

HSBC Quarterly Report - Q4 2024

Overview

HSBC Holdings plc, one of the world's largest banking and financial services organizations, has been navigating a challenging economic landscape in 2024. The bank is currently implementing strategic changes to enhance its operational efficiency and adapt to market conditions.

Financial Performance

As of June 30, 2024, HSBC reported a significant decline in revenue, totaling **\$20.373 billion**, which marks a **28.86% decrease year-over-year**. This follows a remarkable increase in 2023, where the annual revenue was **\$133.937 billion**, reflecting a **76.72% increase** from 2022

([\[Macrotrends\]\(https://www.macrotrends.net/stocks/charts/HSBC/hsbc/revenue\)](https://www.macrotrends.net/stocks/charts/HSBC/hsbc/revenue)). The sharp decline in revenue has raised concerns about the bank's profitability and operational strategies moving forward.

Cost-Cutting Initiatives

In response to the declining revenue, HSBC is reportedly considering a **cost-cutting plan** aimed at saving up to **\$300 million**. This plan is expected to target senior management positions, indicating a significant restructuring effort within the organization

([\[Reuters\]\(https://www.reuters.com/business/finance/hsbc-mulls-cost-cutting-plan-save-up-300-mln-ft-reports-2024-10-10/\)](https://www.reuters.com/business/finance/hsbc-mulls-cost-cutting-plan-save-up-300-mln-ft-reports-2024-10-10/)). The need for such measures underscores the bank's urgency to stabilize its financial performance amidst rising operational costs and market pressures.

Leadership Changes

In October 2024, HSBC announced the resignation of its Group Chief Operating Officer, **John Hinshaw**, after five years in the role. **Suzy White**, a long-time HSBC executive, has been appointed

as the interim COO while a formal recruitment process is underway ([FinTech Futures](#)). This leadership transition may influence the bank's strategic direction and operational focus in the coming months.

Strategic Focus on Wealth Management

Despite the challenges, HSBC is looking to expand its wealth management business in the UK, aiming to double its assets under management to **£100 billion (\$131 billion)** over the next five years. This initiative aligns with the bank's strategy to tap into the growing market of the 'mass affluent' in the UK, which has shown resilience and growth potential ([Financial Express](#)).

Recent Ventures and Innovations

HSBC has also launched a new venture called **SemFi**, in partnership with Tradeshift, to provide embedded finance solutions to business clients. This initiative aims to integrate HSBC's financial services into e-commerce platforms, enhancing accessibility for small and medium-sized enterprises ([\[Finextra\]\(https://www.finextra.com/newsarticle/44827/hsbc-launches-embedded-finance-venture\)](https://www.finextra.com/newsarticle/44827/hsbc-launches-embedded-finance-venture)). Such innovations are crucial for HSBC to remain competitive in the rapidly evolving financial landscape.

Conclusion

HSBC is currently at a pivotal point, facing significant challenges in revenue generation and operational efficiency. The bank's strategic initiatives, including cost-cutting measures, leadership changes, and a focus on wealth management and innovative financial solutions, will be critical in navigating the complexities of the current economic environment. The coming quarters will be essential in determining the effectiveness of these strategies and the overall trajectory of HSBC's performance in the global banking sector.

Citations

- [HSBC Revenue 2010-2024 - Macrotrends](#): "HSBC revenue for the twelve months ending June 30, 2024 was \$20.373B, a 28.86% decline year-over-year."
- [HSBC mulls cost-cutting plan of up to \\$300 mln, targeting top ranks, FT ...](#): "HSBC mulls cost-cutting plan of up to \$300 mln, targeting top ranks."
- [HSBC group COO John Hinshaw steps down after five years - FinTech Futures](#): "HSBC group COO John Hinshaw steps down after five years."
- [HSBC looks to double UK wealth business as banks target 'mass affluent' - Finance News: Latest Financial News, Finance News today in Bangladesh](#): "HSBC aims to double the assets under management in its British wealth business to 100 billion pounds (\$131 billion) in the next five years."
- [HSBC launches embedded finance venture - Finextra](#): "HSBC launches embedded finance venture."