

October 20, 2021

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E), Mumbai - 400 051

BSE Limited
Listing Department
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400 001

Dear Sir/Madam,

Sub: Outcome of earnings call held for results for the quarter and half year ended September 30, 2021

Ref: NSE Symbol - ISEC and BSE Scrip Code - 541179

This is further to our letter dated October 8, 2021 regarding the earnings call which was scheduled to be held on October 19, 2021.

Please find enclosed herewith the investor presentation and the opening remarks for the earnings call held on October 19, 2021 to discuss the financial results for the quarter and half year ended September 30, 2021.

The same has also been uploaded on the website of the Company *i.e.* www.icicisecurities.com.

Thanking you.
Yours faithfully,

For ICICI Securities Limited

RAJU

NANIKRAM

NANWANI

Digitally signed by
RAJU NANIKRAM
NANWANI
Date: 2021.10.20
11:04:11 +05'30'

Raju Nanwani

**Senior Vice President &
Company Secretary**

Encl.: As above

Member of National Stock Exchange of India Ltd, BSE Ltd and Multi Commodity Exchange of India Ltd.

SEBI Registration: INZ000183631

CIN No.: L67120MH1995PLC086241

ICICI Securities Limited

Registered Office:

ICICI Venture House
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400025, India
Tel. (91 22) 6807 7100
Fax (91 22) 6807 7803

Corporate Office:

Shree Sawan Knowledge Park, Plot No. D-507,
T.T.C. Ind. Area, M.I.D.C, Turbhe, Navi Mumbai - 400 705
Tel.: (91 22) 6807 7100
Fax: (91 22) 6807 7801

Name of Compliance Officer (Broking Operations) : Mr. Anoop Goyal

Email Address: complianceofficer@icicisecurities.com / Tel. (91 22) 4070 1000

Website Address: www.icicisecurities.com / www.icicidirect.com





Performance update

Q2-FY2022

October 19, 2021

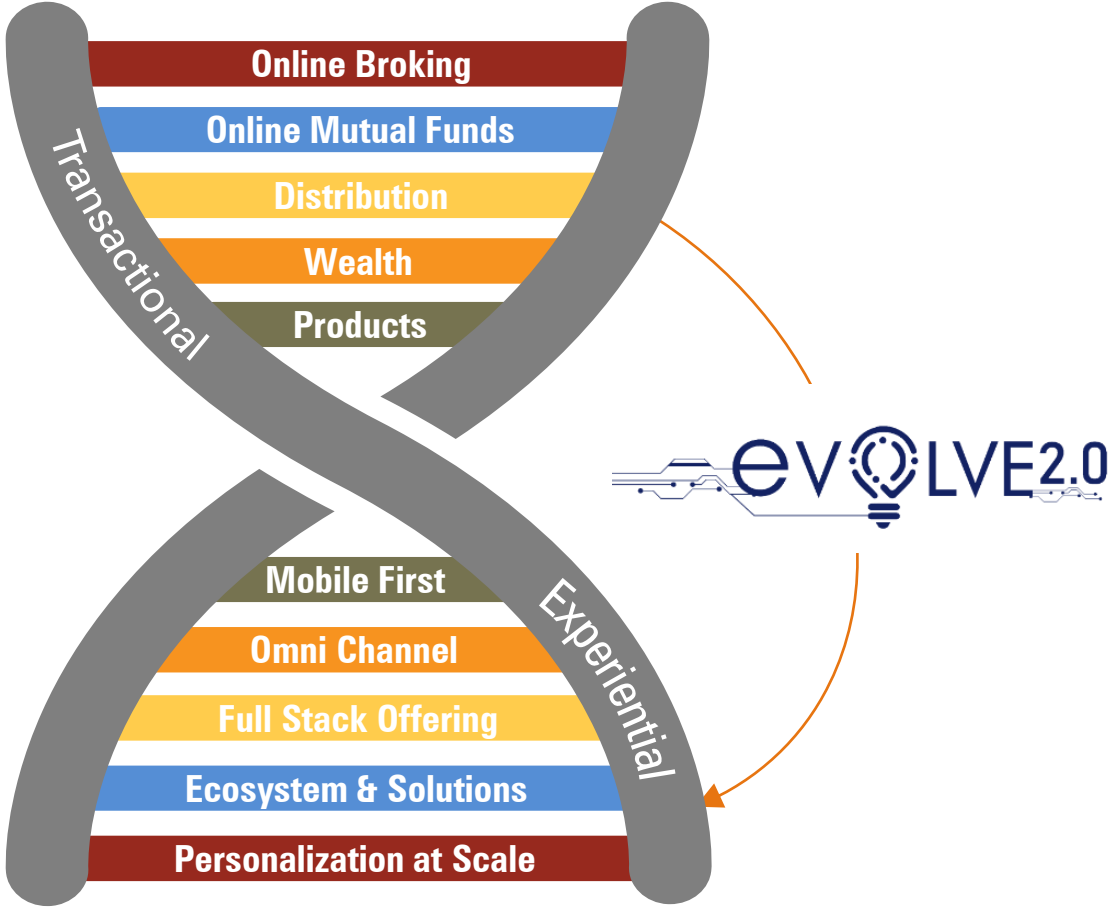
Agenda

- **Strategy and key outcomes**
- Business Performance
- ISEC Franchise

Being there never
mattered more

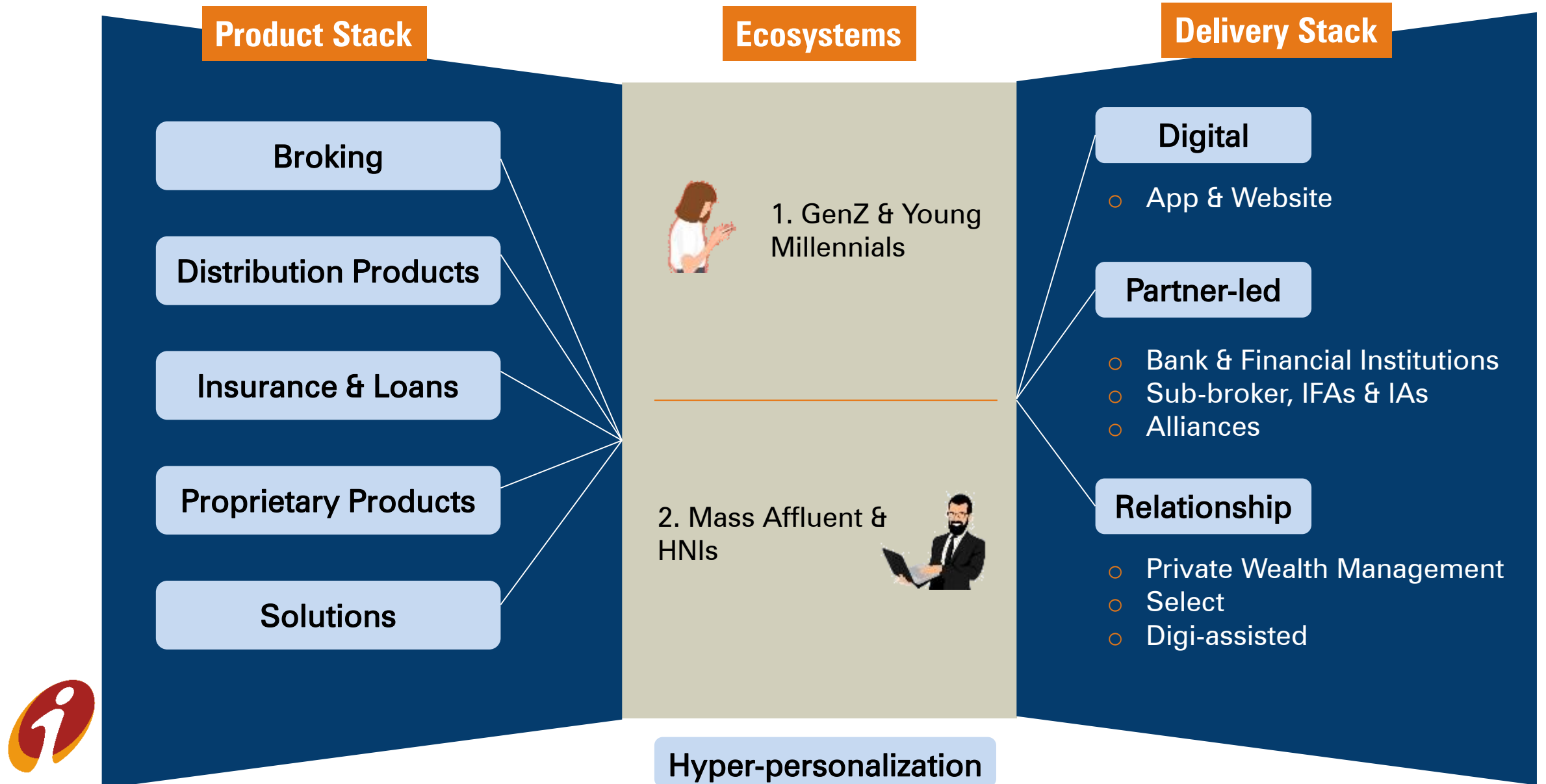


Transformation from Transactional to Experiential



Partnering our clients through their entire financial journey

Evolving into digital “NEO financial services’ marketplace”



