

HSBC HOLDINGS PLC
Form 6-K
November 03, 2014

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Report of Foreign Private Issuer

Pursuant to Rule 13a - 16 or 15d - 16 of

the Securities Exchange Act of 1934

For the month of November
HSBC Holdings plc

42nd Floor, 8 Canada Square, London E14 5HQ, England

(Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F).

Form 20-F Form 40-F

(Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934).

Yes..... No

(If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82-.....).

HSBC Holdings plc - Interim Management Statement

HSBC Holdings plc ("HSBC") will be conducting a trading update conference call with analysts and investors today to coincide with the release of its Interim Management Statement. The trading update call will take place at 10.00am GMT, and details of how to participate in the call and the live audio webcast can be found below and at Investor Relations on www.hsbc.com.

Conference call details

Date: Monday, 3 November 2014

Time: 10.00am GMT
18.00pm HKT

Audio webcast: Please follow this link for the webcast: <http://www.hsbc.com/1/2/investor-relations/financial-info>

Speakers: Stuart Gulliver, Group Chief Executive
Ian Mackay, Group Finance Director

Conference details for investors and analysts: Passcode: HSBC

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UK and International	+44 (0) 203 140 8139	UK	0800 051 1155
USA	+1 408 352 9351	USA	1855 636 5482
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Replay conference call details (available until 4 December 2014): Passcode: 16720826

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Terms and Abbreviations

1Q13/4Q13	First/fourth quarter of 2013
2Q14	Second quarter of 2014
3Q13/3Q14	Third quarter of 2013/2014
9M13/9M14	Nine months to 30 September 2013/2014
BoCom	Bank of Communications Co., Limited
CCR	Counterparty credit risk
CET1	Common equity tier 1
CMB	Commercial Banking
CML	Consumer and Mortgage Lending in the US
CRD IV	Capital Requirements Directive IV
CRS	Card and Retail Services
CVA	Credit valuation adjustment
DVA	Debit valuation adjustment
FCA	Financial Conduct Authority
FTEs	Full-time equivalent staff
FX	Foreign exchange
GB&M	Global Banking and Markets
GMB	Group Management Board
GPB	Global Private Banking
Industrial Bank	Industrial Bank Co., Limited
IRB	Internal ratings based
Legacy Credit	A portfolio of assets comprising Solitaire Funding Limited, securities investment conduits, asset-backed securities trading and correlation portfolios and derivative transactions entered into with monoline insurers
LGD	Loss given default
LICs	Loan impairment and other credit risk provisions
NCOA	Non-credit obligation assets
Own credit spread	Fair value movements on our long-term debt designated at fair value resulting from changes in credit spread
PBT	Profit before tax
Ping An	Ping An Insurance (Group) Company of China, Ltd
PPI	Payment Protection Insurance
ppts	Percentage points
PRA	Prudential Regulation Authority

Principal RBWM	RBWM excluding the effects of the US run-off portfolio and the disposal of the CRS business in the US
RBWM	Retail Banking and Wealth Management
RoRWA	Pre-tax Return on Risk Weighted Assets is calculated using an average of RWAs at quarter-ends on a Basel 2.5 basis for all periods up to and including 31 December 2013 and a CRD IV end point basis from 1 January 2014
RWAs	Risk-weighted assets
STD	Standardised approach
US\$m/US\$bn	United States dollar millions/billions
VaR	Value at risk

Note to editors

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from over 6,200 offices in 74 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,729bn at 30 September 2014, HSBC is one of the world's largest banking and financial services organisations.

Highlights

- Reported PBT up 2% in 3Q14 at US\$4,609m compared with US\$4,530m in 3Q13.
- Underlying PBT was down US\$595m or 12% in 3Q14 at US\$4,409m compared with US\$5,004m in 3Q13, principally reflecting net movements in significant items (US\$1,468m net reduction in PBT).
- Higher 3Q14 revenue in CMB and GB&M - CMB continued to grow, notably in our home markets of Hong Kong and the UK. Strong performance in GB&M was driven by Markets as Foreign Exchange and Equities both benefitted from higher client activity.
- Higher 3Q14 operating expenses - 3Q14 underlying operating expenses were US\$11,091m, 15% higher than US\$9,608m in 3Q13. Excluding significant items operating expenses increased by 6%, in part reflecting inflation and increases in risk, compliance and related costs.
- Further loan growth - on a constant currency basis we grew loans and advances to customers in 3Q14, notably in CMB in our home markets of the UK and Hong Kong.
- Reported PBT down 9% for 9M14 at US\$16,949m compared with US\$18,601m for 9M13.
- Underlying PBT down 6% for 9M14 at US\$16,969m compared with US\$18,014m for 9M13, primarily due to the effect of net movements in significant items (US\$2,275m net reduction in PBT).
- Earnings per ordinary share and dividends per ordinary share (in respect of the period) for 9M14 were US\$0.67 and US\$0.30, respectively, compared with US\$0.71 and US\$0.30 for 9M13. The third interim dividend was US\$0.10 per ordinary share.
- Return on average ordinary shareholders' equity 9M14 annualised return was 0.9ppts lower at 9.5%, compared with 10.4% for the equivalent period in 2013.

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• Strong capital position - at 3Q14, the CRD IV transitional basis CET1 capital ratio remained at 11.2%, consistent with 30 June 2014. The end point CET1 capital ratio was 11.4%, up from 11.3% at 30 June 2014. This largely reflected internal capital generation that was adversely affected by foreign exchange movements.

	Nine months ended 30 September		
	2014 US\$m	2013 US\$m	Change %
Income statement and performance measures ¹			
Reported profit before tax	16,949	18,601	(9)
Underlying profit before tax	16,969	18,014	(6)
Profit attributable to ordinary shareholders of the parent company	12,748	13,055	(2)
Cost efficiency ratio	62.5%	56.6%	
Reported pre-tax RoRWA (annualised)	1.9%	2.2%	

	At 30 Sep 2014 %	At 30 Jun 2014 %	At 31 Dec 2013 %	Change from 30 Jun 2014 to 30 Sep 2014
				US\$m
Capital and balance sheet ²				
CRD IV				
Common equity tier 1 ratio (Year 1 transition)	11.2	11.2	10.8	
Common equity tier 1 ratio (end point)	11.4	11.3	10.9	
Basel 2.5				
Core tier 1 ratio			13.6	
	US\$m	US\$m	US\$m	US\$m
Loans and advances to customers	1,028,880	1,047,241	992,089	(18,361)
Customer accounts	1,395,116	1,415,705	1,361,297	(20,589)
Risk-weighted assets - CRD IV basis	1,227,548	1,248,572	1,214,939	
Risk-weighted assets - Basel 2.5 basis			1,092,653	

¹ All on a reported basis, unless otherwise stated. Underlying basis eliminates effects of foreign currency translation differences, acquisitions, disposals and changes in ownership levels of subsidiaries, associates, joint ventures and businesses, and changes in fair value due to movements in credit spread on own long-term debt issued by the Group and designated at fair value. A reconciliation of reported results to underlying results is shown on page 6.

² For details of the implementation of CRD IV, see page 6.

Reported and underlying items

Reported	9 months ended 30 September		Quarter ended 30 September	
	2014 US\$m	2013 US\$m	2014 US\$m	2013 US\$m

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Revenue	46,942	49,450	15,775	15,078
Loan impairment charges and other credit risk provisions	(2,601)	(4,709)	(760)	(1,593)
Operating expenses	(29,357)	(27,983)	(11,091)	(9,584)
Profit before tax	16,949	18,601		