

BYD Electronics (285 HK)

Margin pressure remains an overhang; Maintain HOLD

We retain HOLD and lowered our SOTP-based TP to HK\$17.98, as we believe 1H22 will remain challenging for BYDE, due to Android smartphone weakness (55% of sales), slower-than-expected iPad/e-cigarette ramp and margin pressure during industry slowdown. Looking into 2022, mgmt. expected Android OEM segment (38% of sales) to shrink given strategic shift to high-end models. While we remain positive on BYDE's expansion into Apple OEM and components, we expect margin pressure to be a major overhang during the transition. We trimmed FY22-23E EPS by 30-31% to reflect OEM strategy shift, lower iPad/e-cigarette sales and margin pressure. Our FY22-24E EPS are 32-38% below consensus.

- FY21 earnings miss on chip shortage and GPM pressure.** BYDE's FY21 net profit declined 58% YoY to RMB2,310mn, 21%/21% below our/ consensus estimates, while revenue grew 22% YoY, largely in-line with expectations. The miss was mainly due to continued GPM pressure in 4Q21 (6.2% vs 7.2% in 3Q) amid chip shortage and COVID-19 impact. By segment, handset OEM grew at 80% YoY and component declined 11% YoY, while smart/auto intelligent segments remained strong with 31%/107% YoY growth.
- 2022 outlook: Android OEM slowdown, iPad ramp and auto strength.** Mgmt. expected Android OEM segment to shrink strategically in FY21 and focus on high-end models amid smartphone market slowdown. Despite our positive view on BYDE's ramp in iPad OEM/components, we estimate FY22E revenue will decline 2% YoY to RMB88bn (vs RMB120-130bn prior guidance), driven by 11% decline for Android/Apple OEM, 10% decline for components and 35%/80% growth for smart/auto segments. Overall, we estimate FY22E net profit will grow 11% YoY to RMB2.6bn, which is 38% below consensus given our conservative GPM (7.6%, vs 8.2% for BBG).
- Our FY22-24E EPS are 32-38% below consensus; Maintain HOLD.** While we remain positive on BYDE's product roadmap, share gain in Apple OEM/components and expansion into e-cigarette markets, we cut FY22-23E EPS by 30-31% to reflect Android weakness and GPM pressure. Our new SOTP-based TP of HK\$17.98 implies 13.1x FY22E P/E. Trading at 12.0x FY22E P/E, the stock is fairly valued due to earnings visibility and near-term industry headwinds.

Earnings Summary

| (YE 31 Dec) | FY20A | FY21E | FY22E | FY23E | FY24E |
|---------------------|----------|----------|----------|----------|----------|
| Revenue (RMB mn) | 73,121 | 89,057 | 88,016 | 98,636 | 112,893 |
| YoY growth (%) | 37.9 | 21.8 | (1.2) | 12.1 | 14.5 |
| Net income (RMB mn) | 5,441 | 2,310 | 2,559 | 3,579 | 5,048 |
| EPS (RMB) | 2.41 | 1.03 | 1.14 | 1.59 | 2.24 |
| YoY growth (%) | 240.6 | (57.5) | 10.8 | 39.8 | 41.0 |
| Consensus EPS (RMB) | NA | 1.29 | 1.83 | 2.43 | 3.31 |
| P/E (x) | 5.6 | 13.3 | 12.0 | 8.6 | 6.1 |
| P/B (x) | 2.0 | 1.9 | 1.7 | 1.5 | 1.3 |
| Yield (%) | 1.8 | 0.8 | 0.8 | 1.2 | 1.6 |
| ROE (%) | 24.4 | 9.6 | 9.7 | 12.1 | 14.8 |
| Net gearing (%) | Net cash | Net cash | Net cash | Net cash | Net cash |

Source: Company data, Bloomberg, CMBIGM estimates

HOLD (Maintain)

| | |
|---------------|------------|
| Target Price | HK\$17.98 |
| (Previous TP | HK\$26.44) |
| Up/Downside | +10% |
| Current Price | HK\$16.4 |

