

JD.com (JD US)

Driving growth in a more ambitious way

JD.com (JD) reported (6 March) better-than-expected 4Q23 results with solidly improved outlook for shareholder return: revenue was RMB306.1bn, up 3.6% YoY, 3%/2% higher than our forecast/Bloomberg consensus; non-GAAP net income was RMB8.4bn, ahead of our/consensus estimates of RMB7.4bn/7.2bn thanks to a beat on revenue and better-than-feared margin performance of JD Retail (JDR) business, translating into a non-GAAP NPM of 2.7% (4Q22: 2.6%). For 2023, total revenue was RMB1.1tn, up 3.7% YoY, and non-GAAP net income reached RMB35.2bn, up 25% YoY, with the implied non-GAAP NPM expanding 0.5pp YoY to 3.2%. For 2024, management highlighted key priorities on user experience enhancement and market share gains, and we expect JD to reinvest incremental profit in 2024 to drive user acquisition and wallet share gains, amid current intensified market competition. However, the improved shareholder return policy should provide support for valuation, while further rerating may hinge on the recovery of consumption sentiment, as well as the fully wearing off of business adjustment impact. Our DCF-based TP is unchanged at US\$52.0; maintain BUY.

- Growth of GMR bottomed out with waning business adjustment impact.** JD's net product revenue was RMB246.5bn in 4Q23 (80.5% of total revenue), up 3.7% YoY (4Q22: 1.2%), among which electronics and home appliance (E&HA) revenue was up 6.1% YoY (4Q22: +0.5%), and general merchandise revenue (GMR) was flat YoY (2Q/3Q23: -9/-2%). Management highlighted that growth of GMR has bottomed out as business adjustment impact wanes.
- Enhancing merchant support to propel long-term platform business development.** In 4Q23, net services revenue was RMB59.6bn (19.5% of total revenue), up 3.0% YoY, among which marketplace and ads revenue was down 4% YoY, dragged by a YoY decline in commission revenue owing to ongoing merchant support policy, while logistics and other services revenue was up 8.1% YoY. Management highlighted that JD's merchant acquisition trend is in line with its previous expectation, and guided to sustain merchant support to lay a foundation for long-term platform business revenue and earnings growth. Currently we expect commission revenue to return to growth trajectory from 3Q24 onward with the launch of merchant policy reaching a full-year milestone.
- JDR: better-than-feared OP growth amid escalating competition.** JDR inked revenue of RMB267.6bn in 4Q23, up 3.4% YoY and 3% ahead of our forecast driven by better-than-expected growth of E&HA revenue, while OPM of JDR was 2.6% in 4Q23, in line with our forecast. We expect JD to reinvest incremental profit for user acquisition, user experience improvement, and consumer wallet share gains, and estimate +8%/+4% YoY growth for JDR's revenue/non-GAAP OP in 2024E.
- Move to enhance shareholder return should drive valuation rerating.** JD announced that it has adopted a new share repurchase program, under which it will repurchase up to USD3bn worth of shares over the next 36 months through Mar 2027. In addition, JD announced USD1.2bn in annual dividends (USD0.76 per ADS; up 20% YoY), which indicates a c.24% payout ratio based on 2023 non-GAAP NP. The move to enhance shareholder return should help drive a valuation rerating, in our view, while further rerating may hinge on the recovery of consumption sentiment, as well as the fully wearing off of business adjustment impact.

BUY (Maintain)

Target Price **US\$52.00**
 (Previous TP US\$52.00)
Up/Downside **142.5%**
Current Price **US\$21.44**

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Stock Data

| | |
|--------------------------|-------------|
| Mkt Cap (US\$ mn) | 33,993.1 |
| Avg 3 mths t/o (US\$ mn) | 354.7 |
| 52w High/Low (US\$) | 46.98/21.44 |
| Total Issued Shares (mn) | 1585.5 |

Source: FactSet

Shareholding Structure

| | |
|-----------------------|-------|
| Richard Qiangdong Liu | 13.8% |
| Max Smart Limited | 13.3% |

Source: HKEx

Share Performance

| | Absolute | Relative |
|-------|----------|----------|
| 1-mth | -11.1% | -12.9% |
| 3-mth | -19.4% | -28.5% |
| 6-mth | -36.5% | -44.8% |

