



**BUALUANG  
SECURITIES**

30 กรกฎาคม 2555

## ธนาคารไทยพาณิชย์

ปรับเป้าสินเชื่อปี 2555 เป็น 19%

Bank  
Overweight

**ประเด็นการลงทุน:** เราได้ปรับเพิ่มประมาณการสินเชื่อปี 2555 ของ SCB เนื่องจากครึ่งแรกปี 2555 สินเชื่อเติบโตแข็งแกร่ง 9.8% YTD และเพื่อสะท้อนถึงสินเชื่อที่เติบโตแข็งแกร่ง เราได้ปรับเพิ่มประมาณการอัตราเติบโตของสินเชื่อปี 2555-56 เป็น 19% และ 12% จาก 14% และ 7% ตามลำดับ ดังนั้นเราเพิ่มประมาณการกำไรสุทธิขึ้น 4% ในปีนี้มาอยู่ที่ 43.6 พันล้านบาท และ 5.5% ในปี 2556 มาอยู่ที่ 52 พันล้านบาท นอกจากนี้ เราได้ปรับเพิ่มราคาเป้าหมายปี 2555 5.4% มาอยู่ที่ 177 บาท เพื่อสะท้อนถึงกำไรที่เพิ่มขึ้น ซึ่งอิงกับ PBV ปี 2555 ที่ 2.75 เท่า เรายังคงแนะนำ **ซื้อ**

**SCB เพิ่มเป้าหมายอัตราเติบโตของสินเชื่อ:** จากครึ่งแรกของปี 2555 ที่สินเชื่อเติบโต 9.8% YTD และ 20.6% YoY ดังนั้น SCB ประเมินเป้าหมายอัตราเติบโตของสินเชื่อปี 2555 จาก 12-14% มาอยู่ที่ 17-19% คาดอัตราเติบโตของสินเชื่อในครึ่งหลังปี 2555 หนุนโดย SME และสินเชื่อรายย่อยและโครงการสินเชื่อดอกเบี้ยต่ำของแบงก์ชาติ จากที่กล่าวไว้เบื้องต้น เราได้เพิ่มอัตราเติบโตของสินเชื่อปี 2555 มาอยู่ที่ 19% จาก 14%

**ปรับส่วนต่างอัตราดอกเบี้ยปี 2555 อยู่ที่ 3.1-3.2% จาก 3%:** แนวโน้มดอกเบี้ยที่คงที่และสินเชื่อที่เติบโตต่อเนื่อง SCB คาดว่าส่วนต่างอัตราดอกเบี้ย 2555 จะอยู่ที่ 3.1-3.2% ซึ่งก่อนหน้านี้อยู่ที่ 3% (ส่วนต่างอัตราดอกเบี้ยธนาคารอยู่ที่ 3.2% ปีที่แล้ว) จากการแข็งขันเกี่ยวกับการระดมทุนเงินฝากและค่าธรรมเนียมใหม่ of ธนาคารแห่งประเทศไทยที่ 0.47% บนเงินฝาก, B/E และหุ้นกู้ระยะสั้น ส่งผลกระทบต่อส่วนต่างอัตราดอกเบี้ยมากทำให้ เราประมาณการส่วนต่างอัตราดอกเบี้ยปี 2555 ที่ 3.2% เท่าปีที่แล้ว

**เงินกันสำรองหนี้สูญสูงขึ้น:** จากสถานการณ์วิกฤตการเงินในยุโรปที่ยังไม่คลี่คลายและเศรษฐกิจจีนที่ชะลอตัวลงนั้น จะทำให้ SCB เพิ่มเงินกันสำรองหนี้สูญฯ จากปัจจุบันที่ 1.5 พันล้านบาทต่อไตรมาส ดังนั้นเราได้ปรับเพิ่ม เงินกันสำรองหนี้สูญปี 2555 มาอยู่ที่ 7.5 พันล้านบาท จาก 6 พันล้านบาท

## BUALUANG RESEARCH

สุวัฒน์ บำรุงชาติอุดม  
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คำแนะนำพื้นฐาน: **ซื้อ**  
เป้าหมายพื้นฐาน: 177.00 บาท  
ราคา (27/07/12): 151.50 บาท

### Key Ratios & Statistics

Market cap	Bt519.22bn		
12-mth price range	Bt93.75/Bt159.50		
12-mth avg daily volume	Bt1,002.09m		
# of shares (m)	3,393.6		
Est. free float (%)	711		
Foreign limit (%)	45.8		
<b>Share price perf. (%)</b>	<b>1M</b>	<b>3M</b>	<b>12M</b>
Relative to SET	4.1	6.2	16.8
Absolute	5.2	3.4	20.9