China Technology Sector

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Stock Data

| | |
|--------------------------|--------------|
| Mkt. Cap. (HK\$m) | 52,162 |
| Avg. 3mths t/o (HK\$m) | 265.65 |
| 52W High/Low (HK\$) | 63.10/ 22.80 |
| Total Issued Shares (mn) | 2,253 |

Source: Bloomberg

Shareholding Structure

| | |
|---------------------------|--------|
| Golden Link Worldwide Ltd | 65.76% |
| Gold Dragonfly Ltd | 4.98% |
| Vanguard Group | 1.25% |

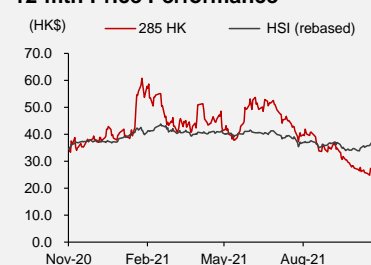
Source: Bloomberg

Share Performance

| | Absolute | Relative |
|-------|----------|----------|
| 1-mth | -15.7% | -18.3% |
| 3-mth | -41.1% | -39.7% |
| 6-mth | -44.0% | -36.6% |

Source: Bloomberg

12-mth Price Performance



Source: Bloomberg

Auditor: Ernst & Young

Related reports:

- Industry headwinds to persist into 4Q; D/G to HOLD – 1 Nov 2021
- Outlook intact despite NT headwinds; Maintain BUY – 1 Sep 2021

4Q21 Results review

Figure 1: Results review

| RMB mn | FY18 | FY19 | FY20 | FY21 | YoY | CMBI | | Consensus | |
|------------------|--------|--------|--------|--------|---------|--------|----------|-----------|----------|
| | | | | | | FY21E | Diff% | FY21E | Diff% |
| Revenue | 41,047 | 53,028 | 73,121 | 89,057 | 22% | 87,959 | 1% | 89,544 | -1% |
| Gross profit | 4,172 | 3,957 | 9,629 | 6,029 | -37% | 6,644 | -9% | 6,779 | -11% |
| Operating profit | 1,818 | 994 | 5,806 | 1,405 | -76% | 2,070 | -32% | 2,205 | -36% |
| Net profit | 2,146 | 1,598 | 5,441 | 2,310 | -58% | 2,908 | -21% | 2,911 | -21% |
| EPS (RMB) | 0.95 | 0.71 | 2.41 | 1.03 | -58% | 1.29 | -21% | 1.29 | -21% |
| Gross margin | 10.2% | 7.5% | 13.2% | 6.8% | -6.4ppt | 7.6% | -0.8 ppt | 7.6% | -0.8 ppt |
| Operating margin | 4.4% | 1.9% | 7.9% | 1.6% | -6.4ppt | 2.4% | -0.8 ppt | 2.5% | -0.9 ppt |
| Net margin | 5.2% | 3.0% | 7.4% | 2.6% | -4.8ppt | 3.3% | -0.7 ppt | 3.3% | -0.7 ppt |

Source: Company data, Bloomberg, CMBIGM estimates

Figure 2: Quarterly results review

| RMB mn | 1Q21 | 2Q21 | 3Q21 | 4Q21 | CMBI | |
|---------------------|--------|--------|--------|--------|--------|----------|
| | | | | | 4Q20E | Diff% |
| Revenue | 19,890 | 24,641 | 21,404 | 23,122 | 22,024 | 5% |
| Gross profit | 1282 | 1779 | 1543 | 1425 | 2,040 | -30% |
| Net profit | 808 | 835 | 514 | 153 | 751 | -80% |
| EPS (RMB) | 0.36 | 0.37 | 0.23 | 0.07 | 0.33 | -80% |
| Growth (YoY) | | | | | | |
| Revenue | 132% | 8% | 6% | 7% | | |
| Gross profit | 20% | -41% | -54% | -33% | | |
| Net profit | 23% | -54% | -72% | -86% | | |
| Margin | | | | | | |
| Gross margin | 6.4% | 7.2% | 7.2% | 6.2% | 9.3% | -3.1 ppt |
| Net margin | 4.1% | 3.4% | 2.4% | 0.7% | 3.4% | -2.7 ppt |