Source: FactSet

12-mth Price Performance



Source: FactSet

Earnings Summary

| (YE 31 Dec) | FY22A | FY23A | FY24E | FY25E | FY26E |
|------------------------------|-----------|-----------|-----------|-----------|-----------|
| Revenue (RMB mn) | 1,046,236 | 1,084,662 | 1,160,321 | 1,225,436 | 1,280,588 |
| YoY growth (%) | 9.9 | 3.7 | 7.0 | 5.6 | 4.5 |
| Net profit (RMB mn) | 10,380.0 | 24,167.0 | 30,693.5 | 35,487.1 | 39,731.8 |
| Adjusted net profit (RMB mn) | 28,220.0 | 35,200.0 | 36,050.2 | 41,206.6 | 45,776.3 |
| EPS (Adjusted) (RMB) | 11.75 | 22.20 | 22.74 | 25.99 | 28.87 |
| Consensus EPS (RMB) | na | 20.75 | 21.75 | 25.02 | 26.17 |
| P/E (x) | 59.3 | 17.2 | 7.9 | 6.8 | 6.1 |

Source: Company data, Bloomberg, CMBIGM estimates

Business forecasts update and valuation

Figure 1: JD: quarterly financial results

| (RMBbn) | 1Q23 | 2Q23 | 3Q23 | 4Q23 | 4Q23 CMBI estimates | Diff% | 4Q23 Consensus | Diff% |
|--|--------------|--------------|--------------|--------------|---------------------------|--------------|-------------------|--------------|
| Revenue breakdown by product and services revenue | | | | | | | | |
| Net product revenues | 195.6 | 233.9 | 195.3 | 246.5 | 237.3 | 3.9% | 237.2 | 3.9% |
| YoY growth (%) | -4.3% | 3.5% | -0.9% | 3.7% | | | | |
| Electronics and home appliance revenues | 117.0 | 152.1 | 119.3 | 150.4 | 141.9 | 5.9% | 143.0 | 5.2% |
| YoY growth (%) | -1.2% | 11.4% | 0.0% | 6.1% | | | | |
| General merchandise revenues | 78.6 | 81.7 | 76.0 | 96.1 | 95.4 | 0.8% | 94.8 | 1.4% |
| YoY growth (%) | -8.7% | -8.6% | -2.3% | 0.2% | | | | |
| Net services revenues | 47.4 | 54.1 | 52.4 | 59.6 | 62.2 | -4.2% | 62.5 | -4.7% |
| YoY growth (%) | 34.5% | 30.1% | 12.7% | 3.0% | | | | |
| Marketplace and advertising revenues | 19.1 | 22.5 | 19.5 | 23.6 | 25.0 | -5.4% | 25.0 | -5.4% |
| YoY growth (%) | 7.8% | 8.5% | 3.0% | -4.0% | | | | |
| Logistics and other service revenues | 28.3 | 31.6 | 32.9 | 36.0 | 37.2 | -3.3% | 37.6 | -4.3% |
| YoY growth (%) | 61.3% | 51.5% | 19.3% | 8.1% | | | | |
| Revenue breakdown by business segment | | | | | | | | |
| JD Retail | 212.4 | 253.3 | 212.1 | 267.6 | 259.2 | 3.3% | 261.4 | 2.4% |
| YoY growth (%) | -2.4% | 4.9% | 0.1% | 3.4% | 0.1% | | | |
| JD Logistics | 36.7 | 41.0 | 41.7 | 47.2 | 46.2 | | | |
| YoY growth (%) | 34.3% | 31.2% | 16.5% | 9.7% | 7.4% | | | |
| Dada | 2.6 | 2.8 | 2.9 | 3.1 | 3.1 | | | |
| YoY growth (%) | 274.4% | 23.2% | 20.5% | 14.0% | 14.0% | | | |
| New businesses | 3.5 | 4.3 | 3.8 | 3.7 | 0.0 | | | |
| YoY growth (%) | -40.1% | -31.1% | -23.6% | -21.8% | -100.0% | | | |
| Intersegment elimination | -11.7 | -13.5 | -12.7 | -15.6 | 0.0 | | | |
| Total revenue | 243.0 | 287.9 | 247.7 | 306.1 | 299.5 | 2.2% | 299.9 | 2.1% |
| YoY growth (%) | 1.4% | 7.6% | 1.7% | 3.6% | 1.4% | | | |
| Gross profit | 36.0 | 41.4 | 38.8 | 43.5 | 44.3 | -1.8% | 43.3 | 0.4% |
| Operating profit | 6.4 | 8.3 | 9.3 | 2.0 | 6.0 | -66.5% | 6.1 | -66.9% |
| JD Retail operating profit | 9.8 | 8.1 | 11.0 | 6.9 | 6.8 | 2.6% | 6.7 | 3.6% |
| New businesses (ex. gain on sale of property) | (0.6) | 0.1 | (0.1) | (1.7) | | | | |
| Non-GAAP net profit | 7.6 | 8.6 | 10.6 | 8.4 | 7.4 | 13.5% | 7.2 | 16.2% |
| YoY growth (%) | 88.3% | 31.9% | 5.9% | 9.9% | -3.2% | | | |
| Margin profile | | | | | | | | |
| GPM (%) | 14.8% | 14.4% | 15.6% | 14.2% | 14.8% | -0.6 ppt | 14.4% | -0.2 ppt |
| OPM (%) | 2.6% | 2.9% | 3.8% | 0.7% | 2.0% | -1.4 ppt | 2.0% | -1.4 ppt |
| JD Retail | 4.6% | 3.2% | 5.2% | 2.6% | 2.6% | 0.0 ppt | 2.6% | 0.0 ppt |
| Adjusted NPM (%) | 3.1% | 3.0% | 4.3% | 2.7% | 2.5% | 0.3 ppt | 2.4% | 0.3 ppt |

