

# Stock Analysis Tool

Yes Bank

Analyze

**\*\*Yes Bank (NSE: YESBANK) – Stock Analysis as of August 9, 2025\*\***

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### 1. Company Overview

- **\*\*Yes Bank\*\*** is a large, private-sector bank in India headquartered in Mumbai, serving *\*retail\**, *\*MSME\**, and *\*corporate\** clients[3].
- Its operations are distributed across Treasury, Corporate/Wholesale Banking, Retail Banking, and Other Banking Operations[2].
- Major business segments: traditional banking (deposits, loans), digital banking, MSME lending, corporate finance, agriculture & rural banking, wealth management, and transaction banking[1].
- With a branch and ATM network spanning over 1,190 locations and 1,287+ ATMs, Yes Bank is an established pan-India player[3].

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### 2. Recent Price Performance

Period	YES BANK Price Change	Nifty Bank Index	Nifty 50 Index	Sector Average*	
1-Month	-7.5%	-2.2%	+0.4%	-3% to -1%	
6-Month	-10.8%	+4.1%	+5.7%	+3% to +5%	
1-Year	-16%	+12.5%	+14.2%	+10% to +14%	
52-Week Hi/Lo	₹16.02 – ₹25.10				
Last Close	₹18.77				

- *\*Yes Bank has underperformed both the sector and the broad market over all key periods. The stock is trading closer to its 52-week low.\**

*\*Sector average uses major private banks for context.\**

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### 3. Fundamental Analysis

**\*\*a. Revenue & Profit Trends\*\***

FY/Quarter	Revenue (₹Cr)	YoY Change	Net Profit (₹Cr)	YoY Change	
Q4 FY25 (Mar 25)	2,276.3*	+5.7%	738	+63.3%	
FY25	37,076	+12.5%	2,446	+90.4%	
FY24	32,956	+9.2%	1,285	+91%	
FY23	30,195	+6.8%	673	+53%	

*\*Quarterly net interest income. The improvement is largely due to better asset quality and operational efficiency[1][2].*

**\*\*b. Valuation Ratios (as of August 2025)\*\***

Ratio	Yes Bank	Pvt. Bank Avg	Remarks	
P/E (TTM)	21.24–21.62	17–22*	~Sector average, not stretched	
P/B	1.22	1.3–2.0	Lower than sector leaders	
EV/EBITDA	NA	10–13	Not always meaningful for banks	
PEG	Not reported	1.0–1.5	Not directly available	
Dividend Yield	Nil	0.5%–1.5%	No dividend paid[2][4]	

*\\*Comparative sector estimates.*

**\*\*c. Debt, Asset Quality, & Cash Flow\*\***

- **\*\*Gross NPA:\*\*** 1.6% (improved, at historic lows)
- **\*\*Net NPA:\*\*** 0.3% (down from previous years)
- **\*\*Capital Adequacy:\*\*** Sufficient, supports growth ambitions[1].
- **\*\*Contingent Liabilities:\*\*** High at ₹11,98,820 Cr, though standard for large lenders[5].
- **\*\*Return on Equity (3yr avg):\*\*** 3.62% (below sector average)[5].
- **\*\*Dividend:\*\*** No recent payouts; focus is on capital retention and balance sheet repair[2].

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### 4. Technical Analysis

Metric	Recent Value / Trend	Analysis
50-Day Moving Avg	₹20.40*	Below; bearish crossover
200-Day Moving Avg	₹21.90*	Below; confirms downward pressure
RSI (Aug 8)	30.81	Oversold territory; potential bounce
MACD	Negative trend confirmed*	Indicates bearish momentum
Support Levels	₹18 (near-term), ₹16 (major)	Tested recently, may offer stability
Resistance Levels	₹20.50, ₹23.00	Multiple rejection points above

\*Exact moving averages from real-time tools; trends indicate continued weakness with possible technical reversal spots if buying emerges[2].

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### 5. News & Sentiment Analysis

\*\*Recent Headlines & News Flow (Past 2 Months):\*\*

- \*\*Q4/FY25 results:\*\* 63.3% jump in net profit, with improved NPAs and higher net interest income[1].
- \*\*Sustainability:\*\* ESG focus and digital banking growth highlighted in FY25 annual report[5].
- \*\*Investor Events:\*\* Analyst/investor conference scheduled for late August 2025[5].
- \*\*Corporate Actions:\*\* Ongoing equity share allotments under ESOP schemes[5].
- \*\*AGM Announcement:\*\* 21st AGM scheduled, with e-voting options for shareholders[5].
- \*\*No new regulatory actions, litigations, or negative surprises reported.\*\*

\*\*Overall Market Sentiment:\*\* Slightly positive to neutral—financial progress is applauded, but underperformance in the stock price reflects skepticism about the sustainability and scale of turnaround.

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### 6. Risks & Opportunities

\*\*Risks:\*\*

- \*\*Regulatory:\*\* Potential RBI changes to private bank ownership or asset classification norms.
- \*\*Asset Quality:\*\* Any resurgence in NPAs, especially from stressed MSME loans, could reverse recent gains.
- \*\*Competitive:\*\* Pressure from larger, digital-savvy lenders (HDFC Bank, ICICI, Axis).
- \*\*Profitability:\*\* Low RoE compared to peers hurts long-term re-rating.
- \*\*Market Risk:\*\* Prolonged sector underperformance may weigh further.

\*\*Opportunities & Growth Drivers:\*\*

- \*\*Digital Banking:\*\* Expansion is driving new customer acquisition and lowering costs.
- \*\*MSME & Rural Lending:\*\* Regulatory incentives and growth opportunity in underbanked segments.
- \*\*Asset Quality:\*\* Further write-backs and recoveries could boost profits.
- \*\*Cost Management:\*\* Improving efficiency can support margins.
- \*\*Capital Buffers:\*\* Adequate Tier-1 capital enables selective loan book growth.

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### 7. Analyst Consensus

Broker/Source	Rating Distribution	Target Price Range (₹)
Institutional Consensus	3 Buy / 7 Hold / 2 Sell	₹19 – ₹25
Retail Brokerages	Mostly 'Hold' or 'Neutral'	₹17 – ₹24

- Ratings reflect cautious optimism: strong earnings recovery, but doubts about faster re-rating due to weaker RoE and lack of dividends.

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### 8. Final Recommendation

\*\*Neutral\*\*

- \*\*Rationale:\*\* Yes Bank’s recent operational turnaround, improved asset quality, and profit surge make it a credible recovery story, but the run-up in profits is partly base-effect, and RoE remains well below sector a
- \*\*Triggers to Watch:\*\* Sustained improvement in RoE, new loan growth, potential dividend resumption, and success in digital/Rural/MSME banking moves.

\*\*Suitability:\*\* Appropriate for patient, risk-tolerant investors with a 2-3 year view betting on turnaround. Momentum or income-oriented investors may prefer stronger sector peers.