Source: Company data, Bloomberg, CMBIGM estimates

Earnings Revision

Figure 3: Earnings revision

| RMB mn | New | | | Old | | | Change (%) | | |
|------------------|--------|--------|---------|---------|---------|-------|------------|----------|-------|
| | FY22E | FY23E | FY24E | FY22E | FY23E | FY24E | FY22E | FY23E | FY24E |
| Revenue | 88,016 | 98,636 | 112,893 | 113,572 | 141,583 | NA | -23% | -30% | NA |
| Gross Profit | 6,679 | 8,421 | 10,875 | 8,808 | 11,533 | NA | -24% | -27% | NA |
| Operating Profit | 1,838 | 2,996 | 4,666 | 3,016 | 4,695 | NA | -39% | -36% | NA |
| Net profit | 2,559 | 3,579 | 5,048 | 3,677 | 5,155 | NA | -30% | -31% | NA |
| EPS (RMB) | 1.14 | 1.59 | 2.24 | 1.63 | 2.29 | NA | -30% | -31% | NA |
| Gross Margin | 7.6% | 8.5% | 9.6% | 7.8% | 8.1% | NA | -0.2 ppt | 0.4 ppt | NA |
| Operating Margin | 2.1% | 3.0% | 4.1% | 2.7% | 3.3% | NA | -0.6 ppt | -0.3 ppt | NA |
| Net Margin | 2.9% | 3.6% | 4.5% | 3.2% | 3.6% | NA | -0.3 ppt | 0 ppt | NA |

Sources: Company data, CMBIGM estimates

Figure 4: CMBIGM estimates vs consensus

| RMB mn | CMBIGM | | | Consensus | | | Diff (%) | | |
|------------------|--------|--------|---------|-----------|---------|---------|----------|----------|---------|
| | FY22E | FY23E | FY24E | FY22E | FY23E | FY24E | FY22E | FY23E | FY24E |
| Revenue | 88,016 | 98,636 | 112,893 | 113,012 | 134,342 | 188,601 | -22% | -27% | -40% |
| Gross Profit | 6,679 | 8,421 | 10,875 | 9,289 | 11,586 | 15,961 | -28% | -27% | -32% |
| Operating Profit | 1,838 | 2,996 | 4,666 | 4,139 | 5,735 | na | -56% | -48% | na |
| Net profit | 2,559 | 3,579 | 5,048 | 4,122 | 5,439 | 7,468 | -38% | -34% | -32% |
| EPS (RMB) | 1.14 | 1.59 | 2.24 | 1.83 | 2.43 | 3.31 | -38% | -35% | -32% |
| Gross Margin | 7.6% | 8.5% | 9.6% | 8.2% | 8.6% | 8.5% | -0.6 ppt | -0.1 ppt | 1.2 ppt |
| Operating Margin | 2.1% | 3.0% | 4.1% | 3.7% | 4.3% | 0.0% | -1.6 ppt | -1.2 ppt | 4.1 ppt |
| Net Margin | 2.9% | 3.6% | 4.5% | 3.6% | 4.0% | 4.0% | -0.7 ppt | -0.4 ppt | 0.5 ppt |