### Financial summary

FY Ended 31 Dec	2010	2011E	2012E	2013E
Revenues (Btm)	85,205	118,456	145,984	167,103
Net profit (Btm)	24,206	36,273	43,600	52,000
EPS (Bt)	7.12	10.67	12.83	15.30
BLS/Consensus (x)	n.m.	n.m.	1.15	1.18
EPS Consensus (Bt)	n.m.	n.m.	11.13	13.02
EPS growth (%)	+16.6%	+49.9%	+20.2%	+19.3%
Core profit (Btm)	27,160	35,610	49,892	58,993
Core EPS (Bt)	8.06	10.48	14.68	17.35
Core EPS growth (%)	+7.4%	+30.0%	+40.1%	+18.2%
PER (x)	21.5	14.3	11.9	10.0
Core PER (x)	19.0	14.6	10.4	0.0
P/POPOP (x)	14.2	10.7	8.6	7.4
PBV (x)	3.35	2.78	2.37	2.00
Dividend (Bt)	2.50	3.50	3.50	3.75
Dividend yield (%)	1.6	2.3	2.3	2.5
ROE (%)	15.7	19.5	20.0	20.2

CGRating - 2011



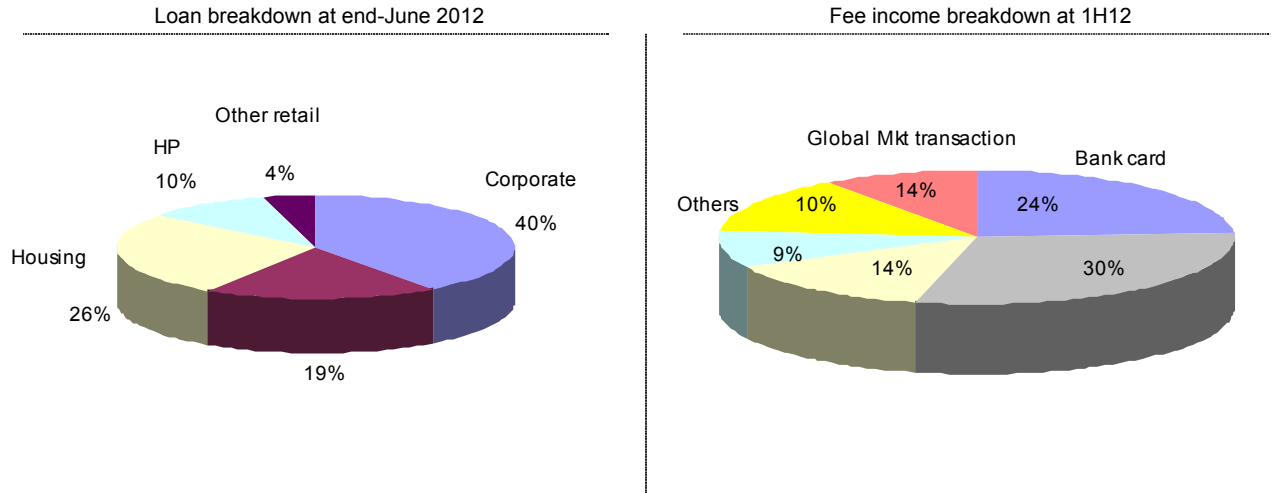
### Company profile

Siam Commercial Bank was established on January 30, 1906. It ranks third among Thai banks in terms of loans (Bt1.2trn) and deposits (Bt1.1trn). SCB's loan portfolio is composed of corporate, housing, SME, and HP lending in the proportions 44:26:18:12. With 1,037 branches across the country, the bank has the most extensive network in Thailand.

COMPANY UPDATE

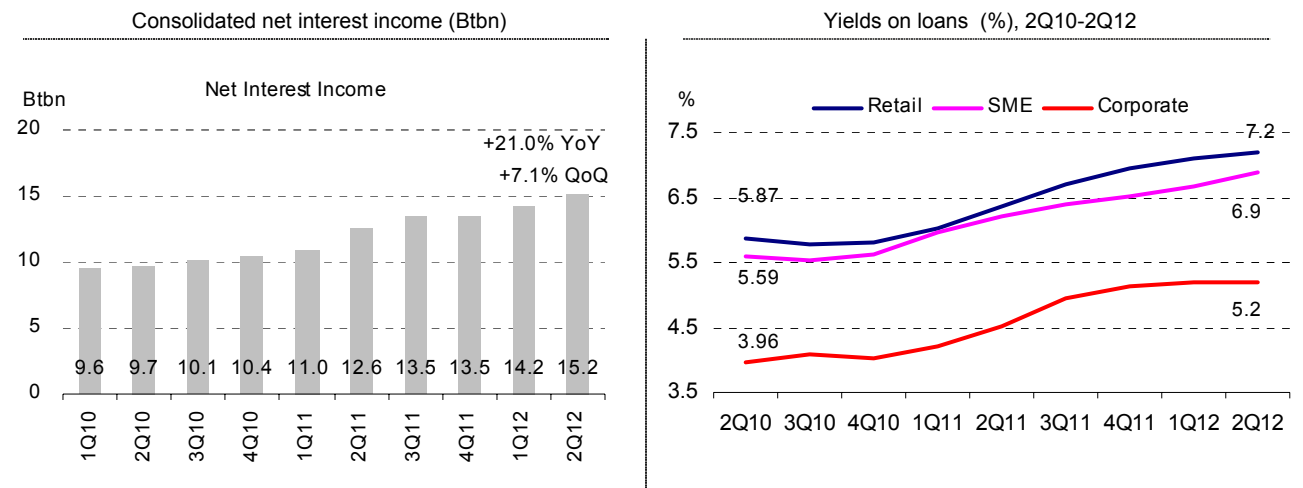
**ปรับเป้าอัตราส่วนค่าใช้จ่ายต่อรายได้เป็น 42-43%:** SCB ปรับเป้าหมายอัตราส่วนค่าใช้จ่ายต่อรายได้ปี 2555 อยู่ที่ 42-43% ลดลงจาก 43-44% เพื่อสะท้อนสินเชื่อ และ ส่วนต่างอัตราดอกเบี้ยที่ดีขึ้น ประมาณการของเราคาดว่าอัตราส่วนปี 2555 จะอยู่ที่ 41% ลดลงจาก 44.5% ในปีที่แล้ว อัตราส่วนค่าใช้จ่ายต่อรายได้ครั้งแรกของปี 2555 อยู่ที่ 41.4%

