Flashnote

HSBC Global Research

FIG
Commercial Banks
Equity – India

ICICI Bank

Underweight

Target price (INR)	**840.00**
Share price (INR)	**935.15**
Potential total return (%)	**-10.2**

Performance	1M	3M	12M
Absolute (%)	6.8	-5.7	65.2
Relative^ (%)	0.8	-3.1	40.6

Index^	BOMBAY SE IDX
RIC	ICBK.BO
Bloomberg	ICICIBC IN
Market cap (USDm)	20,457
Market cap (INRm)	840,587
Free float (%)	100

30 April 2007

Anand Shanbhag *
Analyst
HSBC Securities & Capital Markets (India) Private Limited
+9122 2268 1234
anandshanbhag@hsbc.co.in

Saumya Agarwal *
Associate
HSBC Securities & Capital Markets (India) Private Limited
+9122 2268 1235
saumyaagarwal@hsbc.co.in

*Employed by a non-US affiliate of HSBC Securities (USA) Inc, and is not registered/qualified pursuant to NYSE and/or NASD regulations.

Issuing office: Mumbai

Profitability drivers weaker than expected

- **Q4 spurt in general provision, slower growth in fees pulled down net profit growth to 4.5% y-o-y, 13% below forecast**
- **Potential for c25% dilution if USD5bn new equity were raised**
- **Target price revised to INR840 from INR817 following rise in the benchmarks for PE, P/B and in the sum-of-parts. We retain Underweight rating**

Timing, size of new equity a surprise

Two striking elements in the results for ICICI Bank (ICBK) were the disappointing net profit for Q4FY07 and the plan to raise USD5bn in new equity.

The below-consensus net profit of INR8.25bn (+4.5% y-o-y) was largely the result of spurt in general provisions on capital market, commercial real estate and personal loans. Other underlying reasons are the high growth in specific provisions, low growth in fees and an increase in the cost/income ratio.

The issue of USD5bn of new equity would potentially dilute earnings by close to 25%. Its timing is a surprise to us, particularly when loan growth is slowing and ROE for FY07 is reported at 13.4%, the lowest in the five years after the erstwhile ICICI Limited converted to a bank. The rationale for this issuance is stated as the opportunity presented by the unprecedented growth in the Indian infrastructure market and increased requirement for capital stemming from regulatory changes.

Our forecasts assume ICBK's loans would grow above industry levels in FY08. We also forecast a 10-bp rise in NIM over the next three years. We lower our net profit forecasts for FY08 and FY09, by 0.2% and 1.9% to INR40.7bn and INR52.4bn, respectively. Our forecasts now include FY10, with an estimated net profit of INR65.7bn.

We continue to value ICBK using a combination of DCF, PE and P/B. Our revised target price of INR840, up from INR817 previously, is a weighted average where the DCF is assigned a weight of 50% and the PE and P/B derived forecasts are assigned weights of 25% each.

The potential return for the stock is below the threshold of 8.5% for a rating of Neutral on a non-volatile stock. Therefore, we continue to rate ICBK Underweight.

Margin expansion does not offset weak fee growth, higher provisions

NIM expansion persists, Q4 NIM rises to 2.66%

Net interest margin for Q4FY07 was reported to be 2.66%. It had been reported to be in the range between 2.5% and 2.6% in the preceding three quarters, and at 2.47% for FY06. NIM for FY07 is reported to be 2.57%. These ratios are computed after excluding capital gain from sell-down of loans; until FY06, this item had been included within the net interest income.

The gentle rise in NIM in FY07 indicates the larger rise in loan yield relative to the rise in deposit cost. We estimate the average yield for FY07 to have risen by 110-bp y-o-y and that for Q4FY07 to have risen by 130-bp y-o-y.

Distinct slowdown in retail and overall loan growth

Customer assets (loans) grew 35% y-o-y, a nine-quarter low, to end FY07 at INR1277bn. Q4FY07 was the fourth successive quarter to see a decline in growth. The decline in growth of the retail portfolio has now been seen for five successive quarters. The share of retail in aggregate loans decreased for the second successive quarter to reach 62%.

Fee growth slows down to 29%, cost / income ratio rises

Fee income for Q4FY07 grew 29% y-o-y to INR14.3bn while that for FY07 grew 45% y-o-y to INR50.1bn. A distinct slowdown is seen in growth of fees compared with 53% y-o-y growth for the nine-month period ended December 2006. It appears that the streak of very high growth in fees that began in FY04 may have come to an end. For most of the past four years, fee income had grown faster than loans.

