

# FMCG & Alco Bev

## 4QFY21 Preview

- Aggregate revenue/EBITDA to grow by 19/26% YoY helped by base:** Our FMCG coverage universe is expected to deliver growth of 19/28% YoY in revenue/ EBITDA (ex-GSK, 16/23%) in 4QFY21 (vs. -6/-9% in 4QFY20 and 10/5% in 3QFY21) with a QoQ growth of -3/+2%. Recovery in demand continued across segments. Increased mobility of consumers drove the demand for discretionary categories like discretionary PC, QSRs and beauty soaps, while health and hygiene categories saw growth moderation. Demand from metro cities and urban areas continued to improve and is likely to be a key monitorable over the next few months in wake of new partial lockdowns. Urban channels like MT saw gradual recovery. Rural and e-commerce demand continued to drive overall growth.
- Discretionary categories witness demand revival but tough road ahead:** Cigarettes and OOH categories sustained their recovery in 4QFY21, but Liquor recovery was impacted during the quarter. Restrictions on operating hours for pubs and bars and lower occupancy continued to be a roadblock in recovery for the sector. QSR growth was driven primarily by delivery and takeaway, although dine-in continued its steady and gradual improvement. However, with the number of cases rising and several states reintroducing restrictions, dine-in is likely to remain under pressure.
- Margins remain healthy:** Commodity inflation sustained during 4QFY21, particularly for palm oil and copra. Most companies took price hikes in 3QFY21 in response to the commodity inflation, along with further price hikes during 4QFY21, which will support margins. Improving product mix for discretionary categories will also aid margin expansion. We expect EBITDA margin expansion YoY driven by low base, cost saving initiatives, and gradual restoring of overhead costs. Companies have also resumed A&P investments, and we expect A&P spend to continue growing vs the decline witnessed in 1HFY21.
- 4QFY21 Outliers:** Dabur, GCPL, Emami
- Our view:** We believe companies with higher revenue mix from rural will continue to benefit, although urban recovery will also play a key part in driving growth. Despite the recovery in MT, E-comm and GT have sustained their growth momentum. Companies with a strong presence in E-comm and diversified offerings are expected to outperform. FMCG sector has underperformed Nifty by ~35% in last 1 year, and we see a balanced risk-reward for the FMCG sector for FY22/FY23 with earnings led stock returns. Rich valuations and modest earnings growth profile leaves limited scope for PE re-rating.
- We have a BUY rating on ITC, ADD rating on Radico, UNSP, Colgate, Dabur, Marico and GCPL.**

Company	CMP (Rs)	Reco.
HUL	2,454	REDUCE
ITC	209	BUY
Nestle	17,210	REDUCE
Britannia	3,746	REDUCE
Dabur	560	ADD
GCPL	724	ADD
Marico	421	ADD
United Spirits	524	ADD
Colgate	1,540	ADD
Jubilant	2,763	REDUCE
Emami	515	REDUCE
Radico	518	ADD

Note: CMP is of 13 Apr'21

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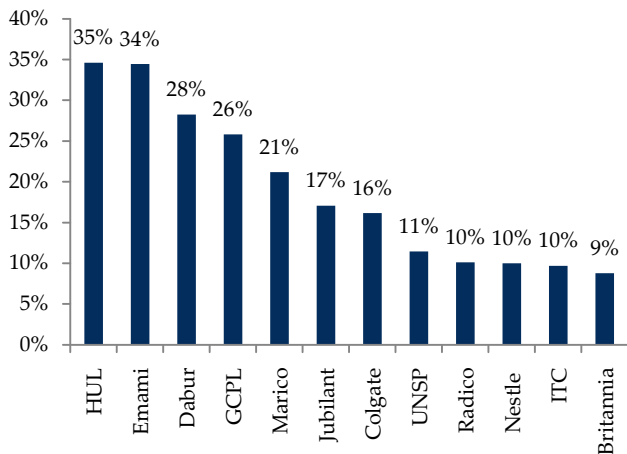
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## Financial Summary

