

Pick of the week

State Bank of India (SBIN)

Recommendation: **Buy**

Target Price: **₹975**

Current Price: **₹843**

Time Period: **12 Months**

Date: **11th November 2024**



- SBI reported about 30% yoy earnings growth, led by a 50% yoy growth in operating profit.
- The bank reported a stable NIM (3.2%), healthy loan growth (15% yoy) and lower slippages (0.5%).
- Asset quality metrics were stable, with the gross NPA and net NPA ratios declining ~2.1% and 0.5%, respectively.
- Asset-quality outlook would continue to surprise on the upside to consensus view.
- The other operating metrics look comfortable as we are past the peak of rising cost of funds.
- Maintain BUY with a FV of Rs975 (unchanged) as a top idea among public banks.

Note: The above is a brief note on the company, based on the inputs of KIE research report dated 09th Nov, 2024, which is available on our website at: <https://www.kotaksecurities.com/ksweb/ResearchCall/Fundamental>.

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