7	26.5	26.6	29.8	25.2
PAT	615	684	732	-21	819	873	796	921	2,012	3,409
Change (%)	-43.8	-31.9	-8.6	-102.5	33.3	27.6	8.8	NM	-46.1	69.4
PAT Margin (%)	29.2	29.5	33.1	-0.8	41.2	41.4	35.6	38.2	21.9	39.0
Key Operating Parameters (%)										
AUM (INR B)	1,423	1,439	1,508	1,388	1,583	1,671	1,713	1,882	1,388	1,583
Change (%)	24.3	19.7	15.9	1.6	11.2	16.2	13.6	35.6	1.6	14.0

LIC Housing Finance**Buy****CMP INR378 | TP: INR460 (+22%)****EPS CHANGE (%): FY21|22: 0.0|8.8**

- Expect loan growth at 7% YoY with largely stable mix.
- Estimate provisions of INR2.8b v/s INR1.1b QoQ.
- Lower CoF to offset yield pressure; spreads stable at 1.5%.
- Watch out for commentary on restructuring.

Quarterly performance**(INR m)**

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	47,565	49,100	49,432	48,474	49,342	49,382	49,219	48,895	1,94,620	1,96,837
Interest Expense	36,026	37,018	37,152	37,642	37,645	37,002	36,447	35,827	1,47,839	1,46,920
Net Interest Income	11,539	12,082	12,279	10,832	11,697	12,380	12,772	13,068	46,781	49,917
YoY Growth (%)	17.8	15.3	17.8	-9.8	1.4	2.5	4.0	20.6	9.5	6.7
Fees and other income	507	691	533	396	433	437	585	680	2,078	2,136
Net Income	12,046	12,773	12,812	11,227	12,130	12,817	13,357	13,748	48,859	52,053
YoY Growth (%)	16.5	19.4	15.5	-10.9	0.7	0.3	4.3	22.5	9.2	6.5
Operating Expenses	1,064	1,432	1,383	2,288	1,367	1,615	1,687	1,852	6,167	6,521
Operating Profit	10,982	11,341	11,430	8,940	10,763	11,202	11,671	11,896	42,692	45,532
YoY Growth (%)	15.7	17.6	15.2	-18.1	-2.0	-1.2	2.1	33.1	6.8	6.7
Provisions and Cont.	2,573	2,780	3,977	672	587	1,109	2,800	3,079	10,002	7,575
Profit before Tax	8,409	8,561	7,453	8,267	10,177	10,093	8,871	8,817	32,690	37,957
Tax Provisions	2,302	839	1,478	4,053	2,002	2,184	1,836	1,835	8,672	7,857
Net Profit	6,107	7,722	5,975	4,214	8,175	7,909	7,034	6,981	24,018	30,100
YoY Growth (%)	7.5	34.7	0.2	-39.2	33.9	2.4	17.7	65.7	-1.2	25.3
Key Operating Parameters (%)										
Yield on loans (Cal)	9.70	9.80	9.68	9.32	9.39	9.34	9.10	8.76	9.71	9.09
Cost of funds (Cal)	8.39	8.42	8.17	8.01	7.94	7.82	7.57	7.15	8.17	7.40
Spreads (Cal)	1.31	1.38	1.51	1.31	1.45	1.52	1.53	1.60	1.54	1.69
Margin (Cal)	2.35	2.41	2.40	2.08	2.23	2.34	2.36	2.34	2.25	2.22
Credit Cost (Cal)	0.52	0.55	0.78	0.13	0.11	0.21	0.52	0.55	0.50	0.35
Cost-to-Income Ratio	8.8	11.2	10.8	20.4	11.3	12.6	12.6	13.5	12.6	12.5
Tax Rate	27.4	9.8	19.8	49.0	19.7	21.6	20.7	20.8	26.5	20.7

Mahindra Financial Services**Buy****CMP INR179 | TP: INR210 (+18%)****EPS CHANGE (%): FY21|22: -8.7|2.5**

- Disbursements likely to be ~65% of YoY levels.
- Expect a sequential uptick in opex.
- Expect provisioning at INR7.3b v/s INR6.2b QoQ.
- Less than 1% of the book has opted for restructuring.