**Figure 1: Loan breakdown (%) at end-March 2012 and fee income breakdown in 1H12 (%)**



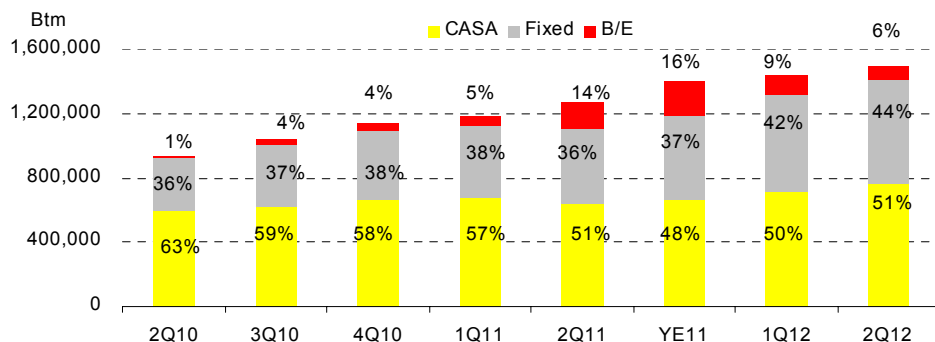
Sources: Company data, Bualuang Research

**Figure 2: SCB's net interest income (Btbn), 1Q10-1Q12, and yields on corporate, SME and retail loans (%)**



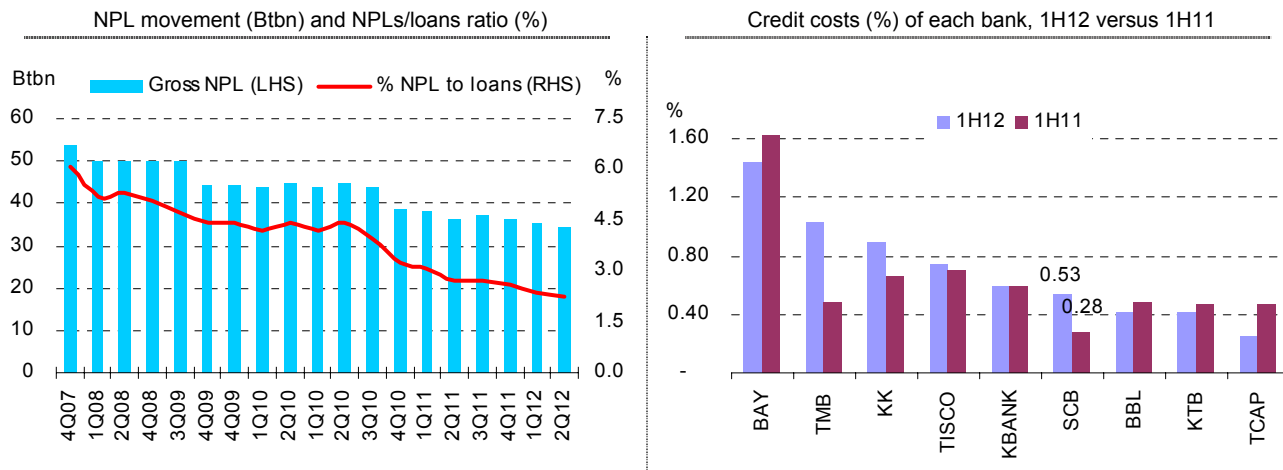
Sources: Company data and Bualuang Research

