

BoP – EPS clocked in at PKR 0.84 for 1QCY15

Bank of Punjab(BoP) announced its 1QCY15 results on March'31, 2015. The bank posted earnings of PKR 1,308mn during 1QCY15 translating into EPS of PKR 0.84, up 190%YoY as compared to the same period last year.

On QoQ basis the bank performed well as the NPAT surged 73%QoQ as compared to 4QCY14. The EPS surged by 127%QoQ (EPS: 0.84) Vs (EPS: 0.37).

Despite the DR on the lower side the bank NII increased by an impressive 149%YoY to PKR 2,503mn which was supported by low interest expense. However, on QoQ basis NII fell by 42% for 1QCY15 as compared to 4QCY14. The main reason being the surge in interest expense .

Core business was supported by the non-interest segment which translated in the EPS of the company for the last quarter. The total non-mark up segment posted a growth of 130%YoY for 1QCY15 as compared to the same period last year. The non-mark up income saw a rise of 121% for 1QCY15 on quarterly basis.

Dividend income and gain on sale of redemption of securities were the main contributor in the non-mark up segment which posted growth both year on year and quarterly basis. The fee and brokerage income posted a growth on year on year basis but remained negative for the quarter.

We expect the bank to remain under pressure in the 2QCY15 as the SBP has decreased the DR to historic low. Further, the one time super tax and the flat rate of income tax on all banking income will affect the bottom line of the bank.

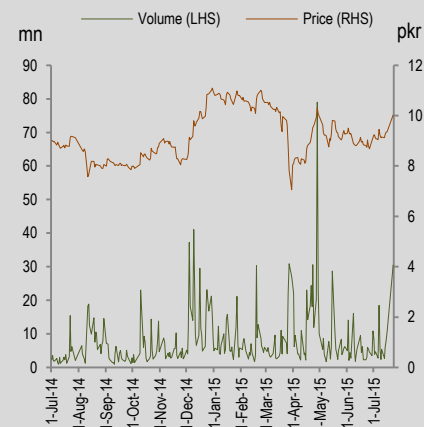
Bloomberg: BOP PA | Reuters: BOP .KA

CURRENT MARKET DATA

Current Price	9.96
Target Price	12
Market Cap (PKR mn)	15,442
Market Cap (USD mn)	152.2
Index Weightage (%)	0.20
P/B	0.71
P/E	11.85
EV/ EBITDA	NA
Free Float (mn)	651.5

Source: KSE, Bloomberg

Price-Volume



Source: KSE, Bloomberg

BoP - Financial performance

Rupees In thousands	1QCY15	1QCY14	YoY	4QCY14	QoQ
Mark-up / return / interest earned	8,170	6,500	26%	8,318	-2%
Mark-up / return / interest expensed	5,666	5,496	3%	3,978	42%
Net mark-up / return / interest income	2,503	1,004	149%	4,340	-42%
Net mark-up / return / interest income after provisions	1,891	1,240	52%	1,991	-5%
NON MARK-UP / INTEREST INCOME	-	-		-	
Fee, commission and brokerage income	166	137	21%	310	-46%
Dividend income	16	11	38%	6	180%
Income from dealing in foreign currencies	42	44	-4%	37	14%
Gain on sale and redemption of securities - net	984	179	451%	361	173%
Other income	685	441	55%	131	422%
Total non-markup / interest income	1,871	812	130%	846	121%
NON MARK-UP / INTEREST EXPENSES	-	-		-	
Total non-markup / interest expenses	1,755	1,361	29%	1,673	5%
PBT	2,006	691	190%	1,164	72%
Tax	698	240	3	406	1
NPAT	1,309	451	190%	758	73%
EPS	0.84	0.41	105%	0.37	127%

Source: Company Accounts, Darson Research



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