Quarterly performance**(INR m)**

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Operating Income	23,940	24,864	25,806	26,369	26,405	26,129	26,967	27,619	1,00,979	1,07,120
Other Income	185	545	354	389	144	366	375	366	1,473	1,252
Total income	24,125	25,409	26,160	26,758	26,549	26,495	27,342	27,986	1,02,451	1,08,372
YoY Growth (%)	24.4	18.4	16.5	7.9	10.0	4.3	4.5	4.6	16.3	5.8
Interest Expense	11,282	12,022	12,089	12,895	12,646	12,216	12,094	12,202	48,287	49,158
Net Income	12,843	13,387	14,072	13,863	13,903	14,279	15,249	15,783	54,164	59,215
YoY Growth (%)	17.7	10.2	14.8	3.8	8.3	6.7	8.4	13.9	11.3	9.3
Operating Expenses	5,600	5,196	5,189	4,197	3,457	3,968	4,882	5,408	20,182	17,715
Operating Profit	7,243	8,190	8,883	9,666	10,447	10,311	10,366	10,376	33,982	41,500
YoY Growth (%)	2.6	4.1	19.3	23.9	44.2	25.9	16.7	7.3	12.6	22.1
Provisions	6,196	3,606	4,001	6,741	8,427	6,194	7,250	7,503	20,545	29,374
Profit before Tax	1,047	4,584	4,882	2,925	2,020	4,117	3,116	2,872	13,438	12,126
Tax Provisions	363	2,066	1,229	716	523	1,082	820	753	4,374	3,177
Net Profit	684	2,518	3,653	2,209	1,497	3,035	2,297	2,120	9,064	8,949
YoY Growth (%)	-74.6	-34.0	14.6	-62.4	118.7	20.6	-37.1	-4.0	-41.8	-1.3
Key Operating Parameters (%)										
Yield on loans (Cal)	15.3	15.5	15.7	15.9	16.2	16.1	16.3	16.2	15.8	15.8
Cost of funds (Cal)	8.4	8.6	8.4	8.7	8.2	7.9	8.1	8.2	8.6	8.3
Spreads (Cal)	6.9	6.8	7.3	7.2	8.0	8.2	8.2	7.9	7.2	7.5
Credit Cost (Cal)	4.0	2.3	2.5	4.1	5.2	3.9	4.5	4.5	3.3	4.4
Cost-to-Income Ratio	43.6	38.8	36.9	30.3	24.9	27.8	32.0	34.3	37.3	29.9
Tax Rate	34.6	45.1	25.2	24.5	25.9	26.3	26.3	26.2	32.5	26.2

MAS Financial**Buy****CMP IN928 | TP: INR1,040 (+12%)****EPS CHANGE (%): FY21|22: 0.0|0.0**

- Expect AUM to grow 4% QoQ.
- With an improvement in NIM, net income should grow 7% YoY.
- Gain on assignments to pick-up marginally.
- Provisions to be lower than prior quarters by ~INR200m.

Quarterly performance**(INR m)**

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Revenue from Operations	1,592	1,675	1,836	1,729	1,604	1,530	1,605	1,731	7,224	6,469
Interest Income	1,357	1,394	1,447	1,393	1,412	1,206	1,267	1,348	5,969	5,233
Gain on assignments	200	242	344	289	157	245	275	306	1,093	984
Other operating Income	35	38	45	46	34	79	63	76	162	252
Interest expense	640	718	686	690	694	697	711	733	2,961	2,834
Total income	953	957	1,150	1,039	910	833	893	998	4,263	3,635
Growth YoY (%)	21.1	11.5	11.8	5.3	-4.4	-13.0	-22.3	-3.9	16.5	-14.7
Operating Expenses	196	231	225	232	122	129	161	185	988	597
Operating Profit	756	725	925	807	788	704	733	813	3,275	3,038
Growth YoY (%)	25.5	10.4	12.1	0.8	4.2	-3.0	-20.8	0.8	13.6	-7.3
Provisions	130	226	186	327	299	248	200	202	889	948
Profit before tax	627	500	739	479	489	456	533	611	2,386	2,089
Growth YoY (%)	33.8	-6.8	6.6	-25.1	-21.9	-8.7	-28.0	27.5	2.0	-12.4
Tax Provisions	219	98	188	123	123	114	134	153	573	524
Net Profit	407	402	551	357	366	342	399	458	1,813	1,565
Growth YoY (%)	33.7	16.2	21.3	-14.2	-10.2	-14.9	-27.6	28.4	19.2	-13.7

Manappuram Finance

Buy
CMP INR167 | TP: INR205 (+23%)
EPS CHANGE (%): FY21|22: -0.7|0.5

- Expect 4% QoQ/16% YoY growth in AUM.
- Credit costs to remain elevated at INR1b due to higher provisioning for non-gold loan business.
- Lower incremental yields; margin expected ~15%.
- Expect minimal restructuring in the non-gold loan book.