Transformation agenda

2017	2021	2025
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Positioning

E-broker

One stop shop

Digitally Integrated
Financial Marketplace

Approach

Product focused
customer centric lens

Customer focused lens

Customer ecosystem lens



NEO financial services' marketplace

Execution Markers

Customer acquisition

Assets

Diversification

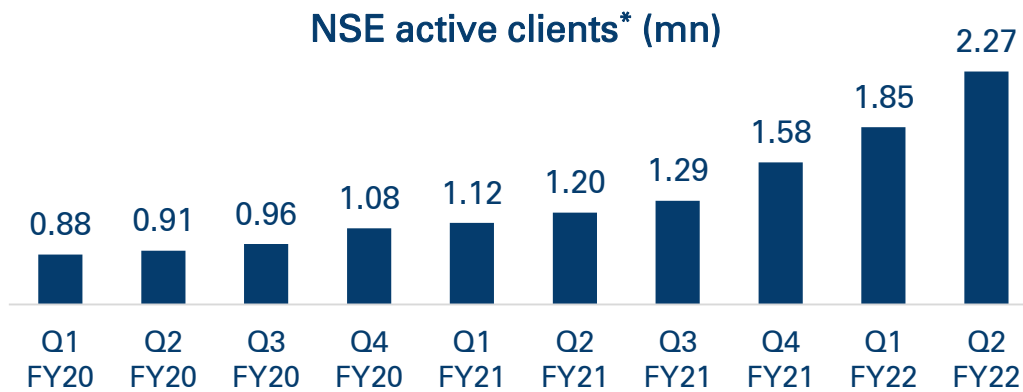
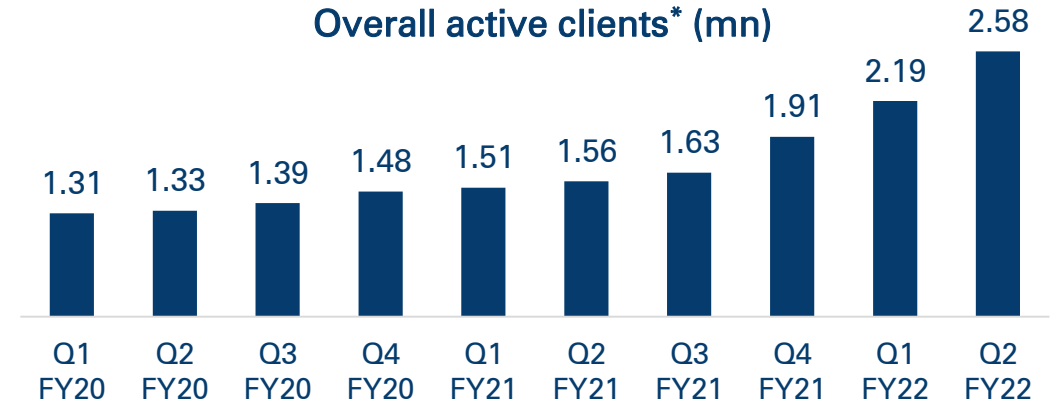
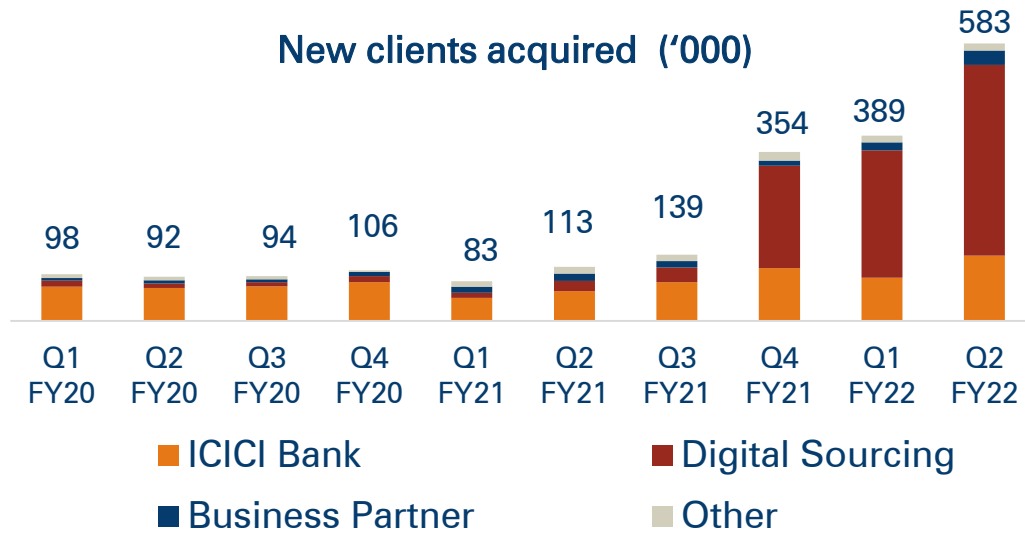
Cost/ Income Ratio

Proposition & experience enhancement



Key outcomes

Customer Acquisition



	Q2-FY21	Q2-FY22
Prime customers	0.42 mn	0.87 mn
Non-ICICI bank %	45%	77%
Clients <30yrs age	39%	65%
Clients from tier II & III	67%	84%
Activation ratio	63%	74%
NPS Score –Overall/ Sourcing	22%/40%	36%/53%

7% market share in incremental demat accounts

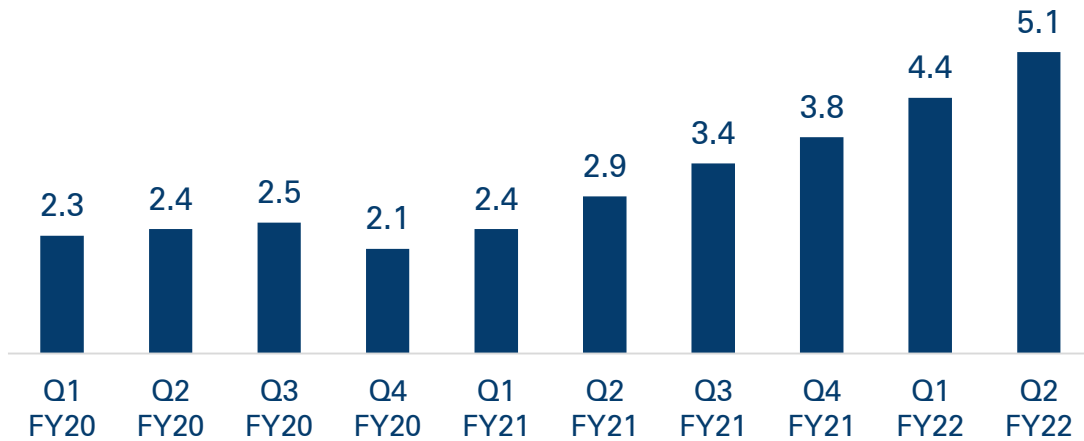


* Active in trailing 12 months

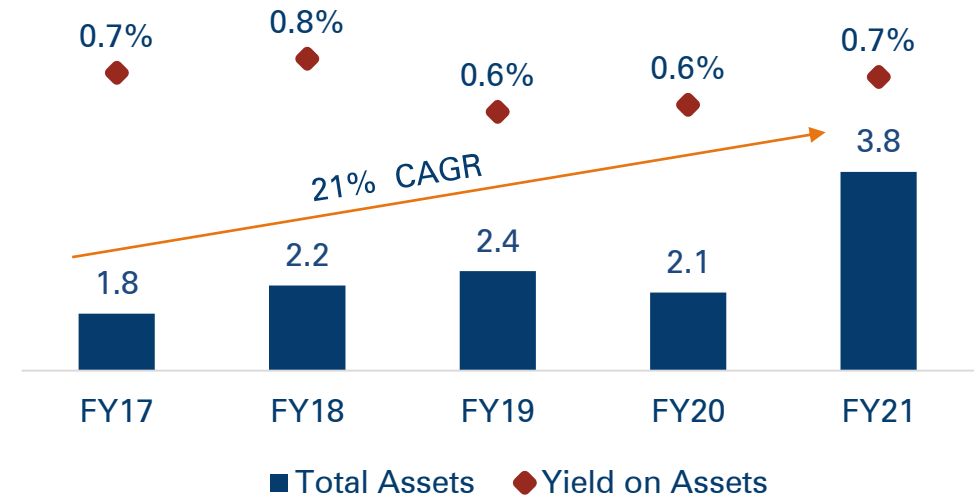
Key outcomes

Total Assets

Total Assets (₹ tn)¹



Consistent yield on client assets²



₹ 5.1 trillion Client Assets

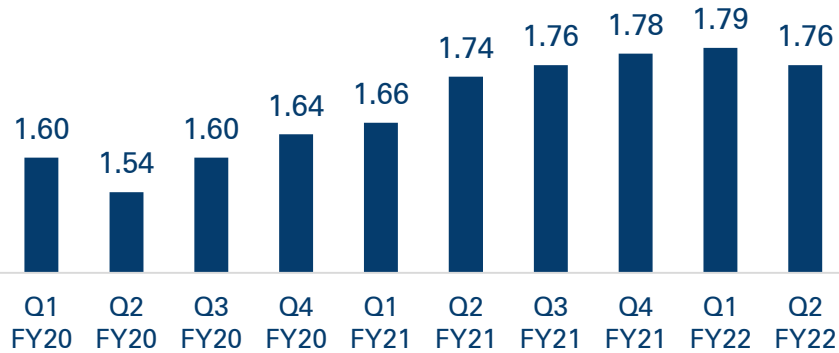


1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding
2. Yield generated on all the assets of our clients (assets include their holding value across all product categories e.g. demat holding of equity shares, home loan, FD, mutual fund, PMS etc.)