Source: Company data, CMBIGM estimates

Figure 5: Revenue breakdown

| RMB mn | FY20 | FY21 | FY22E | FY23E | FY24E |
|--|---------------|---------------|---------------|---------------|----------------|
| Assembly | 31,152 | 55,977 | 50,000 | 52,000 | 54,000 |
| ... YoY | 16% | 80% | -11% | 4% | 4% |
| Component (metal/glass/plastic) | 17,576 | 15,655 | 14,165 | 13,007 | 11,951 |
| ... YoY | -5% | -11% | -10% | -8% | -8% |
| Metal | 10,996 | 8,087 | 7,304 | 6,649 | 6,242 |
| Plastic | 4,566 | 3,789 | 3,221 | 2,899 | 2,609 |
| Glass/ceramic | 3,000 | 5,700 | 5,130 | 4,617 | 4,155 |
| Masks | 13,100 | 1,697 | 264 | 91 | 36 |
| ... YoY | - | -87% | -84% | -66% | -60% |
| New intelligent | 9,476 | 12,445 | 16,801 | 22,681 | 30,619 |
| ... YoY | 57% | 31% | 35% | 35% | 35% |
| E-cigarette | 1,000 | 1,000 | 1,800 | 3,060 | 5,202 |
| | - | 0% | 80% | 70% | 70% |
| Auto intelligent | 1,817 | 3,770 | 6,786 | 10,858 | 16,286 |
| ... YoY | 14% | 107% | 80% | 60% | 50% |
| Total | 73,121 | 89,544 | 88,016 | 98,636 | 112,893 |
| ... YoY | 38% | 22% | -2% | 12% | 14% |

Source: Company data, CMBIGM estimates

Figure 6: P&L forecast

| RMB mn | FY20 | FY21 | FY22E | FY23E | FY24E |
|-------------------------|---------------|---------------|---------------|---------------|----------------|
| Revenue | 73,121 | 89,057 | 88,016 | 98,636 | 112,893 |
| ... YoY | 37.9% | 21.8% | -1.2% | 12.1% | 14.5% |
| Cost of sales | (63,492) | (83,028) | (81,337) | (90,214) | (102,019) |
| Gross profit | 9,629 | 6,029 | 6,679 | 8,421 | 10,875 |
| GPM (%) | 13% | 7% | 8% | 9% | 10% |
| ... YoY | 143.3% | -37.4% | 10.8% | 26.1% | 29.1% |
| SG&A | (910) | (1,316) | (1,320) | (1,480) | (1,693) |
| ...% of rev | 1% | 1% | 2% | 2% | 2% |
| R&D | (2,913) | (3,308) | (3,521) | (3,945) | (4,516) |
| ...% of rev | 4% | 4% | 4% | 4% | 4% |
| Operating profit | 5,806 | 1,405 | 1,838 | 2,996 | 4,666 |
| OPM (%) | 8% | 2% | 2% | 3% | 4% |
| ... YoY | 484% | -76% | 31% | 63% | 56% |
| Net profit | 5,441 | 2,310 | 2,559 | 3,579 | 5,048 |
| NPM (%) | 7% | 3% | 3% | 4% | 4% |
| ... YoY | 241% | -58% | 11% | 40% | 41% |

Source: Company data, CMBIGM estimates

Valuation

Maintain HOLD with new TP HK\$17.98

We retain Hold with new TP HK\$ 17.98 to reflect lowered EPS forecasts. We derive our TP based on SOTP valuation to reflect BYDE's business diversification with different growth profiles and visibility.

Our TP is based on weighted-average target P/E multiple of 13.1x FY21E EPS. We assign 10x P/E to its assembly EMS business and 10x P/E for component/e-cigarette business, in-line with TW/HK-listed peers. We assign 8x for mask business to reflect its near-term growth potential amid COVID-19 outbreak.

Figure 7: BYDE – SOTP valuation

| Business segment | % of FY22E Profit | FY22E EPS (RMB) | Target P/E |
|---------------------------------|-------------------|-----------------|--------------|
| Assembly | 11% | 0.12 | 10x |
| Components | 25% | 0.29 | 10x |
| Masks | 1% | 0.01 | 8x |
| Others (smart, auto) | 63% | 0.72 | 15x |
| Total (RMB) /Implied P/E | | 1.14 | 13.1x |
| TP (HK\$) | | | 17.98 |