Quarterly performance

(INR m)

Y/E March	FY20				FY21				FY20	FY21
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	11,613	12,445	13,567	14,719	14,758	15,473	15,859	16,229	52,171	62,319
Interest Expense	4,058	4,249	4,465	5,808	5,668	5,710	5,795	5,886	18,322	23,059
Net Interest Income	7,555	8,196	9,102	8,911	9,089	9,763	10,064	10,343	33,848	39,260
YoY Growth (%)	22.0	21.6	29.8	26.1	20.3	19.1	10.6	16.1	25.3	16.0
Other income	395	896	576	1,462	407	307	380	431	3,341	1,525
Total Income	7,950	9,092	9,677	10,374	9,496	10,070	10,444	10,774	37,190	40,785
Operating Expenses	3,537	3,654	3,742	3,807	3,121	3,545	3,687	3,816	14,741	14,169
Operating Profit	4,413	5,438	5,935	6,567	6,376	6,524	6,757	6,959	22,449	26,615
YoY Growth (%)	35.8	48.5	49.7	55.0	44.5	20.0	13.9	6.0	48.5	18.6
Provisions	341	293	491	1,226	1,453	1,080	1,000	1,046	2,376	4,579
Profit before Tax	4,071	5,144	5,444	5,341	4,923	5,444	5,757	5,913	20,073	22,037
Tax Provisions	1,404	1,068	1,421	1,359	1,249	1,390	1,468	1,513	5,270	5,619
Net Profit	2,668	4,077	4,022	3,982	3,674	4,054	4,289	4,400	14,803	16,418
YoY Growth (%)	33.4	82.0	62.8	43.6	37.7	-0.5	6.6	10.5	56.1	10.9

Muthoot Finance

Buy
CMP INR 1,214 | TP: INR1,500 (+24%)
EPS CHANGE (%): FY21|22: 1.2|2.5

- Expect provisions of INR600m v/s INR107m QoQ.
- Lower incremental yields; spreads expected ~13%.
- Expect 5% QoQ/28% YoY growth in AUM to INR491b.
- New client acquisition key to growth given stable gold prices.

Quarterly performance

(INR m)

Y/E March	FY20				FY21				FY20	FY21
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Income from operations	18,274	21,057	22,806	23,506	23,160	25,066	26,006	26,995	85,644	1,01,228
Other operating income	294	312	399	497	691	768	625	696	1,502	2,779
Total Operating income	18,568	21,369	23,206	24,004	23,851	25,834	26,631	27,691	87,146	1,04,007
YoY Growth (%)	13.8	29.5	35.2	27.7	28.4	20.9	14.8	15.4	26.7	19.3
Total Income	18,587	21,405	23,209	24,026	23,854	25,845	26,656	27,728	87,228	1,04,082
YoY Growth (%)	13.8	29.7	35.2	27.8	28.3	20.7	14.9	15.4	26.8	19.3
Interest Expense	6,416	6,699	7,094	7,700	8,715	9,241	9,334	9,319	27,909	36,609
Net Income	12,171	14,707	16,115	16,326	15,139	16,603	17,322	18,409	59,319	67,473
Operating Expenses	3,972	3,969	4,542	5,304	3,738	4,496	4,724	5,436	17,787	18,394
Operating Profit	8,199	10,738	11,573	11,021	11,400	12,107	12,599	12,972	41,531	49,079
YoY Growth (%)	8.2	43.6	47.6	35.3	39.0	12.8	8.9	17.7	33.8	18.2
Provisions	33	265	612	48	146	107	600	787	957	1,640
Profit before Tax	8,166	10,473	10,961	10,974	11,255	12,000	11,999	12,185	40,574	47,438
Tax Provisions	2,866	1,894	2,809	2,822	2,847	3,056	3,036	3,063	10,391	12,002
Net Profit	5,300	8,579	8,152	8,151	8,408	8,944	8,963	9,122	30,183	35,436
YoY Growth (%)	7.8	77.3	68.0	59.4	58.6	4.3	9.9	11.9	53.0	17.4
Key Operating Parameters (%)										
Yield on loans (Cal)	21.2	23.9	25.0	24.0	23.0	23.4	22.2	22.1	22.1	21.6
Cost of funds (Cal)	9.3	9.5	9.3	8.8	9.2	9.1			8.7	9.5
Spreads (Cal)	11.9	14.4	15.7	15.1	13.9	14.3			13.4	12.1
NIMs (Cal)	13.9	16.4	17.4	16.3	14.6	15.0	14.4	14.7	14.9	13.8
Credit Cost	0.0	0.3	0.7	0.0	0.1	0.1	0.5	0.6	0.2	0.4
Cost-to-Income Ratio	32.6	27.0	28.2	32.5	24.7	27.1	27.3	29.5	30.0	27.3
Tax Rate	35.1	18.1	25.6	25.7	25.3	25.5	25.3	25.1	25.6	25.3