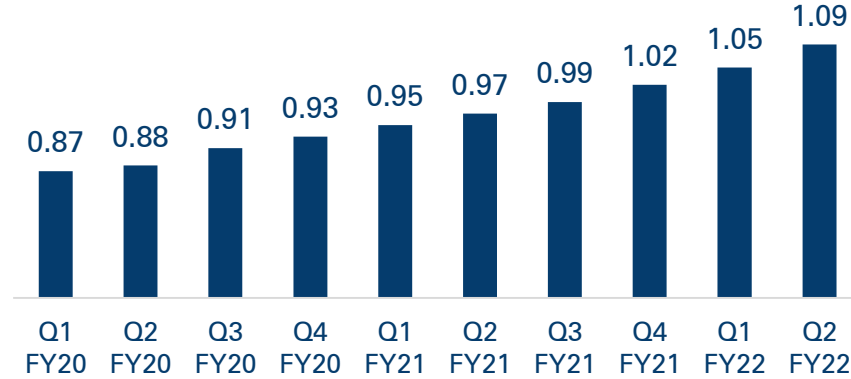
Key outcomes

Diversification

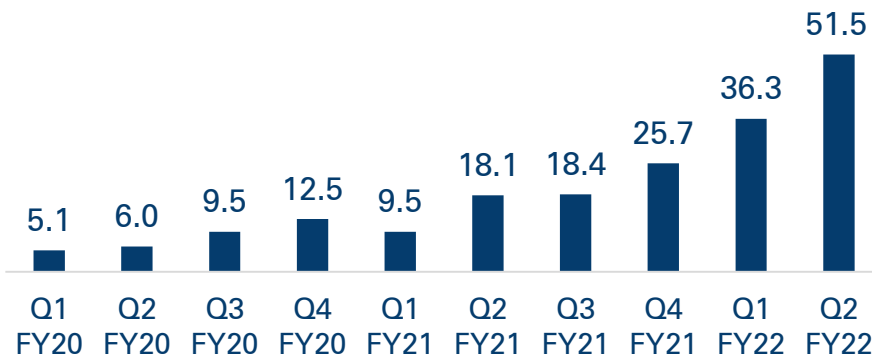
Cross sell ratio¹



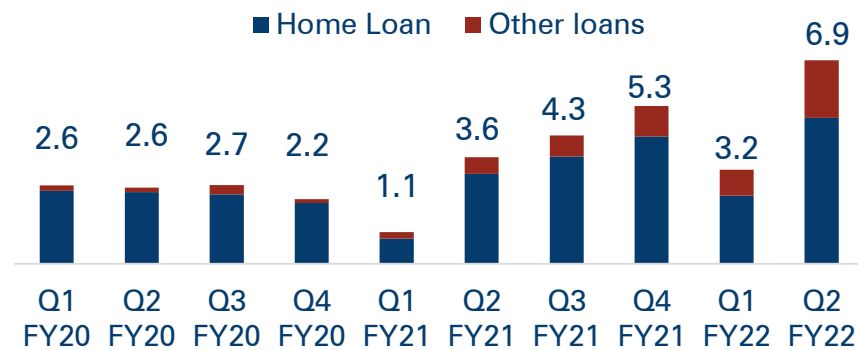
Clients with 2 or more products (mn)



MTF+ESOP book² (₹ bn)



Loans disbursed (₹ bn)



- Launched **Commodities** in Q2 FY20
 - Retail market share of 3.1% in Sept 2021
- **One click investments**
 - Over 175k equity portfolios subscribed
 - 18% share in new MF SIP



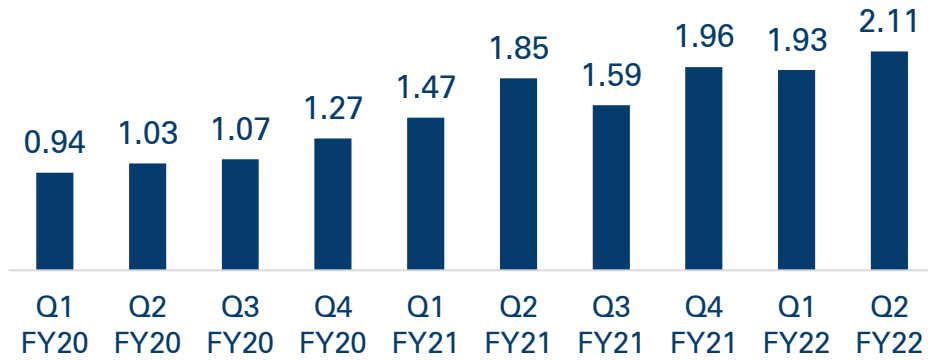
Broking revenue contribution to total revenue at 46% vs 58% YoY

1. Active clients and transaction considered for rolling 12 months (excluding customers acquired in last 90 days)
 2. Average funded book for the quarter

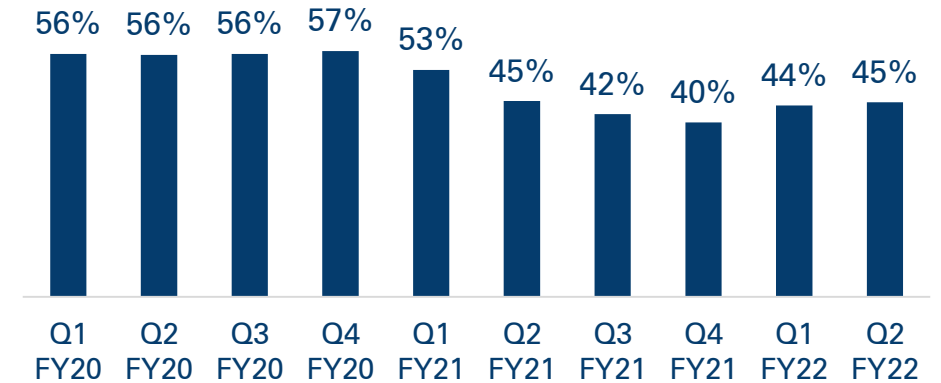
Key outcomes

Cost to income ratio

Revenue per employee (₹ mn)



Cost to Income ratio



❖ Variable cost contribution increased to >50% in Q2-FY22 from <30% in Q1-FY20



45% Cost to Income ratio

Key outcomes

Proposition & experience enhancement

- **Launched ICICIdirect Markets App;** over 100k downloads
- **Research** - Productization of research through One click investments, Premium portfolios and Masters of the street
- **Recent partnerships** - HSBC for 3-in-1 accounts, HDFC Life for Life Insurance, Max Bupa for Health Insurance
- **Enhanced offerings on ICICIdirect Money App** - Introduced ETFs, Bonds & Debentures, Sovereign Gold Bonds – Secondary Markets , Life & Health Insurance
- **Global Investing (Interactive Advisors)** - Portfolios curated by global fund managers are now available for our clients to subscribe
- **Premium portfolio** - Launched “Smart Beta” offering, portfolios curated by ICICIdirect Research Team based on factor based investment approach
- **Introduced Voice based AI/ML solution for inbound/outbound calling services** - Helps in lead qualification for customer acquisition



Agenda

- Strategy and key outcomes
- **Business Performance**
- ISEC Franchise

Being there never
mattered more

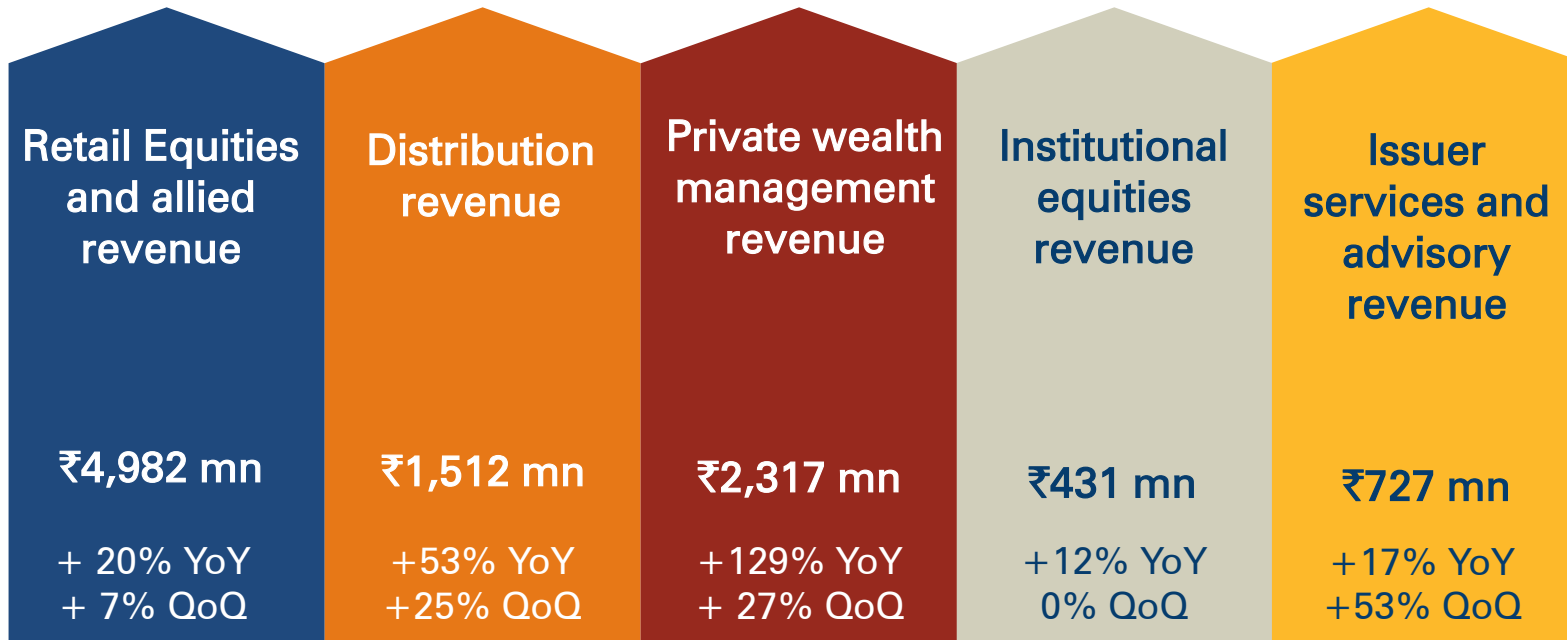


Financial Highlights

Q2 FY22

Revenue: ₹8,566 mn (+26% YoY, +15% QoQ)