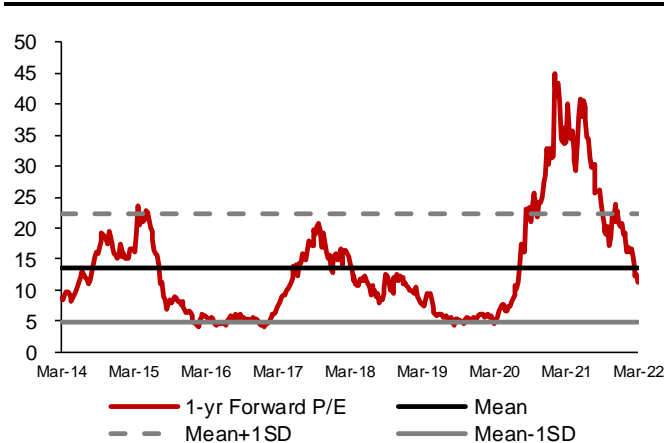
Sources: Company data, CMBIGM estimates

Figure 8: Peers' valuation

| Company | Ticker | Rating | Market Cap (US\$ mn) | Price (LC) | TP (LC) | Up/Down -side | P/E (x) | | P/B (x) | | ROE (%) | |
|----------------|-----------|--------|----------------------|------------|---------|---------------|------------|------------|------------|------------|------------|-------------|
| | | | | | | | FY22E | FY23E | FY22E | FY23E | FY22E | FY23E |
| BYDE | 285 HK | Hold | 4,727 | 16.42 | 17.98 | 10% | 12.0 | 8.6 | 1.7 | 1.5 | 9.7 | 12.1 |
| Tongda | 698 HK | Buy | 185 | 0.15 | 0.23 | 54% | 3.0 | 2.5 | 0.1 | 0.1 | 3.8 | 4.3 |
| AAC Tech | 2018 HK | Hold | 3,002 | 19.44 | 23.4 | 20% | 16.1 | 13.6 | 0.9 | 0.9 | 5.6 | 6.5 |
| TK Group | 2283 HK | Buy | 249 | 2.34 | 3.4 | 44% | 5.7 | 4.5 | 1.1 | 0.9 | 18.6 | 20.7 |
| Ju Teng | 3336 HK | NR | 209 | 1.36 | NA | NA | 6.8 | 4.7 | 0.2 | 0.2 | 3.5 | 5.0 |
| Everwin | 300115 CH | NR | 1,902 | 10.06 | NA | NA | 10.9 | 7.9 | 1.6 | 1.4 | 13.7 | 16.4 |
| Lens Tech | 300433 CH | NR | 9,278 | 11.85 | NA | NA | 9.4 | 7.5 | 1.2 | 1.1 | 13.0 | 14.6 |
| Foxconn | 2354 TT | NR | 3,101 | 62.60 | NA | NA | 11.0 | 10.3 | 0.6 | 0.6 | 6.9 | 7.2 |
| Catcher | 2474 TT | NR | 3,693 | 144.50 | NA | NA | 12.3 | 11.5 | 0.7 | 0.7 | 5.6 | 5.9 |
| Average | | | | | | | 9.4 | 7.7 | 0.8 | 0.8 | 9.3 | 10.7 |