The ratio of operating expense to operating income rose to 51.8% for Q4FY07. It was 46.4% for the nine-month period ended December 2006, and was 48.8% for FY06.

Spurt in loan provisions largely driven by mandated rise in general provisions

General provisions (GP) for Q4FY07 grew 402% y-o-y to INR4.6bn. Of this amount, INR3.1bn is attributed to the mandated increase in GP on loans made to some categories of standard assets to 2%. These include personal loans, capital market exposure, commercial real estate and loans to non-bank finance companies. Overall GP for FY07 grew 116% y-o-y. The spurt in GP for Q4FY07 is the single biggest element that pulled down the net profit below expectations.

However, the larger stress on profitability has been the 230% y-o-y rise in specific provisions (net of write-off) for FY07. If annualised, the specific provisions for FY07 are 84-bp of loans compared with 36-bp for FY06. If adjusted for recoveries in FY06, the provisions for FY07 would appear to have grown by c50%, still in excess of loan growth. It also points to rising delinquency during the year. FY07 has seen a sustained and large rise in lending yields. Some of the increases that were applied in Q4FY07 may only be effective in early FY08. Therefore, the trend in asset quality and provisions needs to be watched closely in the near term.

Ambitious plan to raise USD5bn

The board of ICBK has approved a proposal to raise INR200bn (USD5bn) of new equity by way of a public offer in India, and issue of American Depository Shares in the United States. No further details are currently available on these proposed issuances. In response to questions in the analyst meeting held on 28 April 2007, ICBK's management referred to the plans in India to invest several hundred billions of USD in investments that could potentially double the infrastructure of the country within a decade. The proposed offering of equity is planned in the context of this unprecedented wave of economic activity. Management also referred to China as a benchmark.

At the closing price of the local stock on 27 April, ICBK had a market capitalisation of INR840bn (USD20.5bn). The proposed issue would therefore dilute the current equity capital by 24.4%.

We commence forecasts for FY10

We lower our net profit forecasts for FY08 and FY09, by 0.2% and 1.9% to INR40.7bn and INR52.4bn, respectively. Our forecasts now include FY10, with an estimated net profit of INR65.7bn. These forecasts are based on estimated loan growth of 28%, 19% and 16%. We also forecast a 10-bp rise in NIM over these three years.

Revise target price to INR840, maintain Underweight

We continue to value ICBK using a combination of DCF, PE and P/B. The three-stage DCF uses explicit forecasts until FY10 followed by 10 years of semi-explicit forecasts where we assume 18% loan CAGR and 30% dividend payout. The final stage of 12 years assumes the ROE declines to reach the COE (assumed to be 13.5%). This method results in a value of INR795.5 per share. This includes INR117 being the estimated value of ICBK's stakes in associates and subsidiaries.

We apply the mean PE (21.7x) and the mean P/B (2.7x) for the 12-month period ended March 2007 to the forecast EPS and book value at March 2008. These methods result in values of INR984 and INR784 respectively. These benchmarks have risen in the past quarter leading to higher values.

Our target price of INR840, up from INR817 previously, is a weighted average where the DCF is assigned a weight of 50% and the PE and P/B derived forecasts are assigned weights of 25% each.

The potential return for the stock is below the threshold of 8.5% for a rating of Neutral on a non-volatile stock. Therefore, we continue to rate ICBK Underweight.

Risk factors

Net interest margin may rise above our forecasts resulting in a higher net profit. Loan yields may rise faster than deposit costs leading to margin expansion extending beyond our estimates.

Asset quality may stabilise leading to lower NPL provisions. ICBK's lending processes have improved over the past decade and this could contain loan delinquency leading to lower NPLs.