PAT: ₹3,512 mn (+26% YoY, +13% QoQ)



Interim dividend of ₹11.25 per share in H1-FY22 (55% of PAT) vs ₹8 per share (55% of PAT) in H1-FY21



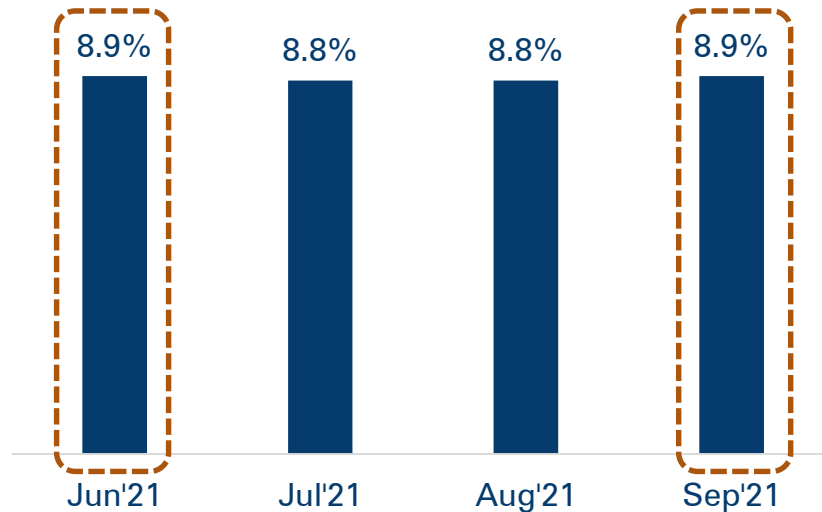
Business Performance

Equities business

Equity segment volumes and market share

- ISEC Equity ADTO decreased by 14% YoY
- Market share in Sept'21 at June'21 levels, even after implementation of phase 4 of margin norms

Equity Volume Market Share¹



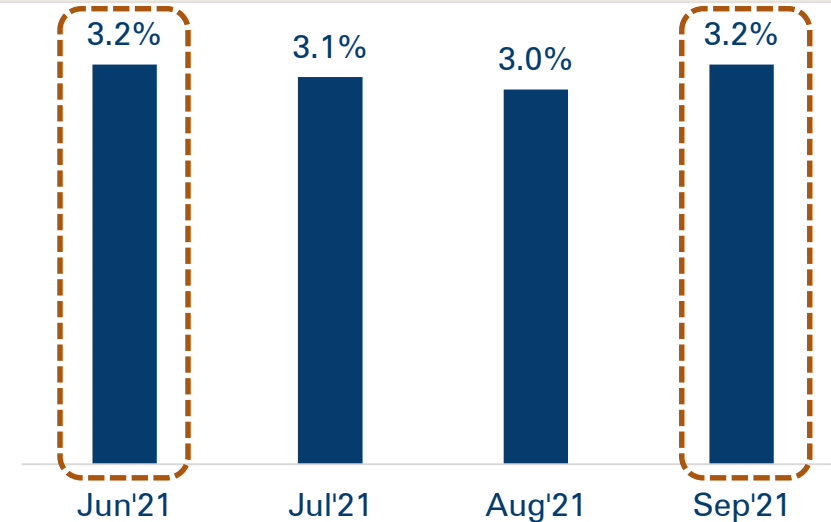
Margin norms
phase 3

Margin norms
phase 4

Derivatives segment volumes & market share

- ISEC derivative ADTO decreased by 8% YoY, up 25% sequentially
- Derivative market share in Sept'21 is at the same level as June'21

Derivative Volume Market Share¹



Margin norms
Phase 3

Margin norms
Phase 4

Business Performance

Equities business – Initiatives to increase market share

- **Platform**
 - Launched the all new ICICIdirect Markets app to provide best in class experience for traders and investors
 - Working on a new platform for advanced traders to be launched soon
- **Research based solutions**
 - One click derivative portfolios
- **Tools & Propositions**
 - Launching new features and relevant tools (iTrack, iAlert2.0, iLens, Payoff analyser, Options express)
- **Ecosystem** (API & Quant based ecosystem is underway)
 - Will provide 3rd party platforms, direct connectivity platforms for back testing strategies, one touch derivatives
- Margin funding book witnessing strong growth with one of the most attractively priced MTF plan at 8.9%



Business Performance

Equities business

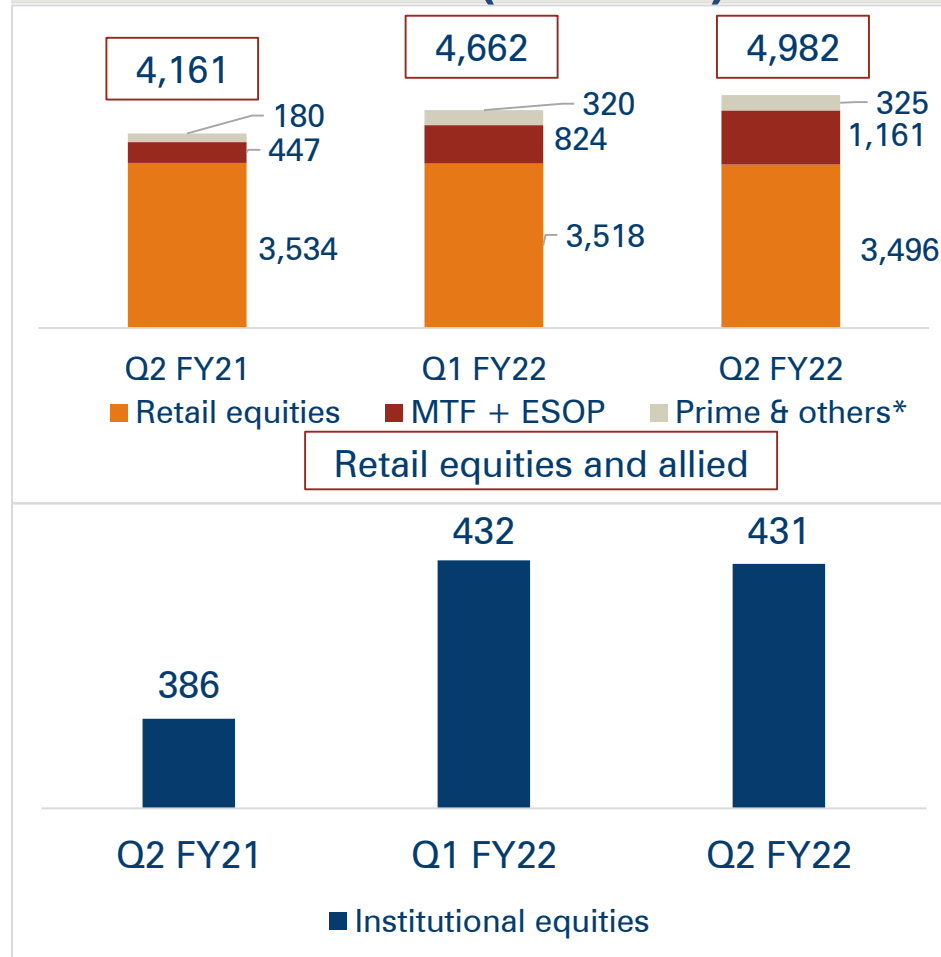
Retail equities and allied¹ revenue up by 20% YoY, +7% QoQ

- Allied equity contribution increased to 30% in Q2-FY22
 - Driven by growth in MTF and ESOP interest income, +160% YoY
 - Other allied revenue increased by 81% YoY
- ICICIdirect NEO total subscriber base increased to ~1.45 lac

Institutional equities² revenue up by 12% YoY

- Franchise consolidated its position among the top domestic institutions
- Strengthening FII franchise by entering into partnerships
- Started coverage of 10 new companies in the quarter; total research coverage increased from 321 to 331

Revenue (₹ million)



1. Retail equities includes broking income from cash & derivatives & allied revenue includes ESOP & MTF interest income, Prime fees and other fees and charges.
 2. Institutional equities includes broking income from cash & derivatives

* Others include NEO fees and charges, Depository charges which were previously netted off in expenses and now reclassified as gross revenue
 Period: Q2-FY2022 vs Q2-FY2021; Sequential: Q2-FY2022 vs Q1-FY2022