**Figure 3: Funding mix (%), 2Q09-1Q12**



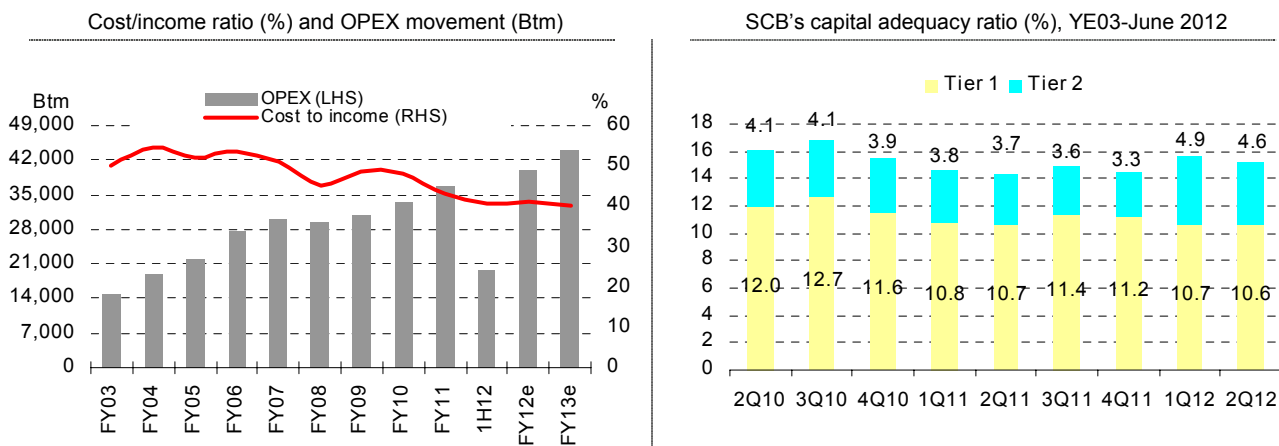
Sources: Company data, Bualuang Research

**Figure 4: Gross NPLs (Btm), NPLs/loans ratio (%), and credit cost (%) compared with peers at end-June 2012**



Sources: Company data, Bualuang Research

**Figure 5: Cost/income ratio (%), FY03-12E (%), and capital adequacy ratio (%)**



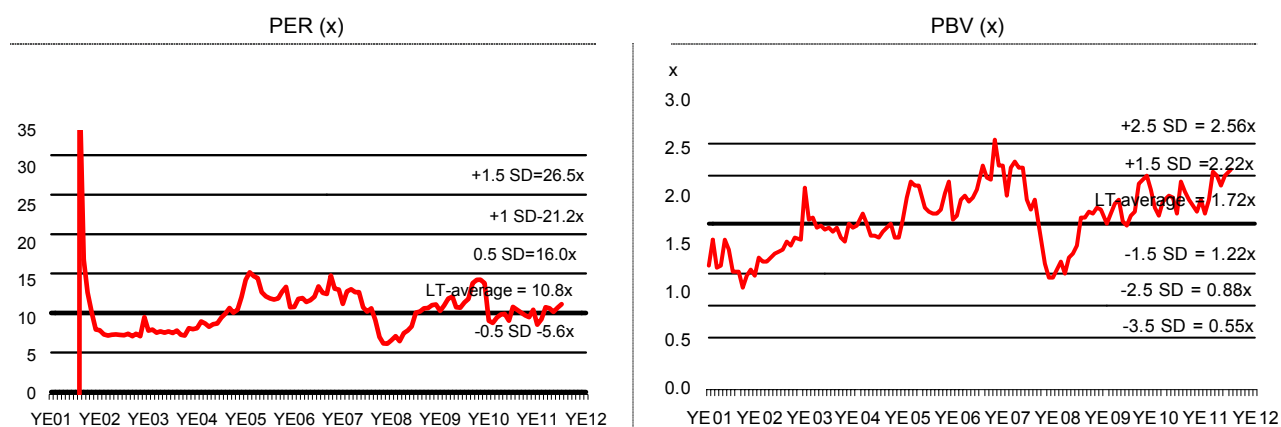
Sources: Company data, Bualuang Research