Financials & valuation

Financial statements

Year to	03/2007a	03/2008e	03/2009e	03/2010e
P&L summary (INRm)				
Net interest income	66,358	87,823	106,790	129,505
Net fees/commissions	50,528	57,617	69,847	79,390
Trading profits	150	-4,085	-6,132	-6,710
Other income	8,614	6,439	6,290	6,336
Total income	125,650	147,795	176,794	208,522
Operating expense	-66,906	-76,901	-89,874	-103,846
Bad debt charge	-22,264	-22,291	-23,251	-23,305
Other	0	0	0	0
HSBC PBT	36,480	48,603	63,669	81,371
Exceptionals	0	0	0	0
PBT	36,480	48,603	63,669	81,371
Taxation	-5,378	-7,904	-11,299	-15,646
Minorities + preferences	0	0	0	0
Attributable profit	31,102	40,699	52,370	65,725
HSBC attributable profit	31,102	40,699	52,370	65,725
Balance sheet summary (INRm)				
Ordinary equity	243,130	271,228	300,939	340,464
HSBC ordinary equity	243,130	271,228	300,939	340,464
Customer loans	248,478	333,331	405,533	482,203
Debt securities holdings	963,840	1,172,045	1,385,230	1,576,429
Customer deposits	2,149,683	2,906,541	3,559,809	4,209,573
Interest earning assets	1,555,889	1,911,051	2,278,532	2,661,970
Total assets	1,587,274	1,947,678	2,300,033	2,669,259
Capital (%)				
RWA (INRm)	2,899,930	3,589,358	4,015,003	4,654,439
Core tier 1	0.0	0.0	0.0	0.0
Total tier 1	7.4	6.3	6.2	6.0
Total capital	11.7	9.9	9.5	8.9

Ratio, growth & per share analysis

Year to	03/2007a	03/2008e	03/2009e	03/2010e
Year-on-year % change				
Total income	50.2	17.6	19.6	17.9
Operating expense	49.4	14.9	16.9	15.5
Pre-provision profit	51.1	20.7	22.6	20.4
HSBC EPS	21.2	30.9	28.7	25.5
DPS	7.7	19.4	16.7	7.1
NAV (including goodwill)	8.4	11.6	11.0	13.1
Ratios (%)				
Cost/income ratio	53.2	52.0	50.8	49.8
Bad debt charge	10.6	7.7	6.3	5.3
Customer loans/deposits	11.6	11.5	11.4	11.5
NPL/loan	0.0	0.0	0.0	0.0
NPL/RWA	0.0	0.0	0.0	0.0
Provision to risk assets/RWA	64.8	65.9	69.8	69.5
Net write-off/RWA	0.0	0.0	0.0	0.0
Coverage	0.0	0.0	0.0	0.0
ROE (including goodwill)	13.4	15.8	18.3	20.5
Per share data (INR)				
EPS reported (fully diluted)	50.46	66.03	84.96	106.63
HSBC EPS (fully diluted)	50.46	66.03	84.96	106.63
DPS	10.05	12.00	14.00	15.00
NAV	270.44	301.70	334.75	378.71
NAV (including goodwill)	270.44	301.70	334.75	378.71

Core profitability (% RWAs) and leverage

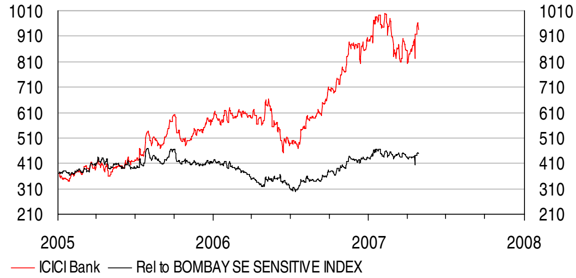
Year to	03/2007a	03/2008e	03/2009e	03/2010e
Net interest income	2.7	2.7	2.8	3.0
Trading profits	0.0	-0.1	-0.2	-0.2
Other income	0.3	0.2	0.2	0.1
Operating expense	-2.7	-2.4	-2.4	-2.4
Pre-provision profit	2.4	2.2	2.3	2.4
Bad debt charge	-0.9	-0.7	-0.6	-0.5
HSBC attributable profit	1.2	1.3	1.4	1.5
Leverage (x)	10.7	12.6	13.3	13.5
Return on average tier 1	14.5	18.0	21.1	23.6

Valuation data

Year to	03/2007a	03/2008e	03/2009e	03/2010e
PE*	18.5	14.2	11.0	8.8
Pre-provision multiple	14.3	11.9	9.7	8.0
P/NAV	3.5	3.1	2.8	2.5
Equity cash flow yield (%)	-3.1	-0.9	2.7	2.5
Dividend yield (%)	1.1	1.3	1.5	1.6

Note: * = Based on HSBC EPS (fully diluted)

Price relative



Source: HSBC

Note: price at close of 27 Apr 2007

Disclaimer & Disclosures. This report must be read with the disclosures and the analyst certifications in the Disclosure appendix, and with the Disclaimer, that form part of it.

