

‘Lows of recent quarters are behind us’: HSBC posts 74% rise in Q3 profit

HSBC has posted a 74% rise in third quarter profit, with its chief executive saying “the lows of recent quarters are behind us”.

The London-headquartered bank reported a pre-tax profit of \$5.4bn (£3.9bn) for the quarter to September, compared to \$3.1bn (£2.2bn) at the same time last year.

Some \$700m (£508m) in cash was also released, having been previously put aside in case bad loans spiked during the coronavirus pandemic.

Economic conditions have improved and loans had performed better than expected, the bank said.

But cost projections for 2022 have increased to \$32bn (£23bn) – up from \$31bn (£22.5bn) – due to inflationary pressures.

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Chief Executive Noel Quinn said: “We had a good third-quarter performance, with strong growth in profits supported by additional credit provision releases.

“Our strategy remains on track, with good delivery in all areas. This was reflected in more consistent top-line growth, robust lending pipelines across our businesses, and rising trade and mortgage balances.

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“While we retain a cautious outlook on the external risk environment, we believe that the lows of recent quarters are behind us.

“This confidence, together with our strong capital position, enables us to announce a share buyback of up to \$2bn, which we expect to commence shortly.”

Mr Quinn pointed to Asia as a source of future growth, as the bank moves global executives to the region and pours more resources into the wealth business.

HSBC is the second big British lender to report strong quarterly results, following [Barclays on Thursday](#), which doubled its profits after a strong performance from its investment bank advisory business.

Barclays reported year-to-date pre-tax profits of £6.9bn – its best ever performance for a nine-month period.

But HSBC's investment banking business saw income fall compared to the same period a year ago.