**Figure 6: Sector comparisons**

Company	Ticker	PER			2-Yr EPS		PBV		Div Yld (%)		ROE (%)	
		FY11	FY12E	FY13E	Growth (%)	FY12E	FY13E	FY12E	FY13E	FY12E	FY13E	
Hang Seng Bank	11 HK	12.8	12.0	10.9	8.8%	2.4	2.2	5.0%	5.0%	20.6	21.7	
BOC Hong Kong	2388 HK	13.0	13.5	12.2	3.3%	1.9	1.7	4.7%	5.2%	13.9	15.0	
Wing Hang Bank	302 HK	13.1	11.9	10.8	10.6%	1.2	1.1	2.5%	2.9%	10.4	11.0	
DBS group Holding	DBS SP	11.8	11.8	10.9	3.8%	1.2	1.1	4.2%	4.3%	10.0	10.2	
UOB	UOB SP	13.3	12.9	11.6	7.0%	1.4	1.3	3.6%	3.9%	10.8	10.9	
Malayan Bank	MAY MK	12.3	13.4	12.3	-0.4%	1.9	1.8	6.0%	6.2%	14.6	14.7	
CIMB Group Holding Bhd	CIMB MK	14.7	14.0	12.1	10.8%	2.1	1.9	3.8%	4.3%	15.5	16.6	
China Citic Bank	601998 CH	5.9	5.1	4.5	15.8%	0.9	0.8	5.3%	6.2%	19.4	18.7	
China Construction Bank	601939 CH	5.8	4.9	4.2	18.1%	1.1	0.9	7.5%	8.5%	22.9	23.4	
Bank Rakrat	BBRI IJ	12.3	10.6	9.0	18.2%	2.7	2.2	2.0%	2.4%	28.9	27.8	
Bank of Philippines	BPI PM	20.8	18.3	15.6	16.9%	2.8	2.5	2.7%	2.8%	15.2	16.6	
ICICI Bank LTD	ICICIB IN	18.8	15.9	14.0	17.2%	1.8	1.7	1.7%	2.0%	12.6	12.7	
AXIS Bank Ltd	AXSB IN	12.5	10.5	8.7	21.9%	1.9	1.6	1.6%	1.8%	19.9	20.4	
Bank Mandiri Tbk PT	BMRI IJ	14.5	12.9	10.8	17.0%	2.5	2.2	2.5%	2.9%	21.3	21.9	
Bank Central Asia Tbk PT	BBCA IJ	19.7	17.2	14.6	17.5%	4.1	3.4	1.9%	2.2%	25.4	25.0	
Bangkok Bank	BBL TB	13.3	10.4	8.6	27.7%	1.4	1.2	3.7%	4.2%	13.2	14.5	
KASIKORNBANK	KBANK TB	16.4	12.1	9.3	38.1%	2.0	1.6	1.7%	1.8%	18.2	18.8	
Siam Commercial Bank	SCB TB	14.3	11.9	10.0	21.7%	2.4	2.0	2.3%	2.5%	20.0	20.2	
Krung Thai Bank	KTB TB	10.5	7.8	7.4	20.7%	1.3	1.2	5.1%	5.4%	16.5	15.5	
Bank of Ayudhya	BAY TB	20.8	13.2	10.7	47.4%	1.7	1.5	2.6%	3.2%	13.5	15.1	
Thanachart Capital	TCAP TB	8.2	7.3	6.3	15.0%	1.0	0.9	4.9%	4.9%	13.6	14.3	
TMB Bank	TMB TB	16.0	12.8	10.2	28.2%	1.2	1.1	2.7%	3.4%	9.0	10.4	
TISCO Financial Group	TISCO TB	8.8	7.7	6.5	17.9%	1.6	1.4	5.7%	5.7%	20.2	21.0	
Kiatnakin Bank	KK TB	8.8	9.7	8.1	4.5%	1.0	1.0	6.3%	6.3%	10.6	11.9	
<b>Avg 24 regional banks</b>		<b>13.3</b>	<b>11.6</b>	<b>10.0</b>	<b>17.0%</b>	<b>1.8</b>	<b>1.6</b>	<b>3.7%</b>	<b>4.1%</b>	<b>16.5</b>	<b>17.0</b>	
<b>Avg only 9 Thai banks</b>		<b>13.0</b>	<b>10.3</b>	<b>8.6</b>	<b>24.6%</b>	<b>1.5</b>	<b>1.3</b>	<b>3.9%</b>	<b>4.1%</b>	<b>15.0</b>	<b>15.7</b>	

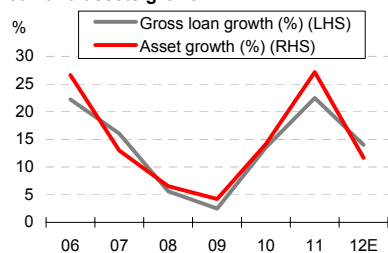
Sources: Company data, Bualuang Research estimates, Bloomberg, Reuters estimates

**Figure 7: Valuation multiples**

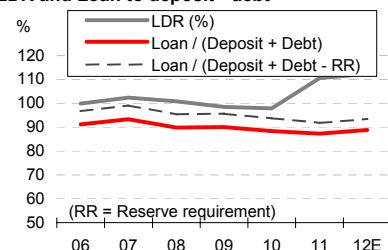


Sources: Company data, Bualuang Research or Bualuang Research estimates, Bloomberg, Reuters estimates

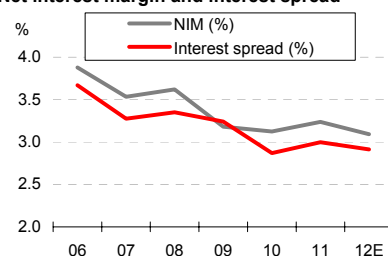
## Loan and assets growth



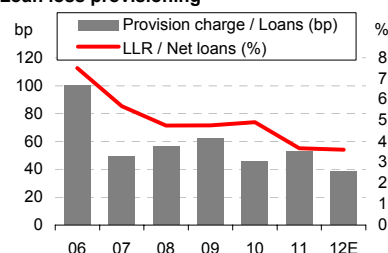
## LDR and Loan to deposit +debt



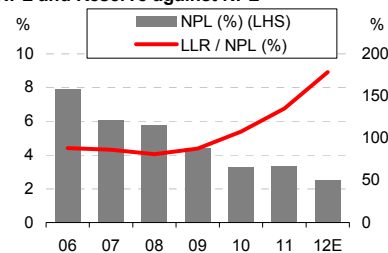
## Net interest margin and interest spread