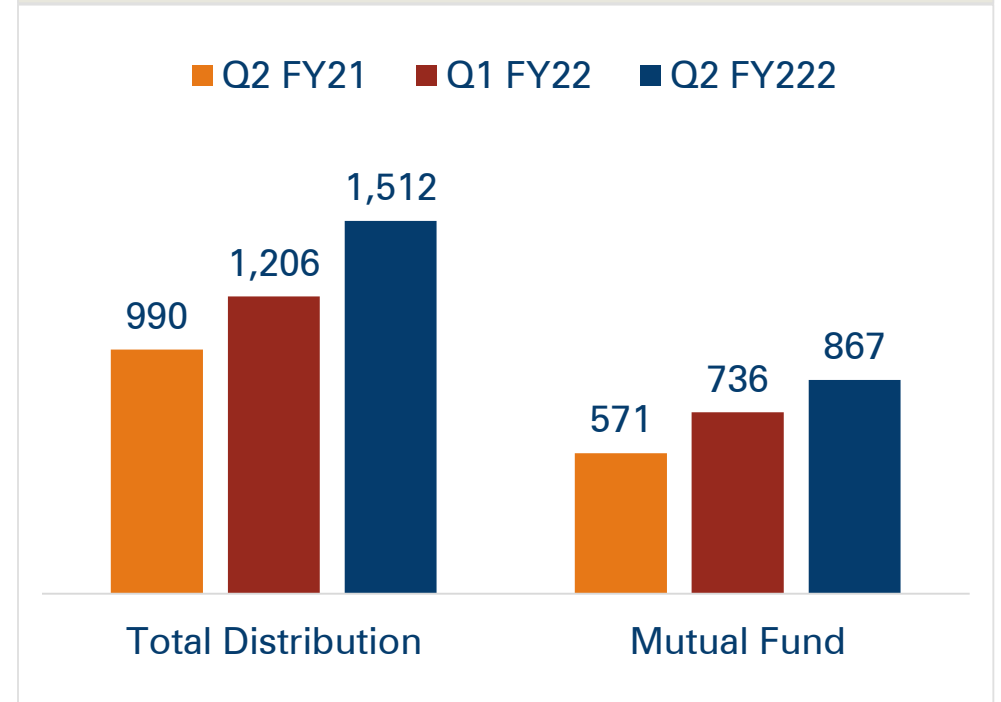
Business Performance

Distribution business

Distribution revenue at ₹ 1,512 mn, up 53% YoY

- Mutual Fund revenue up by 52% YoY
 - ISEC Mutual Fund average AUM¹ up 37%, at all time high
 - Our gross flows grew faster than the industry
 - Market share increased from 0.27% to 0.31%
 - However, we lost some market share in equity gross flows
- Concerted efforts on to increase market share
 - ICICIdirect Money app for mutual fund investments showing good traction
- SIP count² for Q2 FY22 is 0.92 mn, up from 0.65 mn YoY
 - Market share in SIP flow increased to 4.0% from 3.4%
 - ISEC SIP flows increased by 47% YoY to ~₹ 12 bn

Revenue (₹ million)



Period: Q2-FY2022 vs Q2-FY2021; Sequential: Q2-FY2022 vs Q1-FY2022

1. AUM excluding direct

2. SIP Count: triggered as on last month of period

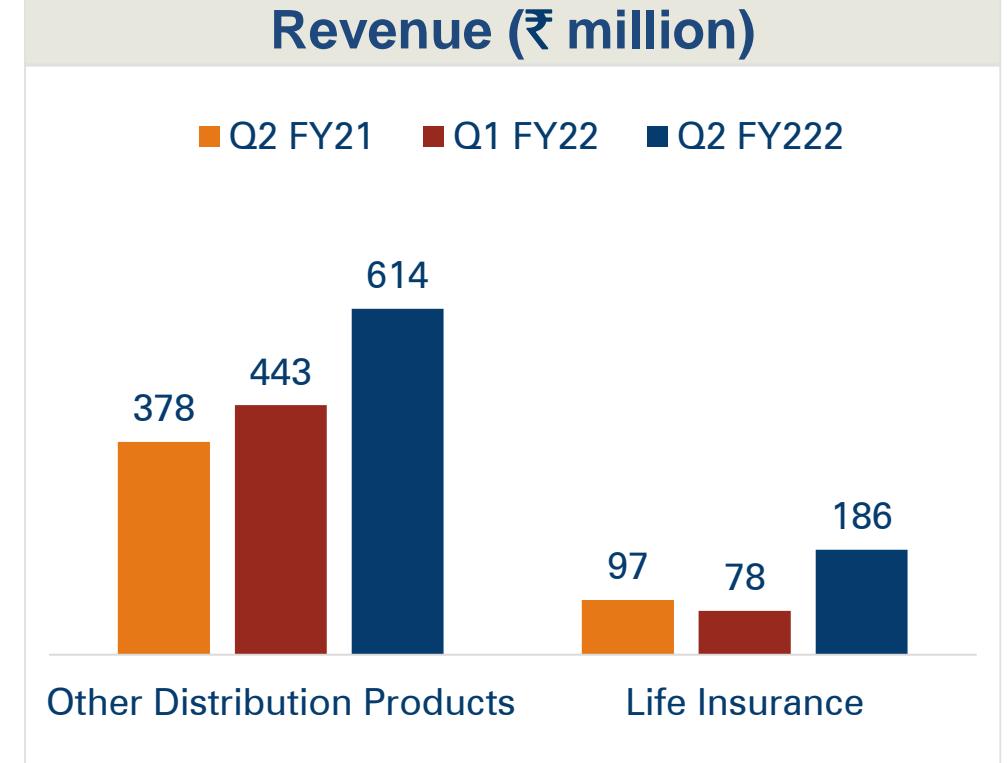
Source: AMFI

Business Performance

Distribution business

Other distribution products¹ revenue up 62% YoY

- Life Insurance revenue up 92% YoY
- Strong growth in AIF & PMS, up 108% YoY
 - Proprietary PMS at ₹ 3.7 bn; up from ₹ 1.6 bn in Q2-FY21
- Loan disbursement at ₹ 6.9 bn, up 91% YoY
- SGB distribution market share at 9%²
- ETF distribution market share at 13%³



Deep integration to improve experiences in identified distribution products beyond mutual funds

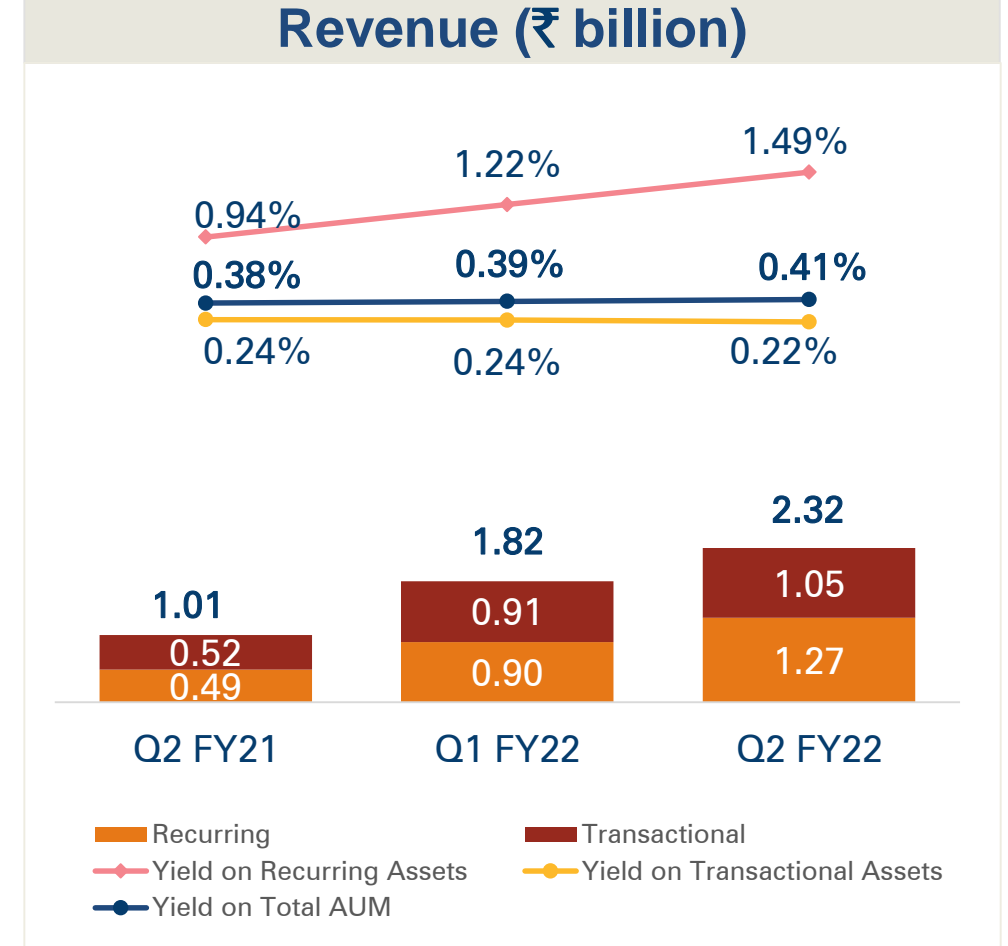
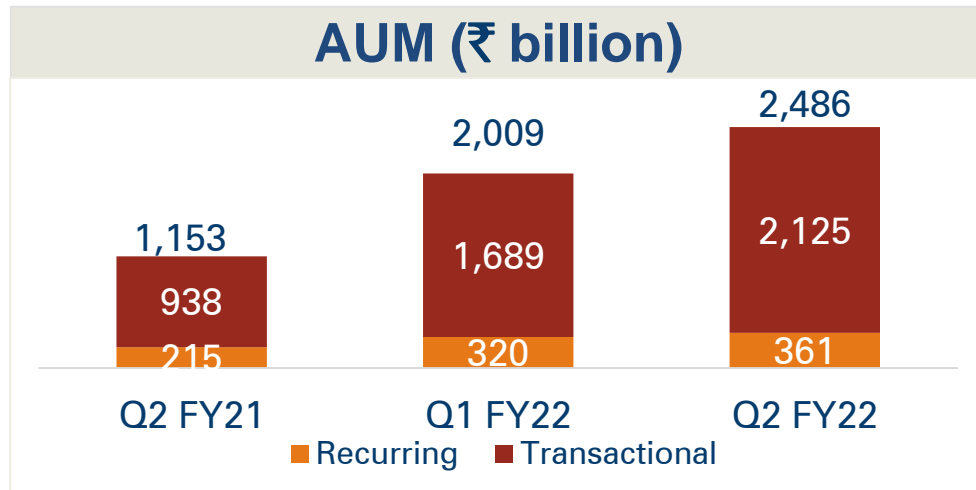