Source: Bloomberg, Company data, CMBIGM

Figure 2: JD: forecast revision

| RMB bn | Current | | | Previous | | | Change (%) | | |
|---------------------|---------|---------|---------|----------|---------|-------|------------|---------|-------|
| | 2024E | 2025E | 2026E | 2024E | 2025E | 2026E | 2024E | 2025E | 2026E |
| Revenue | 1,160.3 | 1,225.4 | 1,280.6 | 1,154.2 | 1,222.0 | - | 0.5% | 0.3% | |
| Gross profit | 173.6 | 185.8 | 196.6 | 172.8 | 185.3 | - | 0.5% | 0.3% | |
| Non-GAAP net profit | 36.1 | 41.2 | 45.8 | 35.3 | 39.3 | - | 2.1% | 5.0% | |
| Gross margin | 15.0% | 15.2% | 15.3% | 15.0% | 15.2% | - | 0.0 ppt | 0.0 ppt | |
| Non-GAAP net margin | 3.1% | 3.4% | 3.6% | 3.1% | 3.2% | - | 0.0 ppt | 0.1 ppt | |

Source: CMBIGM estimates

Figure 3: CMBIGM estimates vs consensus

| RMB bn | Current | | | Consensus | | | Diff (%) | | |
|---------------------|---------|---------|---------|-----------|---------|-------|----------|---------|-------|
| | 2024E | 2025E | 2026E | 2024E | 2025E | 2026E | 2024E | 2025E | 2026E |
| Revenue | 1,160.3 | 1,225.4 | 1,280.6 | 1,153.4 | 1,230.3 | - | 0.6% | -0.4% | - |
| Gross profit | 173.6 | 185.8 | 196.6 | 173.2 | 187.2 | - | 0.3% | -0.7% | - |
| Non-GAAP net profit | 36.1 | 41.2 | 45.8 | 36.5 | 41.4 | - | -1.2% | -0.5% | - |
| Gross margin | 15.0% | 15.2% | 15.3% | 15.0% | 15.2% | - | -0.1 ppt | 0.0 ppt | - |
| Non-GAAP net margin | 3.1% | 3.4% | 3.6% | 3.2% | 3.4% | - | -0.1 ppt | 0.0 ppt | - |

Source: Bloomberg, CMBIGM estimates

DCF-based target price of US\$52.0

Our target price is US\$52.0, based on the DCF valuation methodology (WACC of 11.8% and terminal growth of 1.5%; both unchanged). Our target price translates into 16.5x 2024E PE (non-GAAP).