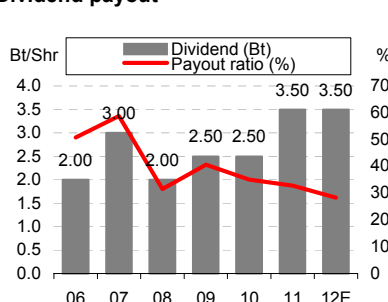
## Loan loss provisioning



## NPL and Reserve against NPL



## Dividend payout



PROFIT & LOSS (Btm)	2009	2010	2011	2012E	2013E
Interest income	54,631	53,679	77,947	104,237	120,755
Interest expense	-16,365	-12,950	-27,421	-43,408	-51,494
<b>Net interest income</b>	<b>38,266</b>	<b>40,729</b>	<b>50,526</b>	<b>60,829</b>	<b>69,261</b>
Fee & service income	22,375	27,492	32,351	37,130	41,251
<b>Total non-interest income</b>	<b>25,112</b>	<b>29,697</b>	<b>35,180</b>	<b>40,246</b>	<b>44,848</b>
<b>Operating income</b>	<b>63,378</b>	<b>70,426</b>	<b>85,706</b>	<b>101,075</b>	<b>114,109</b>
Operating expenses	-30,793	-33,702	-36,883	-40,265	-44,091
<b>Operating profit before provision</b>	<b>32,585</b>	<b>36,723</b>	<b>48,822</b>	<b>60,810</b>	<b>70,017</b>
Provisioning charges	-5,605	-4,661	-6,630	-7,500	-8,250
<b>Operating profit after provision</b>	<b>26,980</b>	<b>32,062</b>	<b>42,192</b>	<b>53,310</b>	<b>61,767</b>
Exceptional items	947	1,830	5,330	1,500	1,500
Tax	-7,076	-9,563	-11,213	-10,918	-11,025
Minority interest	-93	-122	-36	-292	-243
<b>Net profit (loss)</b>	<b>20,758</b>	<b>24,206</b>	<b>36,273</b>	<b>43,600</b>	<b>52,000</b>
Reported EPS	6.16	7.12	10.67	12.83	15.30
Fully diluted EPS	6.16	7.12	10.67	12.83	15.30
<b>Core net profit</b>	<b>25,509</b>	<b>27,160</b>	<b>35,610</b>	<b>49,892</b>	<b>58,993</b>
Core EPS	7.50	7.99	10.48	14.68	17.35
<b>PPOP</b>	<b>32,585</b>	<b>36,723</b>	<b>48,822</b>	<b>60,810</b>	<b>70,017</b>
PPOP/share	9.59	10.80	14.36	17.89	20.60

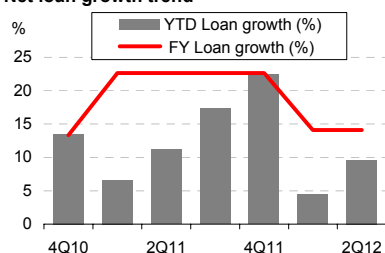
KEY RATIOS	2009	2010	2011	2012E	2013E
Revenue Growth (%)	42.08	47.30	68.15	69.51	62.07
PPOP Growth (%)	(9.59)	12.70	32.95	24.55	15.14
EPS Growth (%)	(3.06)	15.60	49.85	20.20	19.27
Net Loan Growth (%)	2.45	13.33	22.66	19.17	12.35
Cum. LLRs to Net loans (%)	4.77	4.93	3.68	3.59	3.69
Provision charge to loans (%)	0.62	0.46	0.53	0.50	0.49
Yield on Average Assets (%)	4.21	3.78	4.60	5.16	5.28
Cost of Funds (%)	0.97	0.91	1.61	2.15	2.25
Interest Spread (%)	3.24	2.87	3.00	3.01	3.03
Net Interest Margin: NIM (%)	3.18	3.13	3.24	3.20	3.21
Effective tax rate (%)	25.34	28.22	23.60	19.92	17.43
Asset growth (%)	4.22	14.12	27.16	15.12	11.64
Cost/income (%)	49%	48%	43%	40%	39%