PNB Housing Finance**Neutral****CMP INR368 | TP: INR390 (+6%)****EPS CHANGE (%): FY21|22: 0.0|0.0**

- Expect disbursements of INR39b; AUM to be flat QoQ.
- Expect provisions at INR2.3b v/s INR1.8b QoQ.
- Spreads (calc.) to witness some pressure ~2.9%.
- Commentary on equity capital raise important.

PNBHF: Quarterly performance**(INR m)**

	FY20				FY21				FY20	FY21
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q		
Interest Income	19,794	20,159	18,904	18,026	18,015	19,603	18,035	17,407	76,882	73,061
Interest Expense	15,127	15,213	14,610	13,800	13,635	13,397	13,196	12,877	58,750	53,105
Net Interest Income	4,667	4,946	4,293	4,226	4,380	6,206	4,839	4,530	18,133	19,956
YoY Growth (%)	10.1	29.1	21.3	-9.2	-6.2	25.5	12.7	7.2	11.5	10.1
Other income	2,532	2,145	1,844	1,493	708	612	1,265	1,811	8,013	4,396
Total Income	7,199	7,091	6,138	5,719	5,088	6,818	6,104	6,342	26,146	24,352
YoY Growth (%)	31.2	22.4	-8.1	-20.6	-29.3	-3.8	-0.5	10.9	3.9	-6.9
Operating Expenses	1,417	1,315	1,347	1,443	1,042	1,067	1,212	1,520	5,522	4,842
YoY Growth (%)	9.6	-7.5	-13.9	-12.8	-26.4	-18.9	-10.0	5.4	-7.0	-12.3
Operating Profit	5,782	5,776	4,790	4,276	4,046	5,751	4,892	4,822	20,624	19,510
YoY Growth (%)	37.9	32.1	-6.4	-23.0	-30.0	-0.4	2.1	12.8	7.2	-5.4
Provisions	1,642	1,516	1,808	7,548	751	1,796	2,250	2,445	12,514	7,241
Profit before Tax	4,140	4,260	2,983	-3,272	3,295	3,956	2,642	2,377	8,110	12,269
Tax Provisions	1,296	592	612	-852	723	823	581	572	1,648	2,699
Profit after tax	2,845	3,668	2,370	-2,421	2,572	3,133	2,060	1,805	6,462	9,570
YoY Growth (%)	11.2	45.0	-21.8	-163.7	-9.6	-14.6	-13.1	-174.6	-45.8	48.1

Repco Home Finance**Buy****CMP INR241 | TP: INR340 (+41%)****EPS CHANGE (%): FY21|22: -3.0|-2.8**

- Disbursements ~INR6b (near YoY levels).
- CE key monitorable; expect credit costs of INR175m.
- NIMs on loans to stabilize QoQ at 4.7%.
- Expect minimal restructuring of loans.