Figure 4: JD: DCF valuation (WACC of 11.8% and terminal growth of 1.5%)

| (RMBbn) | 2024E | 2025E | 2026E | 2027E | 2028E | 2029E | 2030E |
|-----------------------------|-------|-------|-------|-------|-------|-------|-------|
| Total revenue | 1,160 | 1,225 | 1,281 | 1,327 | 1,365 | 1,395 | 1,420 |
| NPV of FCF | 208 | 209 | | | | | |
| Discounted terminal value | 275 | 308 | | | | | |
| Total equity valuation | 576 | 646 | | | | | |
| No. of shares (diluted, mn) | 1,586 | 1,586 | | | | | |
| Valuation per share (USD) | 50.5 | 56.6 | | | | | |
| TP per share (USD) | 52.0 | | | | | | |

Source: Bloomberg, CMBIGM estimates

Note: our target price is based on the weighted average of 9-month target price in 2024E and 3-month target price in 2025E

Risks

1) Consumption recovery takes longer than we expected; 2) more intensified-than-expected business competition.

Financial Summary

| INCOME STATEMENT | 2021A | 2022A | 2023A | 2024E | 2025E | 2026E |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| YE 31 Dec (RMB mn) | | | | | | |
| Revenue | 951,592 | 1,046,236 | 1,084,662 | 1,160,321 | 1,225,436 | 1,280,588 |
| Cost of goods sold | (822,525) | (899,163) | (924,958) | (986,700) | (1,039,616) | (1,084,033) |
| Gross profit | 129,067 | 147,073 | 159,704 | 173,621 | 185,820 | 196,554 |
| Operating expenses | (124,926) | (127,350) | (132,663) | (138,734) | (144,437) | (149,400) |
| Selling expense | (38,743) | (37,772) | (40,133) | (42,352) | (44,116) | (45,461) |
| Admin expense | (11,562) | (11,053) | (9,710) | (10,387) | (10,970) | (11,464) |
| R&D expense | (16,332) | (16,893) | (16,393) | (16,956) | (17,295) | (17,817) |
| Others | (58,288) | (61,632) | (66,427) | (69,039) | (72,056) | (74,658) |
| Operating profit | 4,141 | 19,723 | 27,041 | 34,886 | 41,383 | 47,154 |
| Other gains/(losses) | (590) | (1,555) | 7,496 | 4,498 | 3,598 | 2,878 |
| Share of (losses)/profits of associates/JV | (4,918) | (2,195) | 1,010 | 0 | 0 | 0 |
| EBIT | (1,367) | 15,973 | 35,547 | 39,384 | 44,981 | 50,032 |
| Interest income | (1,213) | (2,106) | (2,881) | (2,154) | (1,760) | (1,505) |
| Others | 0 | 0 | (1,016) | 0 | 0 | 0 |
| Pre-tax profit | (2,581) | 13,867 | 31,650 | 37,229 | 43,221 | 48,527 |
| Income tax | 1,887 | 4,176 | 8,393 | 7,446 | 8,644 | 9,705 |
| After tax profit | (4,467) | 9,691 | 23,257 | 29,783 | 34,577 | 38,822 |
| Minority interest | (924) | (697) | (910) | (910) | (910) | (910) |
| Discontinued operations | 0 | 0 | 0 | 0 | 0 | 0 |
| Others | (16) | (8) | 0 | 0 | 0 | 0 |
| Net profit | (3,560) | 10,380 | 24,167 | 30,693 | 35,487 | 39,732 |
| Adjusted net profit | 17,207 | 28,220 | 35,200 | 36,050 | 41,207 | 45,776 |