1. Group of products which are being focused on to grow overall distribution revenue and include insurance, PMS, AIF, bonds, NPS, deposits etc. and exclude income such as IPO, marketing fees and paid educational programs
 2. Q2FY22, Sovereign gold bonds
 3. As at June 2021, Exchange traded funds
- Period: Q2-FY2022 vs Q2-FY2021; Sequential: Q2-FY2022 vs Q1-FY2022

Business Performance

Private Wealth Management

- Total AUM at ~₹ 2.49 tn, up 115%
- Total Revenue at ₹ 2.32bn, up 129%
- Overall yield* at 0.41% compared to 0.38% in Q2FY21
- Clients: ~61,850; ~6,900 clients added during the quarter



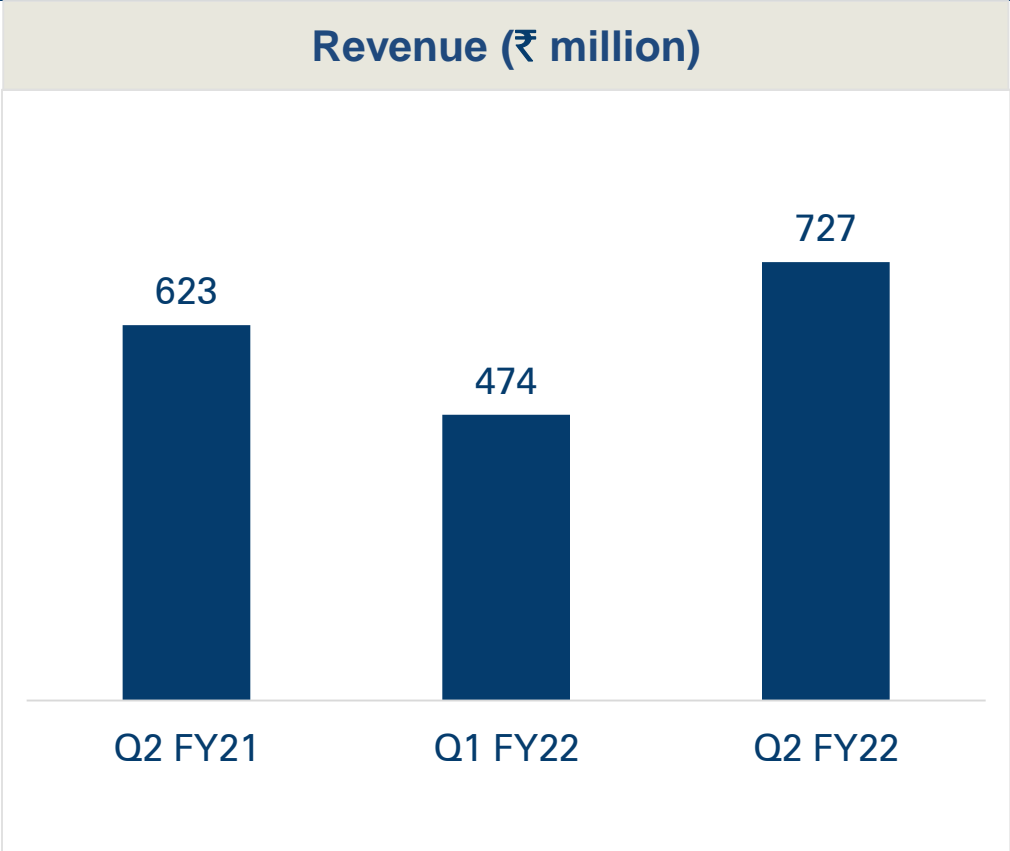
Period: Q2-FY2022 vs Q2-FY2021; Sequential: Q2-FY2022 vs Q1-FY2022

*Yields are on average assets for the current & preceding period, quarterly yields are annualized

Business Performance

Issuer Services and Advisory

- Issuer Services & Advisory revenue up by 17%
- #1 in IPO/FPO/InvIT/REIT issuance¹, 52% mobilization market share
- Strong IPO² pipeline, 54 deals amounting over ₹1,214 bn
- Continued focus on building non-IPO revenue



1. Source: Prime database for H1FY22 (By deal count)
2. IPO:IPO/FPO/InvIT/REIT, Source: SEBI
*Period: Q2-FY2022 vs Q2-FY2021; Sequential: Q2-FY2022 vs Q1-FY2022

Way forward

Core components of strategy remain intact

- **Invest in next gen technology capabilities to remain cutting edge** - Advanced analytics, CRM capabilities, cyber security, capacity enhancement, AI/ML tools, UI/UX interfaces
- **Invest in capabilities** - Talent acquisition in all areas of focus, broad basing ESOPs
- **Strengthen proposition** to cater to GenZ, Millennials and Mass affluent and HNIs
- **Digitize & decongest** processes and products & enhance customer experience
- **Personalisation** at scale by introducing AI/ML as well as deep integration with partners
- Continue to improve **Net promoter score (NPS)** and **cross sell ratios**
- Continued focus on **operating leverage**
- Deeper integration of **ESG principles** in business strategy



Evolving into digital “NEO financial services’ marketplace”

Agenda

- Strategy and key outcomes
- Business Performance
- **ISEC Franchise**

Being there never
mattered more



ICICI Securities Franchise



Total Assets

₹ 5.1 tn¹

23% 5Y CAGR (FY16-21)



Wealth Assets

₹ 2.5 tn²

29% 5Y CAGR (FY16-21)



Client base

6.3 mn³

5x increase in client acquisition YoY



Revenue

₹ 25.9 bn⁴

18% 5Y CAGR (FY16-21)



Profit After Tax

₹ 10.7 bn⁴

35% 5Y CAGR (FY16-21)



Dividend

₹ 21.5 per share⁴

34% 5Y CAGR (FY16-21)



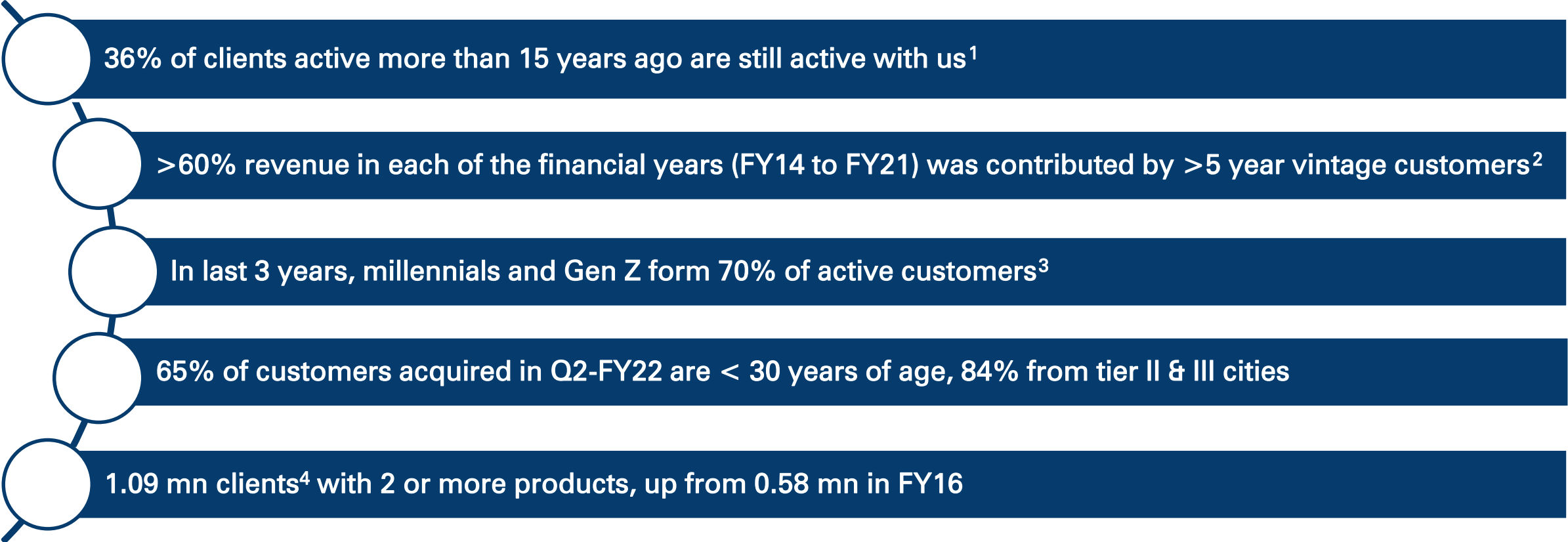
1. Assets of our clients including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Sept,30 2021