Disclosure appendix

Analyst certification

The following analyst(s), who is(are) primarily responsible for this report, certifies(y) that the views expressed herein accurately reflect their personal view(s) about the subject security(ies) and issuer(s) and that no part of their compensation was, is or will be directly or indirectly related to the specific recommendation(s) or views contained in this research report: Anand Shanbhag and Saumya Agarwal

Important disclosures

Stock ratings and basis for financial analysis

HSBC believes that investors utilise various disciplines and investment horizons when making investment decisions, which depend largely on individual circumstances such as the investor's existing holdings, risk tolerance and other considerations. Given these differences, HSBC has two principal aims in its equity research: 1) to identify long-term investment opportunities based on particular themes or ideas that may affect the future earnings or cash flows of companies on a 12 month time horizon; and 2) from time to time to identify short-term investment opportunities that are derived from fundamental, quantitative, technical or event-driven techniques on a 0-3 month time horizon and which may differ from our long-term investment rating. HSBC has assigned ratings for its long-term investment opportunities as described below.

This report addresses only the long-term investment opportunities of the companies referred to in the report. As and when HSBC publishes a short-term trading idea the stocks to which these relate are identified on the website at www.hsbcnet.com/research. Details of these short-term investment opportunities can be found under the Reports section of this website.

HSBC believes an investor's decision to buy or sell a stock should depend on individual circumstances such as the investor's existing holdings and other considerations. Different securities firms use a variety of ratings terms as well as different rating systems to describe their recommendations. Investors should carefully read the definitions of the ratings used in each research report. In addition, because research reports contain more complete information concerning the analysts' views, investors should carefully read the entire research report and should not infer its contents from the rating. In any case, ratings should not be used or relied on in isolation as investment advice.

Rating definitions for long-term investment opportunities

Stock ratings

HSBC assigns ratings to its stocks in this sector on the following basis:

For each stock we set a required rate of return calculated from the risk free rate for that stock's domestic, or as appropriate, regional market and the relevant equity risk premium established by our strategy team. The price target for a stock represents the value the analyst expects the stock to reach over our performance horizon. The performance horizon is 12 months. For a stock to be classified as Overweight, the implied return must exceed the required return by at least 5 percentage points over the next 12 months (or 10 percentage points for a stock classified as Volatile*). For a stock to be classified as Underweight, the stock must be expected to underperform its required return by at least 5 percentage points over the next 12 months (or 10 percentage points for a stock classified as Volatile*). Stocks between these bands are classified as Neutral.

Our ratings are re-calibrated against these bands at the time of any 'material change' (initiation of coverage, change of volatility status or change in price target). Notwithstanding this, and although ratings are subject to ongoing management review, expected returns will be permitted to move outside the bands as a result of normal share price fluctuations without necessarily triggering a rating change.

HSBC

*A stock will be classified as volatile if its historical volatility has exceeded 40%, if the stock has been listed for less than 12 months (unless it is in an industry or sector where volatility is low) or if the analyst expects significant volatility. However, stocks which we do not consider volatile may in fact also behave in such a way. Historical volatility is defined as the past month's average of the daily 365-day moving average volatilities. In order to avoid misleadingly frequent changes in rating, however, volatility has to move 2.5 percentage points past the 40% benchmark in either direction for a stock's status to change.

Prior to this, from 7 June 2005 HSBC applied a ratings structure which ranked the stocks according to their notional target price vs current market price and then categorised (approximately) the top 40% as Overweight, the next 40% as Neutral and the last 20% as Underweight. The performance horizon is 2 years. The notional target price was defined as the mid-point of the analysts' valuation for a stock.

From 15 November 2004 to 7 June 2005, HSBC carried no ratings and concentrated on long-term thematic reports which identified themes and trends in industries, but did not make a conclusion as to the investment action that potential investors should take.

Prior to 15 November 2004, HSBC's ratings system was based upon a two-stage recommendation structure: a combination of the analysts' view on the stock relative to its sector and the sector call relative to the market, together giving a view on the stock relative to the market. The sector call was the responsibility of the strategy team, set in co-operation with the analysts. For other companies, HSBC showed a recommendation relative to the market. The performance horizon was 6-12 months. The target price was the level the stock should have traded at if the market accepted the analysts' view of the stock.