| BALANCE SHEET | | | | | | |
| YE 31 Dec (RMB mn) | | | | | | |
| Current assets | 299,672 | 351,074 | 307,810 | 352,858 | 396,454 | 444,059 |
| Cash & equivalents | 70,767 | 78,861 | 71,892 | 101,806 | 139,639 | 182,395 |
| Restricted cash | 5,926 | 6,254 | 7,506 | 7,506 | 7,506 | 7,506 |
| Account receivables | 11,900 | 20,576 | 20,302 | 25,432 | 26,859 | 28,068 |
| Inventories | 75,601 | 77,949 | 68,058 | 77,877 | 82,053 | 85,559 |
| Prepayment | 11,456 | 15,156 | 15,639 | 15,639 | 15,639 | 15,639 |
| Other current assets | 124,023 | 152,278 | 124,413 | 124,599 | 124,758 | 124,892 |
| Non-current assets | 196,835 | 244,176 | 321,148 | 317,319 | 326,423 | 334,431 |
| PP&E | 32,944 | 55,080 | 70,035 | 66,206 | 75,310 | 83,318 |
| Right-of-use assets | 19,987 | 22,267 | 20,863 | 20,863 | 20,863 | 20,863 |
| Deferred income tax | 1,111 | 1,536 | 1,744 | 1,744 | 1,744 | 1,744 |
| Investment in JVs & assos | 63,222 | 57,641 | 56,746 | 56,746 | 56,746 | 56,746 |
| Intangibles | 5,837 | 9,139 | 6,935 | 6,935 | 6,935 | 6,935 |
| Goodwill | 12,433 | 23,123 | 19,979 | 19,979 | 19,979 | 19,979 |
| Other non-current assets | 61,300 | 75,390 | 144,846 | 144,846 | 144,846 | 144,846 |
| Total assets | 496,507 | 595,250 | 628,958 | 670,177 | 722,877 | 778,490 |
| Current liabilities | 221,636 | 266,561 | 265,650 | 278,420 | 289,732 | 299,240 |
| Short-term borrowings | 4,368 | 12,146 | 5,034 | 5,034 | 5,034 | 5,034 |
| Account payables | 140,484 | 160,607 | 166,167 | 174,293 | 183,640 | 191,486 |
| Tax payable | 2,568 | 5,926 | 7,313 | 7,313 | 7,313 | 7,313 |
| Other current liabilities | 33,083 | 37,624 | 35,848 | 40,492 | 42,457 | 44,118 |
| Lease liabilities | 6,665 | 7,688 | 7,755 | 7,755 | 7,755 | 7,755 |
| Accrued expenses | 34,469 | 42,570 | 43,533 | 43,533 | 43,533 | 43,533 |
| Non-current liabilities | 28,087 | 54,566 | 66,928 | 77,952 | 79,360 | 80,927 |
| Long-term borrowings | 9,386 | 10,224 | 10,411 | 21,435 | 22,843 | 24,410 |
| Deferred income | 1,297 | 1,107 | 964 | 964 | 964 | 964 |
| Other non-current liabilities | 17,404 | 43,235 | 55,553 | 55,553 | 55,553 | 55,553 |
| Total liabilities | 249,723 | 321,127 | 332,578 | 356,373 | 369,092 | 380,167 |
| Share capital | 0 | 0 | 0 | 0 | 0 | 0 |
| Capital surplus | 208,912 | 213,366 | 231,858 | 218,589 | 223,083 | 227,889 |
| Retained earnings | 0 | 0 | 0 | 30,693 | 66,181 | 105,912 |
| Other reserves | 1,212 | 590 | 614 | 614 | 614 | 614 |
| Total shareholders equity | 210,124 | 213,956 | 232,472 | 249,896 | 289,877 | 334,415 |
| Minority interest | 36,661 | 60,167 | 63,908 | 63,908 | 63,908 | 63,908 |
| Total equity and liabilities | 496,507 | 595,250 | 628,958 | 670,177 | 722,877 | 778,490 |