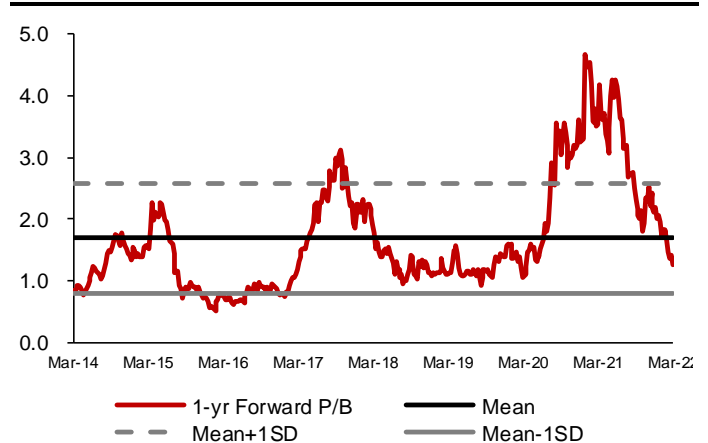
Source: Bloomberg, CMBIGM estimates

Figure 9: 12M forward P/E band



Source: Bloomberg, CMBIGM estimates

Figure 10: 12M forward P/B band



Source: Bloomberg, CMBIGM estimates

Financial Summary

Income statement

| YE 31 Dec (RMB mn) | FY20A | FY21A | FY22E | FY23E | FY24E |
|-------------------------|---------------|---------------|---------------|---------------|----------------|
| Revenue | 73,121 | 89,057 | 88,016 | 98,636 | 112,893 |
| COGS | (63,492) | (83,028) | (81,337) | (90,214) | (102,019) |
| Gross profit | 9,629 | 6,029 | 6,679 | 8,421 | 10,875 |
| Selling and marketing | (237) | (275) | (264) | (296) | (339) |
| Administrative | (673) | (1,041) | (1,056) | (1,184) | (1,355) |
| R&D | (2,913) | (3,308) | (3,521) | (3,945) | (4,516) |
| Other operating exp. | | | | | |
| Operating profit | 5,806 | 1,405 | 1,838 | 2,996 | 4,666 |
| Financial cost | (71) | (43) | (43) | (43) | (43) |
| Other income/(losses) | 487 | 1,104 | 1,114 | 1,114 | 1,114 |
| Pre-tax profit | 6,221 | 2,465 | 2,908 | 4,067 | 5,736 |
| Tax | (779) | (155) | (349) | (488) | (688) |
| Minority interest | - | - | - | - | - |
| Net profit | 5,441 | 2,310 | 2,559 | 3,579 | 5,048 |

Cash flow summary

| YE 31 Dec (RMB mn) | FY20A | FY21A | FY22E | FY23E | FY24E |
|------------------------------------|----------------|----------------|----------------|----------------|----------------|
| Profit before taxation | 6,221 | 2,465 | 2,908 | 4,067 | 5,736 |
| Depreciation | 1,760 | 1,717 | 1,927 | 2,163 | 2,433 |
| Change in working capital | (4,745) | (2,228) | 1,135 | (3,029) | 477 |
| Others | (27) | (187) | (306) | (445) | (645) |
| Net cash from operating | 3,209 | 1,768 | 5,665 | 2,756 | 8,000 |
| Capex | (2,795) | (3,206) | (3,169) | (3,551) | (4,064) |
| Other | (186) | - | - | - | - |
| Net cash from investing | (2,981) | (3,206) | (3,169) | (3,551) | (4,064) |
| Dividend paid | (160) | (231) | (256) | (358) | (505) |
| Other | 1,730 | (43) | (43) | (43) | (43) |
| Net cash from financing | 1,570 | (274) | (299) | (401) | (548) |
| Net change in cash | 1,799 | (1,712) | 2,197 | (1,196) | 3,388 |
| Cash at beginning of the year | 1,651 | 3,466 | 2,825 | 5,022 | 3,826 |
| Exchange difference | 16 | 1,071 | - | - | - |
| Cash at the end of the year | 3,466 | 2,825 | 5,022 | 3,826 | 7,214 |