2. Assets of our clients with more than 1 cr AUM at individual level including equity demat assets maintained with ICICI Bank and excluding promoter holding, as on Sept,30 2021

3.As on Sept, 30 2021

4. FY21

Sticky, diverse & multifaceted client base



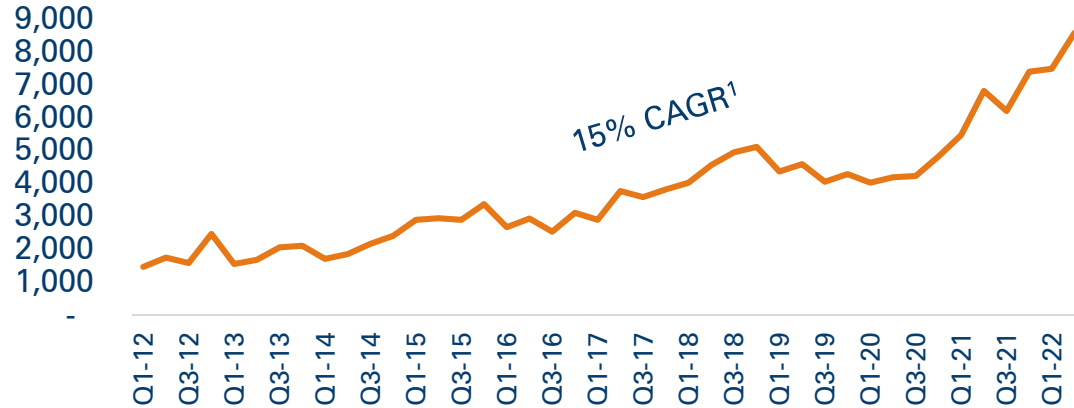
Ability to attract millennials & Gen Z and retain vintage customers



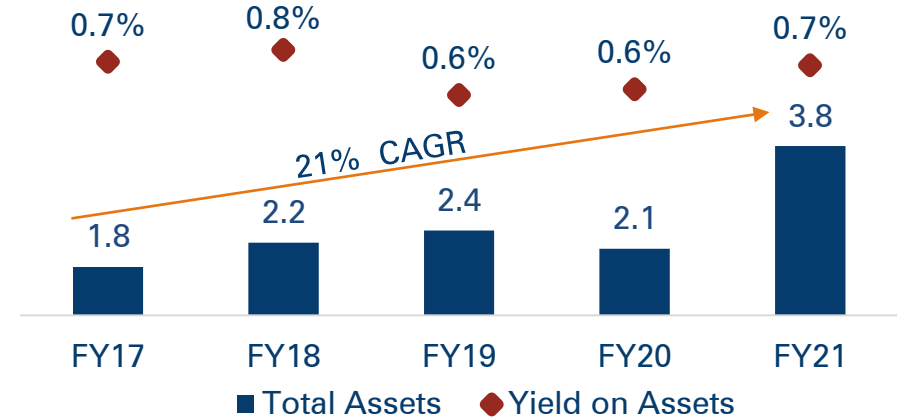
1. As at FY21
2. Based on retail broking revenues
3. Customers below 40 years of age
4. As at Q2-FY22

Secular business model

Secular trend of quarterly overall revenues



Consistent yield on client assets²



Growth in PAT across cycles (₹ bn)

Year	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21
PAT (₹ bn)	0.78	0.64	0.91	2.94	2.39	3.39	5.54	4.91	5.42	10.68
3 Year CAGR				56%	55%	55%	23%	27%	17%	24%

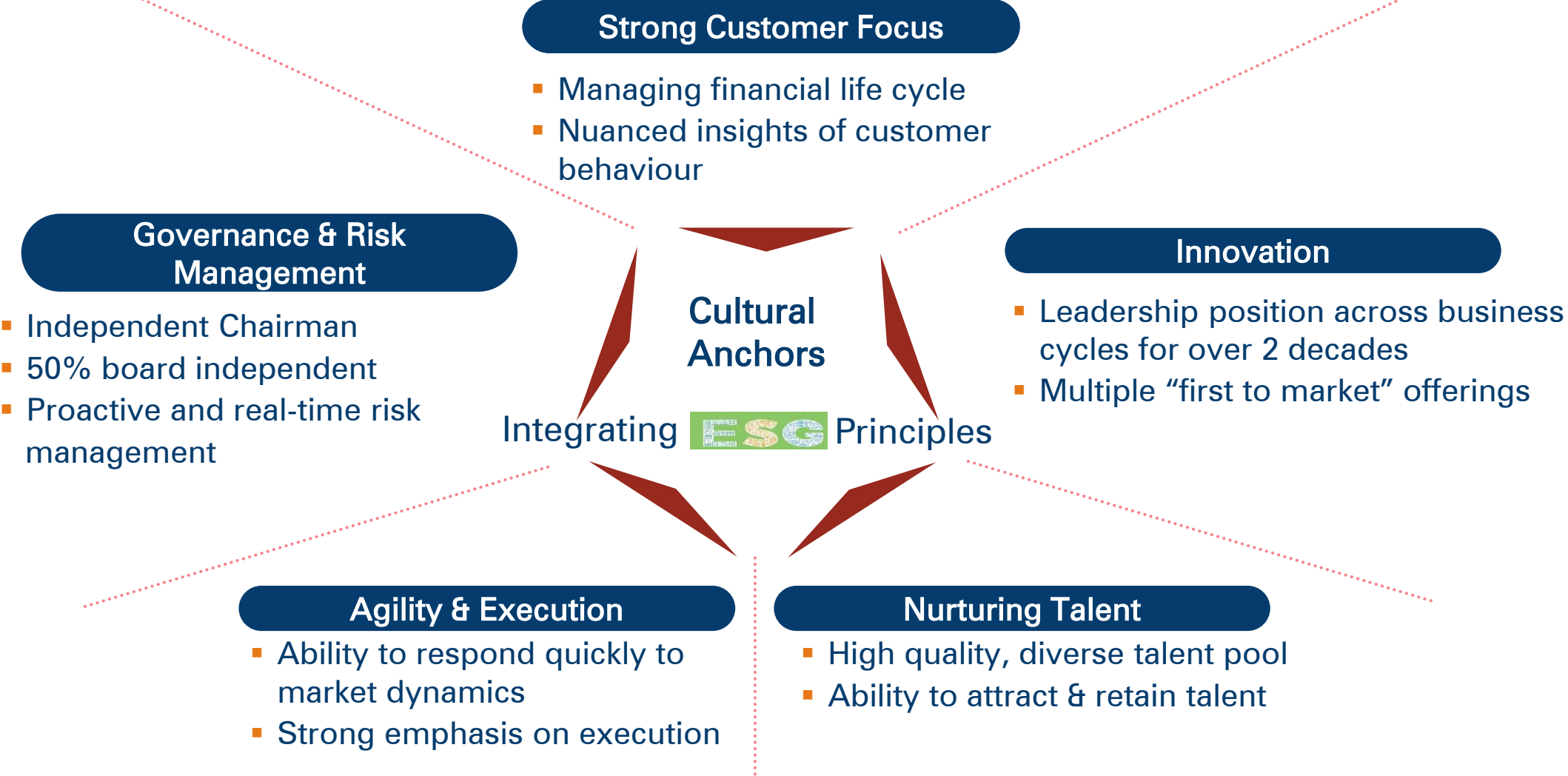
- ❖ Business model has remained secular as seen by rolling 3 year periods with a minimum of 17% PAT CAGR over the last decade
- ❖ The company has displayed capabilities to scale down cost and maximize profit during tough times

3Y PAT CAGR ranging from 17% to 55% over different market cycles



1. Annual growth rate from FY12 to FY21
 2. Yield generated on all the assets of our clients (assets include their holding value across all product categories e.g. demat holding of equity shares, home loan, FD, mutual fund, PMS etc.)

Cultural Anchors & focus on earning trust



Uniquely positioned to harness entire Indian financial services opportunity

Segment Coverage



Best in class plans



New age digital platforms



Propositions

Investment tools



Trading tools



Knowledge ecosystem



Channel

Omni channel strategy ranging from RM led assisted digital to completely digital



Unique non-credit play for entire Indian financial services opportunity

Safe harbor

Except for the historical information contained herein, statements in this release which contain words or phrases such as 'will', 'would', 'indicating', 'expected to', etc., and similar expressions or variations of such expressions may constitute 'forward-looking statements'. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to, the actual growth in demand for broking and other financial products and services in the countries that we operate or where a material number of our customers reside, our ability to successfully implement our strategy, including our use of the Internet and other technology, our growth and expansion in domestic and overseas markets, technological changes, our ability to market new products, the outcome of any legal, tax or regulatory proceedings in India and in other jurisdictions we are or become a party to, the future impact of new accounting standards, our ability to implement our dividend policy, the impact of changes in broking regulations and other regulatory changes in India and other jurisdictions as well as other risk detailed in the reports filed by ICICI Bank Limited, our holding company with United States Securities and Exchange Commission . ICICI Bank and ICICI Securities Limited undertake no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

This release does not constitute an offer of securities.