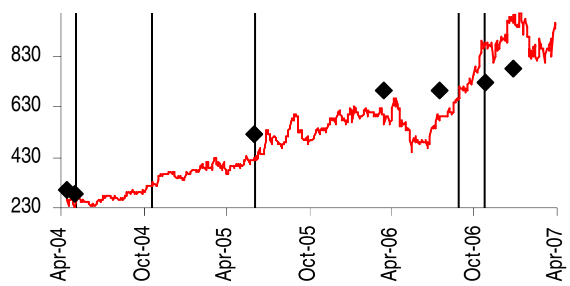
Rating distribution for long-term investment opportunities

As of 30 April 2007, the distribution of all ratings published is as follows:

Overweight (Buy)	42%	(16% of these provided with Investment Banking Services)
Neutral (Hold)	37%	(17% of these provided with Investment Banking Services)
Underweight (Sell)	21%	(14% of these provided with Investment Banking Services)

Share price and rating changes for long-term investment opportunities

ICICI Bank Share Price performance INR Vs HSBC rating history



Source: HSBC

Recommendation & price target history

From	To	Date
Hold	Buy	01 June 2004
Buy	N/R	15 November 2004
N/R	Overweight	01 July 2005
Overweight	Neutral	22 September 2006
Neutral	Underweight	21 November 2006
Target Price	**Value**	**Date**
Price 1	300.00	14 May 2004
Price 2	285.00	01 June 2004
Price 3	N/R	15 November 2004
Price 4	518.44	01 July 2005
Price 5	695.00	11 April 2006
Price 6	691.00	15 August 2006
Price 7	728.00	21 November 2006
Price 8	781.00	22 January 2007
Price 9	817.0013 February 2007	

Source: HSBC

HSBC & Analyst disclosures

Disclosure checklist

Company	Ticker	Recent price	Price Date	Disclosure
ICICI BANK	ICBK.NS	935.15	27-Apr-2007	2, 6, 7, 9

Source: HSBC

1 HSBC* has managed or co-managed a public offering of securities for this company within the past 12 months.
2 HSBC expects to receive or intends to seek compensation for investment banking services from this company in the next 3 months.
3 At the time of publication of this report, HSBC is a market maker in securities issued by this company.
4 As of 31 March 2007 HSBC beneficially owned 1% or more of a class of common equity securities of this company.
5 As of 31 March 2007, this company was a client of HSBC or had during the preceding 12 month period been a client of and/or paid compensation to HSBC in respect of investment banking services.
6 As of 31 March 2007, this company was a client of HSBC or had during the preceding 12 month period been a client of and/or paid compensation to HSBC in respect of non-investment banking-securities related services.
7 As of 31 March 2007, this company was a client of HSBC or had during the preceding 12 month period been a client of and/or paid compensation to HSBC in respect of non-securities services.
8 A covering analyst/s has received compensation from this company in the past 12 months.
9 A covering analyst/s or a member of his/her household has a financial interest in the securities of this company, as detailed below.
10 A covering analyst/s or a member of his/her household is an officer, director or supervisory board member of this company, as detailed below.

- Anand Shanbhag has a long position in the shares of ICICI Bank.

Analysts are paid in part by reference to the profitability of HSBC which includes investment banking revenues.

For disclosures in respect of any company, please see the most recently published report on that company available at www.hsbcnet.com/research.

** HSBC Legal Entities are listed in the Disclaimer below.*

Additional disclosures

1 This report is dated as at 30 April 2007.
2 All market data included in this report are dated as at close 29 April 2007, unless otherwise indicated in the report.
3 HSBC has procedures in place to identify and manage any potential conflicts of interest that arise in connection with its Research business. HSBC's analysts and its other staff who are involved in the preparation and dissemination of Research operate and have a management reporting line independent of HSBC's Investment Banking business. Chinese Wall procedures are in place between the Investment Banking and Research businesses to ensure that any confidential and/or price sensitive information is handled in an appropriate manner.

HSBC

Disclaimer

**Legal entities as at 5 September 2006*
HSBC Bank Middle East Limited, Dubai; The Hongkong and Shanghai Banking Corporation Limited, Hong Kong; HSBC Securities (Asia) Limited, Taipei Branch; HSBC Securities (Canada) Inc, Toronto; HSBC Bank, Paris branch; HSBC Trinkaus & Burkhardt AG, Dusseldorf; 000 HSBC Bank (RR), Moscow; HSBC Securities and Capital Markets (India) Private Limited, Mumbai; HSBC Securities (Japan) Limited, Tokyo; HSBC Securities Egypt S.A.E., Cairo; HSBC Investment Bank Asia Limited, Beijing Representative Office; The Hongkong and Shanghai Banking Corporation Limited, Singapore branch; The Hongkong and Shanghai Banking Corporation Limited, Seoul Securities Branch; HSBC Securities (South Africa) (Pty) Ltd, Johannesburg; HSBC Pantelakis Securities S.A., Athens; HSBC Bank plc, London, Madrid, Milan, Stockholm, Tel Aviv, HSBC Securities (USA) Inc, New York; HSBC Yatirim Menkul Degerler A.S., Istanbul; HSBC Stockbroking (Australia) Pty Limited.