Balance sheet

| YE 31 Dec (RMB mn) | FY20A | FY21A | FY22E | FY23E | FY24E |
|-------------------------------------|---------------|---------------|---------------|---------------|---------------|
| Current assets | 26,069 | 27,630 | 28,483 | 33,062 | 36,600 |
| Cash & equivalents | 3,466 | 2,825 | 5,022 | 3,826 | 7,214 |
| Account receivables | 14,391 | 9,240 | 12,764 | 11,895 | 16,328 |
| Inventories | 6,891 | 10,567 | 5,700 | 12,343 | 8,061 |
| Short-term bank deposits | - | - | - | - | - |
| Other current assets | 1,320 | 4,998 | 4,998 | 4,998 | 4,998 |
| Non-current assets | 10,825 | 12,314 | 13,442 | 14,704 | 16,187 |
| PPE | 9,693 | 11,182 | 12,423 | 13,811 | 15,442 |
| Deferred income tax | | 201 | 201 | 201 | 201 |
| Other non-current assets | 1,132 | 931 | 818 | 692 | 544 |
| Total assets | 36,894 | 39,944 | 41,926 | 47,766 | 52,788 |
| Current liabilities | 14,840 | 16,220 | 16,012 | 18,757 | 19,384 |
| Deferred income | | | | | |
| Account payables | 8,146 | 11,724 | 11,515 | 14,260 | 14,888 |
| Tax payable | 57 | 184 | 184 | 184 | 184 |
| Other current liabilities | 6,636 | 4,312 | 4,312 | 4,312 | 4,312 |
| Non-current liabilities | 864 | 928 | 928 | 928 | 928 |
| Deferred income | 147 | 150 | 150 | 150 | 150 |
| Deferred tax liability | 313 | 404 | 404 | 404 | 404 |
| Total liabilities | 15,704 | 17,148 | 16,939 | 19,685 | 20,312 |
| Share capital | 4,052 | 4,052 | 4,052 | 4,052 | 4,052 |
| Reserves | 18,220 | 19,975 | 22,278 | 25,499 | 30,042 |
| Minority interest | | | | | |
| Shareholders' equity | 22,272 | 24,027 | 26,330 | 29,551 | 34,094 |
| Total equity and liabilities | 37,976 | 41,175 | 43,270 | 49,236 | 54,406 |

Key ratios

| YE 31 Dec | FY20A | FY21A | FY22E | FY23E | FY24E |
|------------------------------------|----------|----------|----------|----------|----------|
| Sales mix (%) | | | | | |
| Phone and PC components | 24 | 17 | 16 | 13 | 11 |
| Assembly services | 43 | 63 | 57 | 53 | 48 |
| Masks | 18 | 2 | 0 | 0 | 0 |
| New intelligent products | 13 | 14 | 19 | 23 | 27 |
| Auto intelligent systems | 2 | 4 | 8 | 11 | 14 |
| Growth (%) | | | | | |
| Revenue | 37.9 | 21.8 | (1.2) | 12.1 | 14.5 |
| Gross profit | 143.3 | (37.4) | 10.8 | 26.1 | 29.1 |
| Operating profit | 484.3 | (75.8) | 30.8 | 63.1 | 55.7 |
| Net profit | 240.6 | (57.5) | 10.8 | 39.8 | 41.0 |
| Profit & loss ratio (%) | | | | | |
| Gross margin | 13.2 | 6.8 | 7.6 | 8.5 | 9.6 |
| Operating margin | 7.9 | 1.6 | 2.1 | 3.0 | 4.1 |
| Net profit margin | 7.4 | 2.6 | 2.9 | 3.6 | 4.5 |
| Balance sheet ratio | | | | | |
| Net debt/total equity (x) | Net cash | Net cash | Net cash | Net cash | Net cash |
| Current ratio (x) | 1.8 | 1.7 | 1.8 | 1.8 | 1.9 |
| Receivable turnover days | 52 | 49 | 46 | 46 | 46 |
| Inventory turnover days | 41 | 38 | 37 | 37 | 37 |
| Payable turnover days | 52 | 52 | 52 | 52 | 52 |
| Profitability (%) | | | | | |
| ROE | 24.4 | 9.6 | 9.7 | 12.1 | 14.8 |
| ROA | 14.7 | 5.8 | 6.1 | 7.5 | 9.6 |
| Per share data (RMB) | | | | | |
| EPS | 2.41 | 1.03 | 1.14 | 1.59 | 2.24 |
| DPS | 0.24 | 0.10 | 0.11 | 0.16 | 0.22 |

Source: Company data, CMBIGM estimates

Disclosures & Disclaimers

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CMBIGM Ratings

BUY : Stock with potential return of over 15% over next 12 months
HOLD : Stock with potential return of +15% to -10% over next 12 months
SELL : Stock with potential loss of over 10% over next 12 months
NOT RATED : Stock is not rated by CMBIGM

OUTPERFORM : Industry expected to outperform the relevant broad market benchmark over next 12 months
MARKET-PERFORM : Industry expected to perform in-line with the relevant broad market benchmark over next 12 months
UNDERPERFORM : Industry expected to underperform the relevant broad market benchmark over next 12 months

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