Company	NET SALES (Rs bn)			EBITDA (Rs bn)			EBITDA Margin (%)			APAT (Rs bn)			Adj. EPS (Rs/sh)		
	4Q FY21E	QoQ (%)	YoY (%)	4Q FY21E	QoQ (%)	YoY (%)	4Q FY21E	QoQ (bps)	YoY (bps)	4Q FY21E	QoQ (%)	YoY (%)	4Q FY21E	3Q FY21	4Q FY20
ITC	125.3	(0.4)	9.7	47.0	9.8	12.9	37.5	348	106	36.5	(0.5)	(4.0)	3.0	3.0	3.1
HUL*	119.6	2.4	34.6	30.2	6.0	46.5	25.0	94	208	20.0	2.6	28.0	8.5	8.3	7.2
Nestle	36.4	6.4	10.0	9.8	25.7	20.4	26.7	406	230	6.5	35.1	24.3	67.7	50.1	54.5
Britannia	31.2	(0.0)	8.8	5.7	(7.5)	24.6	18.1	(117)	230	4.4	(2.2)	18.9	18.4	18.8	15.5
United Spirits	22.2	(10.7)	11.5	3.1	(19.3)	14.1	13.9	(148)	33	1.7	(25.6)	57.9	2.4	3.2	1.5
Dabur	23.9	(12.3)	28.3	5.2	(9.0)	48.3	21.8	79	295	4.5	(9.0)	50.7	2.5	2.8	1.7
GCPL	26.8	(11.3)	25.8	6.3	(11.4)	32.3	23.3	2	117	4.4	(11.9)	33.1	4.3	4.9	3.2
Marico	18.1	(14.6)	21.2	3.2	(21.9)	14.3	17.8	(168)	(106)	1.8	(40.7)	(6.7)	1.4	2.4	1.5
Colgate	12.4	1.0	16.2	3.5	(4.6)	34.5	28.4	(166)	388	2.4	(2.8)	18.2	8.9	9.1	7.5
Jubilant	10.5	(0.6)	17.1	2.7	(4.9)	56.4	25.2	(114)	635	1.1	(17.5)	112.9	8.4	10.2	3.9
Emami	7.2	(23.3)	34.5	1.8	(47.9)	79.9	24.7	(1,169)	625	1.0	(60.4)	45.8	2.3	5.8	1.5
Radico	6.4	(5.8)	10.1	0.9	(24.4)	14.5	14.6	(358)	56	0.6	(28.4)	28.5	4.3	6.1	3.4
<b>Aggregates</b>	<b>440.1</b>	<b>(2.5)</b>	<b>18.8</b>	<b>119.4</b>	<b>1.9</b>	<b>25.8</b>	<b>27.1</b>	<b>116</b>	<b>152</b>	<b>84.9</b>	<b>(3.5)</b>	<b>12.4</b>			