| CASH FLOW | 2021A | 2022A | 2023A | 2024E | 2025E | 2026E |
|--|-----------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| YE 31 Dec (RMB mn) | | | | | | |
| Operating | | | | | | |
| Profit before taxation | (2,581) | 13,867 | 31,650 | 37,229 | 43,221 | 48,527 |
| Depreciation & amortization | 6,232 | 7,236 | 5,257 | 5,755 | 6,214 | 6,719 |
| Tax paid | (1,887) | (4,176) | (8,393) | (7,446) | (8,644) | (9,705) |
| Change in working capital | 18,948 | 22,119 | 20,639 | (2,364) | 5,549 | 4,658 |
| Others | 21,588 | 18,773 | 10,368 | 5,049 | 5,404 | 5,716 |
| Net cash from operations | 42,301 | 57,819 | 59,521 | 38,224 | 51,744 | 55,915 |
| Investing | | | | | | |
| Capital expenditure | (19,057) | (38,165) | (16,270) | (16,244) | (15,318) | (14,727) |
| Acquisition of subsidiaries/ investments | (181,916) | (184,792) | 0 | 0 | 0 | 0 |
| Net proceeds from disposal of short-term investments | 126,934 | 171,853 | 0 | 0 | 0 | 0 |
| Others | (209) | (2,922) | (43,273) | 0 | 0 | 0 |
| Net cash from investing | (74,248) | (54,026) | (59,543) | (16,244) | (15,318) | (14,727) |
| Financing | | | | | | |
| Net borrowings | (2,975) | 7,027 | (6,925) | 11,024 | 1,407 | 1,568 |
| Proceeds from share issues | 22,478 | (5,847) | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 1,117 | 0 | 0 | 0 |
| Net cash from financing | 19,503 | 1,180 | (5,808) | 11,024 | 1,407 | 1,568 |
| Net change in cash | | | | | | |
| Cash at the beginning of the year | 87,376 | 73,550 | 82,013 | 76,308 | 109,312 | 147,145 |
| Exchange difference | (1,382) | 3,490 | 125 | 0 | 0 | 0 |
| Cash at the end of the year | 73,550 | 82,013 | 76,308 | 109,312 | 147,145 | 189,901 |
| GROWTH | 2021A | 2022A | 2023A | 2024E | 2025E | 2026E |
| YE 31 Dec | | | | | | |
| Revenue | 27.6% | 9.9% | 3.7% | 7.0% | 5.6% | 4.5% |
| Gross profit | 18.3% | 14.0% | 8.6% | 8.7% | 7.0% | 5.8% |
| Operating profit | (55.0%) | 376.3% | 37.1% | 29.0% | 18.6% | 13.9% |
| EBIT | na | na | 122.5% | 10.8% | 14.2% | 11.2% |
| Net profit | na | na | 132.8% | 27.0% | 15.6% | 12.0% |
| Adj. net profit | 25.7% | 64.0% | 24.7% | 2.4% | 14.3% | 11.1% |
| PROFITABILITY | 2021A | 2022A | 2023A | 2024E | 2025E | 2026E |
| YE 31 Dec | | | | | | |
| Gross profit margin | 13.6% | 14.1% | 14.7% | 15.0% | 15.2% | 15.3% |
| Operating margin | 0.4% | 1.9% | 2.5% | 3.0% | 3.4% | 3.7% |
| Adj. net profit margin | 1.8% | 2.7% | 3.2% | 3.1% | 3.4% | 3.6% |
| Return on equity (ROE) | (1.7%) | 4.9% | 10.8% | 12.7% | 13.1% | 12.7% |
| GEARING/LIQUIDITY/ACTIVITIES | 2021A | 2022A | 2023A | 2024E | 2025E | 2026E |
| YE 31 Dec | | | | | | |
| Net debt to equity (x) | (0.3) | (0.3) | (0.2) | (0.3) | (0.4) | (0.5) |
| Current ratio (x) | 1.4 | 1.3 | 1.2 | 1.3 | 1.4 | 1.5 |
| Receivable turnover days | 3.6 | 5.7 | 6.9 | 7.2 | 7.8 | 7.8 |
| Inventory turnover days | (29.9) | (31.2) | (28.8) | (27.0) | (28.1) | (28.2) |
| Payable turnover days | (54.9) | (61.1) | (64.5) | (63.0) | (62.8) | (63.2) |
| VALUATION | 2021A | 2022A | 2023A | 2024E | 2025E | 2026E |
| YE 31 Dec | | | | | | |
| P/E | ns | 59.3 | 17.2 | 7.9 | 6.8 | 6.1 |
| P/E (diluted) | ns | 60.4 | 17.3 | 8.0 | 6.9 | 6.2 |
| P/B | 3.8 | 2.9 | 1.8 | 1.0 | 0.8 | 0.7 |

Source: Company data, CMBIGM estimates. Note: The calculation of net cash includes financial assets.

Disclosures & Disclaimers

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| | |
|------------------|---|
| 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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