Quarterly performance**(INR m)**

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	3,286	3,322	3,406	3,441	3,384	3,486	3,469	3,456	13,174	13,795
Interest Expense	2,015	2,085	2,088	2,062	2,104	2,090	2,095	2,100	8,250	8,389
Net Income	1,271	1,237	1,318	1,379	1,280	1,396	1,373	1,356	4,924	5,406
YoY Growth (%)	11.2	3.4	10.8	18.5	0.7	12.9	4.2	-1.6	4.9	9.8
Other income	-2	33	4	20	35	16	60	91	337	202
Total Income	1,270	1,270	1,322	1,399	1,315	1,412	1,433	1,447	5,261	5,608
YoY Growth (%)	6.8	5.4	11.0	19.9	3.6	11.2	8.4	3.4	10.7	6.6
Operating Expenses	235	249	274	307	235	257	275	301	1,065	1,068
YoY Growth (%)	7.3	5.7	8.5	10.8	0.1	3.2	0.3	-1.9	8.2	0.3
Operating Profit	1,035	1,021	1,048	1,093	1,080	1,155	1,158	1,147	4,196	4,540
YoY Growth (%)	6.7	5.3	11.6	22.7	4.4	13.1	10.5	5.0	11.4	8.2
Provisions	75	1	115	403	221	72	175	178	594	647
Profit before Tax	960	1,020	933	690	859	1,083	983	969	3,602	3,894
Tax Provisions	336	14	236	213	219	275	246	242	798	981
Profit after tax	624	1,006	697	477	640	808	738	727	2,804	2,913
YoY Growth (%)	2.4	51.1	25.3	-7.4	2.6	-19.7	5.8	52.4	19.5	3.9
Loan growth (%)	12.6	10.7	9.0	7.2	5.6	5.2	4.9	4.9	6.9	7.0
Cost-to-Income Ratio (%)	18.5	19.6	20.7	21.9	17.9	18.2	19.2	20.8	20.2	19.0
Tax Rate (%)	35.0	1.3	25.3	30.8	25.5	25.4	25.0	24.9	22.2	25.2
Key Parameters (%)										
Yield on loans (Cal)	11.7	11.6	11.8	11.7	11.4	11.6	11.4	11.2	11.7	
Cost of funds (Cal)	8.6	8.5	8.4	8.3	8.3	8.2	8.1	8.0	8.5	
Spreads (Cal)	3.2	3.1	3.4	3.4	3.0	3.4	3.3	3.2	3.2	
NIMs (Reported)	4.5	4.3	4.6	4.7	4.3	4.6			4.4	
Credit Cost	0.3	0.0	0.4	1.4	0.7	0.2	0.6	0.6		
Cost-to-Income Ratio	18.5	19.6	20.7	21.9	17.9	18.2	19.2	20.8		
Tax Rate	35.0	1.3	25.3	30.8	25.5	25.4	25.0	24.9		

Shriram City Union Finance

Buy

CMP INR1,081 | TP: INR1,250 (+16%)

EPS CHANGE (%): FY21|22: -0.9|13.2

- Disbursements of ~INR57b driven by 2W and gold finance.
- Expect flat AUM sequentially (down 7% YoY).
- Expect ~INR3b in credit costs in 3QFY21E.
- Raised long-term borrowings of INR45b in 3QFY21.

Quarterly performance

(INR m)

Y/E MARCH	FY20				FY21				FY20	FY21
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	14,449	14,361	14,174	13,988	13,899	13,698	13,630	13,746	56,972	54,973
Interest expense	5,316	5,359	5,296	5,497	5,375	5,190	5,190	5,247	21,402	21,002
Net Interest Income	9,134	9,002	8,877	8,490	8,525	8,508	8,440	8,499	35,570	33,972
YoY Growth (%)	-1.3	-7.8	-0.6	-5.3	-6.7	-5.5	-4.9	0.1	-3.6	-4.5
Fees and Other Income	423	541	525	514	246	293	450	532	1,901	1,521
Net Operating Income	9,557	9,543	9,402	9,004	8,771	8,801	8,890	9,031	37,471	35,493
YoY Growth (%)	2.1	-6.5	1.7	-3.9	-8.2	-7.8	-5.5	0.3	-1.9	-5.3
Operating Expenses	3,783	3,799	3,675	3,861	3,105	3,182	3,313	3,456	15,084	13,056
Operating Profit	5,774	5,744	5,727	5,143	5,666	5,619	5,577	5,574	22,387	22,437
YoY Growth (%)	1.6	-8.0	2.3	-10.4	-1.9	-2.2	-2.6	8.4	-3.8	0.2
Provisions	1,933	1,969	1,822	3,114	3,102	2,015	3,000	2,933	8,837	11,049
Profit before Tax	3,841	3,775	3,905	2,029	2,564	3,604	2,577	2,641	13,550	11,387
Tax Provisions	1,309	800	937	498	642	1,035	649	543	3,545	2,870
Net Profit	2,532	2,975	2,968	1,531	1,923	2,569	1,928	2,098	10,005	8,518
YoY Growth (%)	10.3	19.3	14.7	-39.1	-24.1	-13.7	-35.0	37.1	1.2	-14.9
Key Operating Parameters (%)										
Yield on loans (calc., %)	19.3	19.1	19.1	19.1	19.3	19.6	19.8	20.0	19.7	19.7
Cost of funds (calc., %)	9.5	9.8	9.8	9.7	9.6	9.6	9.4	9.4	9.4	9.2
Spreads (%)	9.8	9.3	9.4	9.4	9.7	10.0	10.4	10.6	10.4	10.5
Cost-to-Income Ratio (%)	39.6	39.8	39.1	42.9	35.4	36.2	37.3	38.3	40.3	36.8
Credit cost (calc., %)	2.6	2.6	2.5	4.2	4.3	2.9	0.0	0.0	3.0	3.9
Tax Rate (%)	34.1	21.2	24.0	24.6	25.0	28.7	25.2	20.6	26.2	25.2