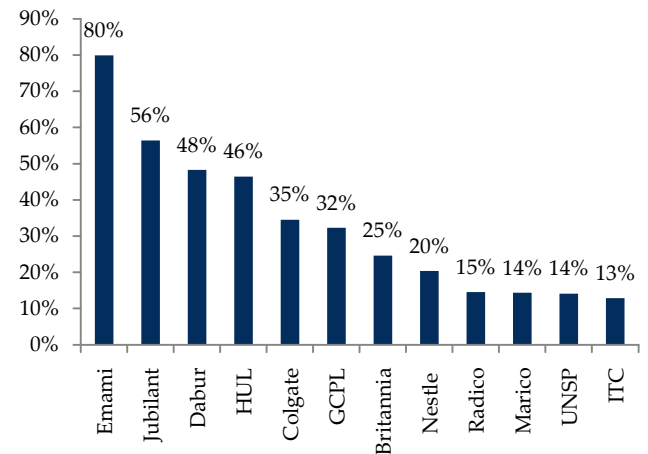
\* HUL including GSK Consumer

### HSIE Coverage Universe- Revenue Growth



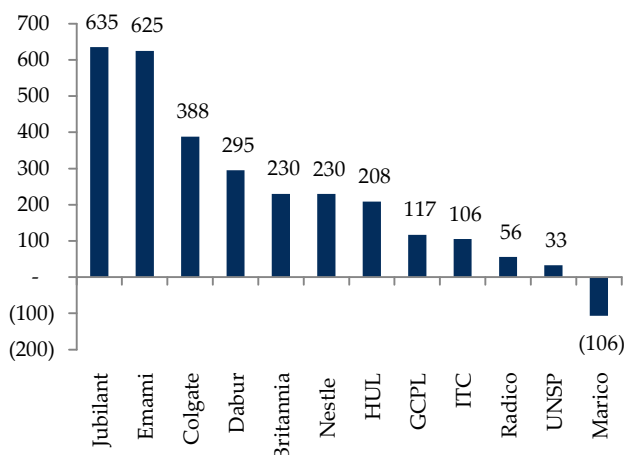
Source: Company, HSIE Research

### HSIE Coverage Universe- EBITDA Growth



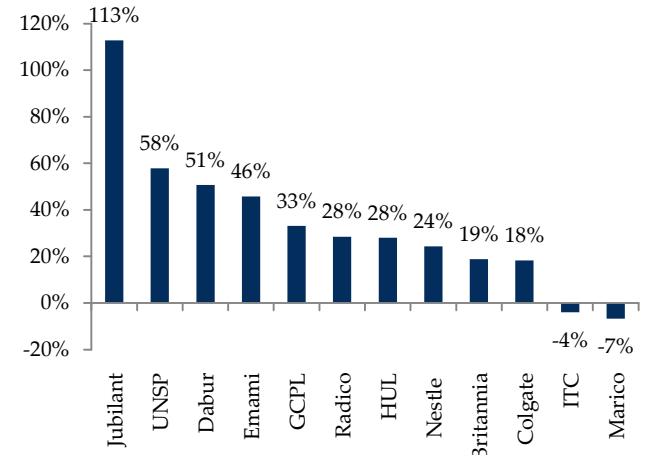
Source: Company, HSIE Research

### HSIE Coverage Universe- EBITDA Margin (bps)



Source: Company, HSIE Research

### HSIE Coverage Universe- PAT Growth



Source: Company, HSIE Research

COMPANY	4QFY21E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
ITC	WEAK	<ul style="list-style-type: none"> <li>We model a growth of 5% YoY in gross cigarette revenue (-7% in 4QFY20 and +4% in 3QFY21), with a volume growth of 7% YoY (-10% in 4QFY20 and -7% in 3QFY21). Non-Cigarette business is expected to grow 13% YoY (-8% in 4QFY20 and +2% in 3QFY21) with Hotels witnessing a decline of 30% YoY while FMCG/Agri/Paper revenue is expected to grow by 10/30/12% YoY.</li> <li>We expect cigarette EBIT to grow by 11% YoY (-12% in 4QFY20 and -8% in 3QFY21). We model FMCG EBIT margin at 6.7% (4.6% in 4QFY20 and 5.8% in 3QFY21).</li> <li>We model overall EBITDA margin expansion of 106bps YoY to 37.5% (-100bps in 4QFY20 and -437bps in 3QFY21). <u>EBITDA to grow by 13% YoY (-9% in 4QFY20 and -7% in 3QFY21).</u></li> </ul>	<ul style="list-style-type: none"> <li>Recovery in Cigarette volume and mix impact on margin</li> <li>FMCG business EBIT margin</li> <li>Recovery in Paper Business led by FMCG sector recovery</li> <li>Outlook on Agri and Hotel businesses</li> </ul>
HUL	STRONG	<ul style="list-style-type: none"> <li>We expect net revenue growth of 35% YoY driven by GSK acquisition, with a 2% QoQ growth. Core biz revenue is expected to grow by 20% YoY (-9% in 4QFY20 and +9% in 3QFY21). We model ex-GSK volume growth of 18% YoY (-7% in 4QFY20 and +4% in 3QFY21).</li> <li>We model revenue growth of 10/105/18% YoY in Home Care/F&amp;R (including GSK)/PC segments respectively.