BALANCE SHEET (Btm)	2009	2010	2011	2012E	2013E
<b>Cash &amp; Equivalent</b>	<b>32,868</b>	<b>33,273</b>	<b>33,701</b>	<b>20,500</b>	<b>21,500</b>
Interbank & securities	100,095	149,018	125,003	140,000	165,000
Investment in securities	165,419	153,746	330,774	365,000	381,500
Net Loan & accrued interests	898,984	1,018,803	1,249,688	1,489,267	1,673,142
Other assets	96,680	121,894	138,671	147,032	172,396
<b>Total assets</b>	<b>1,294,047</b>	<b>1,476,735</b>	<b>1,877,836</b>	<b>2,161,799</b>	<b>2,413,538</b>
Deposits	955,976	1,092,109	1,184,388	1,391,262	1,569,102
ST debts, REPO & current portion	54,213	54,922	60,336	61,658	61,735
Long-term debt	35,753	62,609	255,843	290,000	55,000
Other liabilities	106,300	111,989	190,086	199,664	468,118
<b>Total liabilities</b>	<b>1,152,242</b>	<b>1,321,630</b>	<b>1,690,654</b>	<b>1,942,584</b>	<b>2,153,956</b>
Paid-up capital	33,992	33,992	33,992	33,992	33,992
Share premium	11,124	11,124	11,124	11,124	11,124
Retained earnings	81,848	86,445	112,834	144,558	184,682
<b>Shareholders' equity</b>	<b>141,018</b>	<b>154,316</b>	<b>185,871</b>	<b>217,612</b>	<b>257,736</b>
Minority interests	787	789	1,312	1,604	1,847
<b>Total Liab.&amp;Shareholders' equity</b>	<b>1,294,047</b>	<b>1,476,735</b>	<b>1,877,836</b>	<b>2,161,799</b>	<b>2,413,538</b>
	(0.0)	0.0	0.0	(0.0)	(0.0)

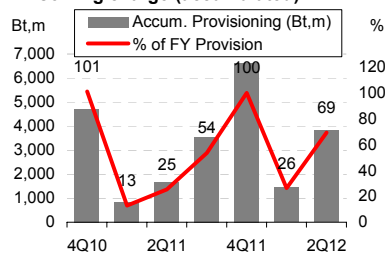
Asset quality	2009	2010	2011	2012E	2013E
Loan loss reserve	42,894	50,180	59,706	68,911	72,017
Average interest earnings assets	1,203,026	1,303,028	1,646,653	1,902,781	2,156,670
Average interest bearing liabilities	1,073,913	1,173,769	1,441,231	1,629,538	1,851,124
BV per share	41.72	45.63	55.07	64.49	76.37
ABV per share	42.55	47.18	55.35	64.67	76.47
NPL amounts	48,923	46,477	44,153	37,530	31,900
NPL (%)	4.40	3.30	3.38	2.41	2.20
Equity/loans	15.69	15.15	14.87	14.61	15.40
Equity/NPLs	288.25	332.03	420.97	579.84	807.94

Sources: Company data, Bualuang Research estimates

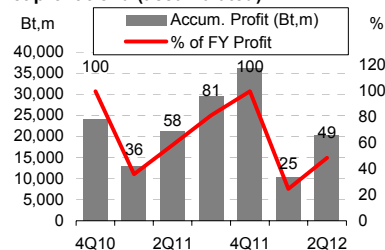
## Net loan growth trend



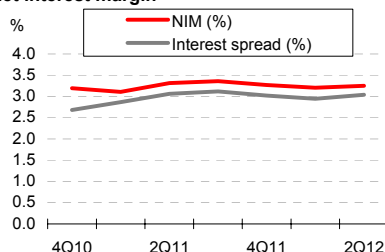
## Provisoining charge (accumulated)



## Net profit trend (accumulated)



## Net interest margin



## QUARTERLY PROFIT &amp; LOSS (Btm)

	2Q11	3Q11	4Q11	1Q12	2Q12
Interest Income	18,259	21,455	22,605	23,763	24,903
Interest Expense	5,707	7,921	9,146	9,592	9,731
<b>Net interest income</b>	<b>12,553</b>	<b>13,533</b>	<b>13,458</b>	<b>14,171</b>	<b>15,172</b>
Fee & service income	7,447	9,005	7,714	9,361	8,885
Other income & MI	<b>498</b>	<b>1,004</b>	<b>534</b>	<b>424</b>	<b>484</b>
<b>Total non-interest income</b>	<b>7,945</b>	<b>10,009</b>	<b>8,248</b>	<b>9,785</b>	<b>9,369</b>
<b>Operating inc</b>	<b>20,498</b>	<b>23,542</b>	<b>21,706</b>	<b>23,956</b>	<b>24,540</b>
Operating expenses	<b>8,747</b>	<b>9,348</b>	<b>10,554</b>	<b>9,623</b>	<b>10,055</b>
<b>Operating profit before provision</b>	<b>11,751</b>	<b>14,194</b>	<b>11,153</b>	<b>14,332</b>	<b>14,485</b>
Provisioning charges	<b>834</b>	<b>1,872</b>	<b>3,075</b>	<b>1,447</b>	<b>2,365</b>
<b>Operating profit after provision</b>	<b>10,917</b>	<b>12,322</b>	<b>8,078</b>	<b>12,886</b>	<b>12,120</b>
Exceptional items	338	(61)	(34)	334	522
<b>Profit before tax</b>	<b>11,255</b>	<b>12,261</b>	<b>8,044</b>	<b>13,220</b>	<b>12,642</b>
Tax	<b>3,059</b>	<b>3,844</b>	<b>1,453</b>	<b>2,805</b>	<b>2,498</b>
Minority Interest	(63)	(66)	147	(72)	(71)
<b>Net profit (loss)</b>	<b>8,132</b>	<b>8,351</b>	<b>6,738</b>	<b>10,342</b>	<b>10,074</b>
<b>EPS</b>	<b>2.39</b>	<b>2.46</b>	<b>1.98</b>	<b>3.04</b>	<b>2.96</b>
Core profit	8,628	10,283	9,847	11,455	11,917
<b>Core EPS</b>	<b>2.54</b>	<b>3.02</b>	<b>2.89</b>	<b>3.37</b>	<b>3.50</b>