Shriram Transport Finance

Buy

CMP INR1,062 | TP: INR1,325 (+25%)

EPS CHANGE (%): FY21|22: 1.7|6.2

- Expect disbursements of INR115b (at YoY levels).
- Expect NIMs on loans to stabilize QoQ at 8%.
- CE improving; bake in provisions of INR6b (flattish QoQ).
- Watch out for commentary around restructuring of loans.

Quarterly performance

(INR m)

Y/E March	FY20				FY21				FY20	FY21E
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE		
Interest Income	39,721	41,099	41,337	40,922	41,026	42,997	43,212	44,329	1,62,675	1,71,564
Interest expense	20,112	21,134	21,193	21,589	22,672	22,629	22,290	22,991	82,703	90,583
Net Interest Income	19,609	19,965	20,144	19,333	18,354	20,368	20,922	21,338	79,972	80,981
Change YoY (%)	6.1	-3.3	-0.8	0.1	-6.4	2.0	3.9	10.4	1.6	1.3
Other Operating Income	502	1,077	1,524	762	383	480	500	553	2,949	1,445
Other Income	89	23	22	46	38	35	55	75	203	2,120
Net Income	20,200	21,064	21,689	20,142	18,775	20,883	21,477	21,966	83,124	84,546
Change YoY (%)	7.6	0.4	4.5	1.1	-7.1	-0.9	-1.0	9.1	3.5	1.7
Operating Expenses	4,772	5,189	5,382	5,416	3,823	5,125	5,307	5,559	20,788	19,814
Operating Profit	15,428	15,875	16,307	14,726	14,952	15,759	16,170	16,406	62,336	64,732
Change YoY (%)	9.8	-2.2	0.7	-2.6	-3.1	-0.7	-0.8	11.4	1.2	3.8
Provisions	5,612	6,607	4,444	11,287	10,646	6,555	5,500	6,101	27,949	28,801
Profit before Tax	9,816	9,269	11,863	3,439	4,306	9,204	10,670	10,306	34,387	35,931
Tax Provisions	3,473	1,618	3,072	1,205	1,105	2,359	2,732	2,633	9,360	8,828
Net Profit	6,343	7,651	8,792	2,234	3,201	6,846	7,939	7,673	25,027	27,103
Change YoY (%)	10.7	25.5	38.4	-70.1	-49.5	-10.5	-9.7	243.5	-2.4	8.3
Key Operating Parameters (%)										
Yield on loans (Cal)	16.2	16.5	16.3	16.0	16.0	16.6	16.4	16.6	16.0	16.0
Cost of funds (Cal)	9.0	9.3	9.3	9.3	9.6	9.5	9.2	9.4	9.1	9.4
Spreads (Cal)	7.2	7.1	7.0	6.8	6.4	7.1	7.1	7.2	6.9	6.6
NIMs (Reported)	7.2	7.2	7.1	6.8	6.4	6.7				
Credit Cost	2.1	2.5	1.6	4.1	3.8	2.3	1.9	2.1	2.8	2.7
Cost-to-Income Ratio	23.6	24.6	24.8	26.9	20.4	24.5	24.7	25.3	25.0	23.4
Tax Rate	35.4	17.5	25.9	35.0	25.7	25.6	25.6	25.5	27.2	24.6

Explanation of Investment Rating	
Investment Rating	Expected return (over 12-month)
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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