</li> <li>We build a 78bps YoY dip in GM (+142bps in 4QFY20 and -24bps in 3QFY21) as RM inflation sustained during the quarter. The EBITDA margin is expected to expand by 208bps YoY to 25% (-42bps in 4QFY20 and -87bps in 3QFY21). <u>EBITDA to grow by 47% YoY and 6% QoQ.</u></li> </ul>	<ul style="list-style-type: none"> <li>Improvement in rural business</li> <li>Recovery in Personal Care</li> <li>Pricing actions and new launches strategy</li> <li>Sustainability of cost-saving initiatives</li> </ul>
Nestle India	STRONG	<ul style="list-style-type: none"> <li>We model 10% YoY revenue growth (+11% in 1QCY20 and +10% in 4QCY20). Continued demand for packaged food will drive revenue growth.</li> <li>We model 200bps YoY expansion in GM (-223bps in 1QCY20 and +231bps in 4QCY20) on account of favourable base and product mix. We model EBITDA margin expansion of 230bps YoY to 26.7%. <u>EBITDA to grow by 20% YoY (+5% in 1QCY20 and +10% in 4QCY20).</u></li> </ul>	<ul style="list-style-type: none"> <li>Commentary on recovery in trade channels and rural demand</li> <li>New product pipeline</li> <li>Demand trends in packaged foods</li> </ul>
Dabur	STRONG	<ul style="list-style-type: none"> <li><u>Consolidated revenue is expected to grow 28% YoY (-12% in 4QFY20 and +16% in 3QFY21), with a 12% QoQ decline.</u> We model growth of 36% YoY in domestic revenue (-17% in 4QFY20 and +18% in 3QFY21). Hair care/oral care /Healthcare/home care/Foods are expected to grow by 35/45/30/35/38% YoY.</li> <li>We expect international business to grow by 15% YoY (-1% in 4QFY20 and +13% in 3QFY21).</li> <li>We model GM expansion of 41bps YoY to 49.5% (-66bps in 4QFY20 and +31bps in 3QFY21). Cost-control initiatives will lead to EBITDA margin expansion of 295bps YoY (-260bps in 4QFY20 and +9bps in 3QFY21). <u>EBITDA to grow by 48% YoY, with a QoQ decline of 9%.</u></li> </ul>	<ul style="list-style-type: none"> <li>Commentary on rural growth and wholesale channels</li> <li>Change in consumer preferences towards ayurvedic/naturals</li> <li>Growth in healthcare portfolio</li> <li>New launches strategy</li> </ul>

