

# Result Review

## Banking

April 28, 2016



JS Global Capital Limited

### NBP: 1Q2016 EPS at Rs1.90, down 43% QoQ

(1Q2016, EPS=Rs1.90, Payout=Nil)

NBP: Key statistics											
Last Closing	Target	1 year		Mkt Cap	52 week ADTO		Current Multiples (2016F)				
Price	Price	High	Low	(Rs bn)	(mn sh)	(Rs mn)	EPS	DPS	P/E (x)	P/BV (x)	D/Y
54.38	55.00	61.31	51.15	115.69	0.83	46.20	6.24	5.00	8.72	0.70	9.2%

National Bank of Pakistan (NBP) announced its 1Q2016 result today, posting a PAT of Rs4.04bn (EPS: Rs1.90), which came in 23% YoY higher, but 43% QoQ lower on an unconsolidated basis.

NBP's Net Interest Income (NII) increased by 15% YoY in 1Q2016 as the bank managed to bring down its Interest Expense by a massive 20% YoY on improvement in CASA witnessed during 2015. Also, higher Provisioning Expenses base in 1Q2015 further boosted 1Q2016 EPS growth. The bank booked capital gains worth Rs1.5bn during 1Q2016, lowest since 3Q2014.

At current levels NBP is trading at 2016E P/B 0.70x.

NBP: 1Q2016 Result review					
(Rs mn)	1Q2016	1Q2015	YoYΔ%	4Q2015	QoQΔ%
Interest Earned	26,970	29,256	-8%	30,171	-11%
Interest Expense	14,945	18,777	-20%	12,844	16%
<b>Net Interest Income</b>	<b>12,025</b>	<b>10,479</b>	<b>15%</b>	<b>17,327</b>	<b>-31%</b>
Provisioning Expense	1,003	3,314	-70%	3,629	-72%
Non-Interest Income	6,539	8,464	-23%	8,942	-27%
Operating expenses	11,391	10,608	7%	11,536	-1%
<b>PBT</b>	<b>6,171</b>	<b>5,020</b>	<b>23%</b>	<b>11,105</b>	<b>-44%</b>
Tax	2,133	1,743	22%	3,991	-47%
<b>PAT</b>	<b>4,038</b>	<b>3,278</b>	<b>23%</b>	<b>7,113</b>	<b>-43%</b>
EPS	1.90	1.54	23%	3.34	-43%

Source: Company announcement

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