

ICICI Bank (ICICIBC) - BUY

Result Update

Current Market Price (CMP)

Rs. 1,292

Target Price

Rs. 1,450

Rationale:

- Bank reported ~15% yoy earnings growth led by 18% yoy operating profit growth.
- Loans and deposit growth was solid at ~15%.
- Stable returns, an attractive liability franchise and steady growth should help ICICI Bank sustain its premium valuation.
- Maintain BUY rating with FV at Rs1,450 (Rs1,400 earlier).
- ICICI Bank is one of our top picks.

Q2FY25 Earnings Update:

Positives:

- Industry-leading performance on growth, NIM, fee income, credit costs and asset quality ratios.
- GNPL ratio declined ~20 bps qoq to ~2.0%, while net NPL ratio was flat qoq at ~0.5%.
- Overall Credit Deposit ratio stood at ~85% (down ~50 bps qoq).

Negatives:

- Net Interest Margin (reported) declined by ~10 bps qoq to ~4.3%
- CASA ratio for the bank declined by ~30 bps qoq to 41%.

[Click here](#)

For detailed report dated 27th Oct 2024. Note: CMP & valuation may differ due to difference in dates.



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