COMPANY	4QFY21E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Britannia	STRONG	<ul style="list-style-type: none"> <li>We model 9% YoY revenue growth (+2% in 4QFY20 and +6% in 3QFY21) driven by volume growth of 7% YoY (flat in 4QFY20 and +4% in 3QFY21). Revenue is expected to decline by 2% QoQ.</li> <li>We model 333bps YoY expansion in GM driven by better product mix (-152bps in 4QFY20 and +224bps in 3QFY21). Focus on cost optimisation by the co will result in EBITDA margin expansion of 230bps YoY to 18.1% (+24bps in 4QFY20 and +248bps in 3QFY21). <u>EBITDA to grow by 25% YoY, while declining 8% QoQ.</u></li> </ul>	<ul style="list-style-type: none"> <li>Commentary on downtrading trends</li> <li>Commentary on new launches</li> <li>Commentary on the completion of the plant</li> </ul>
Godrej Consumer Products	STRONG	<ul style="list-style-type: none"> <li>We model 26% YoY growth in consolidated revenue (-12% in 4QFY20 and +10% in 3QFY21). Consolidated revenue to dip 11% QoQ. Domestic revenues are expected to grow by 30% YoY (-18% in 4QFY20 and +11% in 3QFY21) and dip 15% QoQ. International business is expected to be strong with 21% YoY growth (-6% in 4QFY20 and 8% in 3QFY21), but will witness 7% QoQ dip.</li> <li>Cons GM is expected to contract by 80bps YoY to 56.9% (-97bps in 4QFY20 and -167bps in 3QFY21), as commodity inflation will impact domestic GM which will also contract by 250bps YoY to 57.8% (-58bps in 4QFY20 and -274bps in 3QFY21).</li> <li>Employee/ASP/Other expenses are expected to grow by 16/15/21% YoY due to recovery in business and COVID related costs. The EBITDA margin is expected to expand by 117bps YoY (-151bps in 4QFY20 and +55bps in 3QFY21). <u>EBITDA is expected to grow by 32% YoY (-18% in 4QFY20 and +13% in 3QFY21) while dipping 11% QoQ.</u></li> </ul>	<ul style="list-style-type: none"> <li>New launches</li> <li>Marketing initiatives</li> <li>Product &amp; Geography mix</li> </ul>
Marico	STRONG	<ul style="list-style-type: none"> <li>We model 21% YoY domestic revenue growth (-12% in 4QFY20 and +15% in 3QFY21), with domestic volume growth of 18% YoY (-3% in 4QFY20 and +15% in 3QFY21). Domestic Revenue is expected to dip by 10% QoQ.</li> <li>We model PCNO val/vol growth of 16/15% YoY. Saffola revenue is expected to grow by 20% YoY driven by 12% YoY volume growth. VAHO is expected to report 28% val/vol growth driven by a recovery in the value segment.</li> <li>We model 16% YoY growth in International revenue (-5% in 4QFY20 and +12% in 3QFY21).</li> <li>We model GM contraction of 226bps YoY to 47% (+23bps in 4QFY20 and -223bps in 3QFY21). We expect Employee/A&amp;P/Other expenses to grow by 15/20/15% YoY led by a recovery in revenue and COVID related costs. EBITDA margin to contract by 106bps YoY to 17.8% (+58bps in 4QFY20 and -99bps in 3QFY21). <u>EBITDA to grow by 14% YoY while declining 22% QoQ.</u></li> </ul>	<ul style="list-style-type: none"> <li>Commentary on copra prices</li> <li>PCNO pricing strategy post copra deflation</li> <li>Updates on Saffola growth</li> <li>Commentary on CSD channel</li> <li>NPD pipeline</li> <li>Improvement in international business</li> </ul>