Issuer of report
HSBC Securities and Capital Markets (India) Private Limited
Registered Office
52/60 Mahatma Gandhi Road
Fort, Mumbai 400 001, India
Telephone: +91 22 2267 4921
Fax: +91 22 2263 1983
Website: www.hsbcnet.com/research

This document has been issued by HSBC Securities and Capital Markets (India) Private Limited ("HSBC") for the information of its customers only. HSBC Securities and Capital Markets (India) Private Limited is regulated by the Securities and Exchange Board of India. If it is received by a customer of an affiliate of HSBC, its provision to the recipient is subject to the terms of business in place between the recipient and such affiliate. This document is not and should not be construed as an offer to sell or the solicitation of an offer to purchase or subscribe for any investment. HSBC has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; HSBC makes no guarantee, representation or warranty and accepts no responsibility or liability as to its accuracy or completeness. Expressions of opinion are those of the Research Division of HSBC only and are subject to change without notice. HSBC and its affiliates and/or their officers, directors and employees may have positions in any securities mentioned in this document (or in any related investment) and may from time to time add to or dispose of any such securities (or investment). HSBC and its affiliates may act as market maker or have assumed an underwriting commitment in the securities of companies discussed in this document (or in related investments), may sell them to or buy them from customers on a principal basis and may also perform or seek to perform investment banking or underwriting services for or relating to those companies and may also be represented in the supervisory board or any other committee of those companies. The information and opinions contained within the research reports are based upon publicly available information and rates of taxation applicable at the time of publication which are subject to change from time to time. Past performance is not necessarily a guide to future performance. The value of any investment or income may go down as well as up and you may not get back the full amount invested. Where an investment is denominated in a currency other than the local currency of the recipient of the research report, changes in the exchange rates may have an adverse effect on the value, price or income of that investment. In case of investments for which there is no recognised market it may be difficult for investors to sell their investments or to obtain reliable information about its value or the extent of the risk to which it is exposed.

HSBC Securities (USA) Inc. accepts responsibility for the content of this research report prepared by its non-US foreign affiliate. All U.S. persons receiving and/or accessing this report and wishing to effect transactions in any security discussed herein should do so with HSBC Securities (USA) Inc. in the United States and not with its non-US foreign affiliate, the issuer of this report.

In the UK this report may only be distributed to persons of a kind described in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001. The protections afforded by the UK regulatory regime are available only to those dealing with a representative of HSBC Bank plc in the UK. In Singapore, this publication is distributed by The Hongkong and Shanghai Banking Corporation Limited, Singapore Branch for the general information of institutional investors or other persons specified in Sections 274 and 304 of the Securities and Futures Act (Chapter 289) (“SFA”) and accredited investors and other persons in accordance with the conditions specified in Sections 275 and 305 of the SFA. This publication is not a prospectus as defined in the SFA. It may not be further distributed in whole or in part for any purpose. The Hongkong and Shanghai Banking Corporation Limited Singapore Branch is regulated by the Monetary Authority of Singapore. In Australia, this publication has been distributed by HSBC Stockbroking (Australia) Pty Limited (ABN 60 007 114 605) for the general information of its “wholesale” customers (as defined in the Corporations Act 2001). It makes no representations that the products or services mentioned in this document are available to persons in Australia or are necessarily suitable for any particular person or appropriate in accordance with local law. No consideration has been given to the particular investment objectives, financial situation or particular needs of any recipient. In Japan, this publication has been distributed by HSBC Securities (Japan) Limited. In Hong Kong, this document has been distributed by The Hongkong and Shanghai Banking Corporation Limited in the conduct of its Hong Kong regulated business for the information of its institutional and professional customers; it is not intended for and should not be distributed to retail customers in Hong Kong. The Hongkong and Shanghai Banking Corporation Limited makes no representations that the products or services mentioned in this document are available to persons in Hong Kong or are necessarily suitable for any particular person or appropriate in accordance with local law. All inquiries by such recipients must be directed to The Hongkong and Shanghai Banking Corporation Limited.