Thank you

Appendix

Consolidated P&L

(₹ million)

Particulars	Q2-FY21	Q1-FY22	Q2-FY22	Q-o-Q%	Y-o-Y%
Revenue	6,805	7,477	8,566	15%	26%
Operating Expenses	425	592	577	(3)%	36%
Employee benefits expenses	1,796	1,509	1,683	12%	(6)%
Other expenses	576	791	1,016	28%	76%
Total operational expenses	2,797	2,892	3,276	13%	17%
Finance Cost	285	418	581	39%	104%
Total expenses	3,082	3,310	3,857	17%	25%
Profit before tax	3,723	4,167	4,709	13%	26%
Tax	941	1,060	1,197	13%	27%
Profit after tax	2,782	3,107	3,512	13%	26%
Other Comprehensive Income (OCI)	(6)	(59)	23	-	-
Total Comprehensive Income (TCI)	2,776	3,048	3,535	16%	27%



Segment performance

(₹ million)

Particulars	Q2-FY21	Q1-FY22	Q2-FY22	Q-o-Q%	Y-o-Y%
Segment Revenue					
Broking & Distribution	6,033	6,852	7,529	10%	25%
Issuer Services and Advisory	623	474	727	53%	17%
Treasury	149	151	310	105%	108%
Income from operations	6,805	7,477	8,566	15%	26%
Segment Profit before tax					
Broking & Distribution	3,243	3,847	3,982	4%	23%
Issuer Services and Advisory	393	261	520	99%	32%
Treasury	87	59	207	251%	138%
Total Result	3,723	4,167	4,709	13%	26%



Balance sheet : Assets

(₹ million)

ASSETS	At Sep 30, 2020	At March 31, 2021	At Sep 30, 2021
Financial assets (A)	55,288	77,851	114,370
Cash/Bank and cash equivalents	30,188	38,792	49,604
Securities for trade & Derivatives financial instrument	4,439	4,662	1,800
Receivables	1,213	4,586	2,863
Loans	18,627	29,015	59,107
Investments	27	29	36
Other financial assets	794	767	960
Non-financial assets (B)	4,022	3,958	4,262
Deferred tax assets (net)	683	560	574
Right-of-use assets	1,124	962	1,039
Fixed assets, CWIP & Intangible assets	562	726	861
Current tax assets & other non financial assets	1,653	1,710	1,788
Assets (A+B)	59,310	81,809	118,632



Balance sheet : Equity and Liabilities

(₹ million)

EQUITY AND LIABILITIES	At Sep 30, 2020	At March 31, 2021	At Sep 30, 2021
Financial liabilities (A)	37,258	57,009	91,899
Payables	5,668	10,265	12,571
Derivative financial instruments	3	5	5
Debt securities & borrowings	23,994	35,210	58,626
Lease liabilities	1,199	1,061	1,157
Deposits & Other financial liabilities	6,394	10,468	19,540
Non-financial liabilities (B)	7,331	6,579	6,135
Equity (C)	14,721	18,221	20,598
Equity share capital	1,611	1,611	1,613
Other equity	13,110	16,610	18,985
Equity and Liabilities (A+B+C)	59,310	81,809	118,632



Additional data points

Particulars	Q1-FY21	Q2-FY21	Q3-FY21	Q4-FY21	Q1-FY22	Q2-FY22
Equity market ADTO ¹ (bn)	454	470	471	573	571	512
Derivative market ADTO ¹ (bn)	9,183	12,145	16,477	22,572	24,143	31,840
Total market ADTO ¹ (bn)	9,637	12,615	16,948	23,145	24,713	32,352
ISEC total ADTO (bn)	867	1,118	1,093	732	838	1,029
ISEC Blended market share (%)	9.0%	8.9%	6.5%	3.2%	3.4%	3.2%
ISEC Blended Equity market share (%)	10.7%	11.1%	10.5%	9.6%	9.2%	8.8%
ISEC Blended Derivative market share (%)	8.9%	8.8%	6.3%	3.0%	3.3%	3.1%
Mutual fund average AUM (bn)	318	352	383	413	440	483
Mutual fund average Equity AUM (bn)	236	262	287	314	346	394
Life Insurance Premium (mn)	1,231	1,729	1,783	2,909	1,248	1,906



1. Excludes proprietary volumes, source: NSE, BSE, AMFI

ICICI SECURITIES LIMITED

Earning Conference Call
Quarter ended September 30, 2021 (Q2-FY22)

October 19, 2021

Operator remarks

Good evening ladies and gentlemen and welcome to the Earnings Conference Call of ICICI Securities Limited for the quarter ended September 30, 2021.

We have with us today on the call Mr. Vijay Chandok – Managing Director and Chief Executive Officer, Mr. Ajay Saraf – Executive Director, Mr. Harvinder Jaspal – Chief Financial Officer, Mr. Vishal Gulechha – Head Retail Equities, Mr. Kedar Deshpande – Head Retail Distribution, Product & Services Group, Mr. Anupam Guha – Head Private Wealth Management, Mr. Subhash Kelkar – Chief Technology & Digital Officer, Mr. Ketan Karkhanis – Head Digital Client Acquisition & Co-head New Solutions Group, Mr. Prasannan Keshavan – Head Operations and Mr. Nilotpall Gupta – Head, Data Science Unit.

For the duration of this presentation, all participant lines will be in the listen-only mode. I will be standing-by for the Q&A session. Should you need assistance during this conference call, please signal an operator by pressing '*' then '0' on your touchtone phone. Please note that this conference is being recorded.

The business presentation can be found on the company's corporate website, icicisecurities.com under Investor Relations.

I would now like to call Mr. Chandok to take over the proceedings.

Mr. Vijay Chandok

Good evening to all of you and welcome to the ICICI Securities second quarter earnings call for fiscal 2022.

I am sure that by now you would have already perused through our quarter two results and the presentation.

We are happy to report that we further strengthened our franchise by increasing our client base to 6.3 million and assets of clients with us increased to over ₹5 trillion, driven by all-round growth across businesses. Following our results, our Board of Directors have approved an interim dividend of ₹11.25 per share vs ₹8 per share last year.

The scale up in our digital sourcing coupled with healthy adoption of our product propositions has resulted in our client acquisition becoming 5x year on year. Subsequently, our NSE active client base grew by 90% YoY with an incremental market share of 12% in Sept 2021. We have always believed and would like to again reiterate that for our industry, NSE active as a sole input variable of relative performance may not be appropriate and a holistic assessment of the competitive strength of a franchise is required. In our view, a broader set of parameters including client assets, level and frequency of activities, Average Revenue Per User (ARPU) and, volume share among others should be examined to assess the franchise quality. In line with this belief, our focus would continue to be on acquiring clients with sustainable quality, even if it results in a moderation of client acquisition numbers in the short term.

We are also enriching the content section of our website with digital educational properties, which has resulted in increase in traffic to our platform and in turn helping us increase acquisition through organic channels.

Our retail equities business registered a revenue growth year on year as well as sequentially despite the decrease in equity ADTOs, aided by the texturization of our equity business. Allied equity revenue now contributes 30% to our total retail equities and allied revenue. We registered a sequential increase in our retail equity market share; however, we are yet to see a similar trend in the retail derivative market share. We are focusing on a lot of initiatives to increase our derivative market share and we believe that these initiatives will help improve our market position. It may take a few quarters to witness the positive impact of these measures to gain volume market share.

Our distribution business witnessed growth across all our major products. In mutual funds, while we gained market share in overall gross flows led by debt gross flows, we lost market share in equity gross flows, especially in the HNI segment, on account of growing traction of direct plans in this segment. We are piloting a direct plan offering for the HNI segment with an intention to attract customers to the platform and then monetise them by cross selling other products. We are working on several other initiatives in this area and are confident of achieving positive long term outcomes, we are already witnessing strong gains at granular level, like increase in SIPs market share.

As we think about the future, we recently did an exercise where, about 75 senior members of the company got together and looked at the market, regulatory and technology trends to formulate a strategy for the next few years. We observed that India's demographic opportunity is getting texturized. The market is segmented and sub-segmented ranging from the young GenZ and millennial investor to GenX and the baby boomers & the needs of each segment, sub-segment and micro-segment are different. It was important for us to recognize and harness this opportunity in a format that fits into the sensibilities and preferences through an ecosystem approach with focus on GenZ & Millennials and Mass affluent & HNIs. We are planning

differentiated offering for each ecosystem as they have their own distinct behaviour and unique needs and hence they should be served differently in a hyper-personalised manner.

We are making investments to revamp our channel stack, build data driven hyper personalized 'eco-system approach' and in best in class experiences to evolve into a digital "NEO financial services' marketplace.

We believe that financialization of savings will get much stronger over the next few years with our estimate of over 100mn new broking accounts and new Mutual fund folios opened by 2025 along with significant opportunities in other product categories including fixed income, insurance etc. We believe that our loan distribution business could get impetus from the emerging facilitative developments such as the account aggregator framework.

While we are committed to the operating efficiency in the long term, will continue to invest into technology, digital marketing and talent to take advantage of the large market opportunity across the businesses we operate in, through our newly laid out strategy.

I would like to end our commentary and open the call for questions that you may have.

Thank you.