## KEY RATIOS

	2Q11	3Q11	4Q11	1Q12	2Q12
Asset Yield/Avg Assets (%)	4.45	4.95	5.07	4.94	4.99
Funding Cost (%)	1.39	1.83	2.05	1.99	1.95
Interest Spread (%)	3.06	3.12	3.02	2.95	3.04
Net Interest Margin (%)	3.31	3.36	3.27	3.21	3.25
Fee income/total operating income (%)	36.3	38.3	35.5	39.1	36.2
BV (Bt)	51.25	52.32	54.68	57.95	58.45
ROE (%)	18.60	18.84	14.87	21.47	20.24
ROA (%)	1.98	1.93	1.51	2.15	2.02
Assets to Equities (X)	11.05	8.69	1.64	9.62	8.69
Cost to Income (%)	42.7	41.3	49.8	40.9	41.8
Est CAR (%)	14.4	15.0	14.5	15.6	15.2

## QUARTERLY BALANCE SHEET (Btm)

	2Q11	3Q11	4Q11	1Q12	2Q12
<b>Cash &amp; Equivalent</b>	<b>25,155</b>	<b>23,849</b>	<b>33,701</b>	<b>26,060</b>	<b>25,924</b>
Interbank & securities	202,523	165,312	125,003	164,366	148,057
Investment in securities	194,786	278,819	330,774	340,407	357,460
Gross loan	1,187,157	1,252,580	1,306,393	1,365,027	1,432,002
Other assets	76,649	62,340	81,965	73,411	63,761
<b>Total assets</b>	<b>1,686,270</b>	<b>1,782,901</b>	<b>1,877,836</b>	<b>1,969,272</b>	<b>2,027,205</b>
Deposits	1,097,943	1,116,370	1,184,388	1,309,057	1,414,341
ST debts, REPO & current portion	70,093	76,264	89,155	88,601	103,607
Long-term debt	201,977	283,371	255,843	196,982	154,081
Other liabilities	140,950	127,593	161,268	176,514	155,163
<b>Total liabilities</b>	<b>1,510,963</b>	<b>1,603,598</b>	<b>1,690,654</b>	<b>1,771,154</b>	<b>1,827,192</b>
Paid-up capital	33,929	33,929	33,929	33,929	33,929
Share premium	11,099	11,099	11,099	11,099	11,099
Retained earnings	101,003	106,027	112,834	196,986	198,672
<b>Shareholders equity</b>	<b>174,206</b>	<b>177,828</b>	<b>185,871</b>	<b>196,986</b>	<b>198,672</b>
Minority interests	1,101	1,475	1,312	1,133	1,341
<b>Total Liab.&amp;Shareholders' equity</b>	<b>1,686,270</b>	<b>1,782,901</b>	<b>1,877,836</b>	<b>1,969,272</b>	<b>2,027,205</b>

## Asset quality

	2Q11	3Q11	4Q11	1Q12	2Q12
Loan loss reserve (net write-off)	41,853	44,202	45,995	46,758	48,585
Average interest earnings assets	1,515,167	1,610,166	1,646,653	1,784,829	1,865,458
Average interest bearing liabilities	1,319,332	1,414,392	1,495,642	1,553,881	1,622,631
BV per share	51.25	52.32	54.68	57.95	58.45
ABV per share	52.80	53.86	55.35	58.62	59.11
NPL amounts	36,553	37,249	36,200	35,532	34,663
NPL (%)	2.7	2.7	2.6	2.4	2.3
Equity/loans	0.15	0.14	0.14	0.15	0.14
Equity/NPLs	4.80	4.81	5.17	5.58	5.77

Sources: Company data, Bualuang Research

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60 – 69		Satisfactory
50 – 59		Pass
Below 50	No logo given	N/A

## BUALUANG RESEARCH – RECOMMENDATION FRAMEWORK

### STOCK RECOMMENDATIONS

**BUY:** Expected positive total returns of 15% or more over the next 12 months.

**HOLD:** Expected total returns of between -15% and +15% over the next 12 months.

**SELL:** Expected negative total returns of 15% or more over the next 12 months.

**TRADING BUY:** Expected positive total returns of 15% or more over the next 3 months.

### SECTOR RECOMMENDATIONS

**OVERWEIGHT:** The industry, as defined by the analyst's coverage universe, is expected to outperform the relevant primary market index over the next 12 months.

**NEUTRAL:** The industry, as defined by the analyst's coverage universe, is expected to perform in line with the relevant primary market index over the next 12 months.

**UNDERWEIGHT:** The industry, as defined by the analyst's coverage universe, is expected to underperform the relevant primary market index over the next 12 months.