COMPANY	4QFY21E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
United Spirits	AVG	<ul style="list-style-type: none"> <li>We expect revenue growth of 12% YoY (-11% in 4QFY20 and -4% in 3QFY21) but a dip of 11% QoQ with 12% YoY volume growth on a base of -13%. Localised restrictions have hampered the recovery of the on-premise channel, although home consumption has continued to remain healthy.</li> <li>Gross margin is expected to improve on account of tepid RM inflation. We expect 250bps YoY expansion in GM to 44.7% (42.2% in 4QFY20 and 44.6% in 3QFY21).</li> <li>EBITDAM is expected to expand by 33bps YoY to 13.9% (13.6% in 4QFY20 and 15.4% in 3QFY21). <u>EBITDA is expected to grow by 14% YoY but dip 19% QoQ (-4% in 4QFY20 and -10% in 3QFY21).</u></li> </ul>	<ul style="list-style-type: none"> <li>Demand trends</li> <li>Competitive intensity</li> <li>A&amp;P strategy</li> <li>Commodity inflation outlook</li> <li>Commentary on on-premise consumption in the medium term</li> </ul>
Colgate	AVG	<ul style="list-style-type: none"> <li>We expect revenue to grow by 16% YoY (-7% in 4QFY20 and +8% in 3QFY21) driven by volume growth of 12% YoY (-8% in 4QFY20 and +5% in 3QFY21). Revenue to clock 1% QoQ growth. New launches and re-launches in the core portfolio will drive volume growth.</li> <li>We model GM to expand by 294bps YoY to 67.6% driven by an improved product mix. We expect ASP expense to return as the company has resumed investing behind its brands. We model a 12% YoY growth in ASP (14% of sales).</li> <li>EBITDA margin is expected to expand by 388bps YoY to 28.4% (-237bps in 4QFY20 and +253bps in 3QFY21). <u>EBITDA to grow by 35% YoY (-15% in 4QFY20 and +17% in 3QFY21) while dipping by 5% QoQ.</u></li> </ul>	<ul style="list-style-type: none"> <li>Toothpaste volume growth and market share change</li> <li>Feedback on recent launches</li> <li>ASP spends, especially with increased competition from Dabur</li> </ul>
Emami	STRONG	<ul style="list-style-type: none"> <li><u>Consolidated revenue is expected to grow by 35% YoY (-17% in 4QFY20 and +15% in 3QFY21), although it will dip 23% QoQ.</u> We model 34% YoY domestic revenue growth (-19% in 4QFY20 and +16% in 3QFY21) with 30% YoY growth in volumes (-19% in 4QFY20 and +13% in 3QFY21). Recovery in domestic biz is expected to be strong. Kesh King is expected to sustain growth after clocking decline in 4QFY20 and 1QFY21 (we model 47% YoY growth in 4QFY21, co posted -26% in 4QFY20 and +16% in 3QFY21).</li> <li>International business is expected to post 36% YoY growth (-4% in 4QFY20 and +16% in 3QFY21) and 27% QoQ decline.</li> <li>We expect improved product mix led by the winter portfolio to expand GM by 84bps YoY (+432bps in 4QFY20 and +215bps in 3QFY21). Employee/A&amp;P/Other Expenses are expected to grow by 8/22/25% YoY. EBITDA margin is expected to expand by 625bps YoY to 24.7% (-578bps in 4QFY20 and +395bps in 3QFY21). <u>EBITDA to grow by 80% YoY and dip by 48% QoQ.</u></li> </ul>	<ul style="list-style-type: none"> <li>Kesh King growth outlook</li> <li>Price hike strategy</li> <li>Commentary on new launches</li> <li>Outlook on Mentha oil</li> <li>Distribution strategy</li> <li>Commentary on international business</li> </ul>

COMPANY	4QFY21E OUTLOOK	WHAT'S LIKELY	KEY MONITORABLES
Jubilant FoodWorks	AVG	<ul style="list-style-type: none"> <li>■ <u>Revenue is expected to grow by 17% YoY (+4% in 4QFY20 and flat in 3QFY21), while dipping by 1% QoQ.</u> Dine-in has continued to recover, but localized lockdowns have impacted recovery. However, growth in delivery is expected to help the co return to growth in 4QFY21. We model +16% YoY SSG in 4QFY21 (-4% in 4QFY20 and -2% in 3QFY21). We model 31 new Domino's stores in 4QFY21.</li> <li>■ We model GM to expand by 358bps YoY to 78% led by the company charging delivery fees (-164bps in 4QFY20 and +340bps in 3QFY21).</li> <li>■ We model Employee/Rent/Other expenses growth of 11/4/12% YoY. EBITDA margin is expected to expand by 635bps YoY to 25.2% (+181bps 4QFY20 and +242bps in 3QFY21). <u>EBITDA to grow by 56% YoY, but dip by 5% QoQ.</u></li> </ul>	<ul style="list-style-type: none"> <li>■ Commentary on the growth of online ordering</li> <li>■ Commentary on demand for takeaway ordering</li> <li>■ Outlook on store addition in FY21-22</li> <li>■ Competitive intensity, pricing strategy</li> <li>■ Outlook on sustainable SSG</li> <li>■ Dunkin's EBITDA margin</li> </ul>
Radico Khaitan	STRONG	<ul style="list-style-type: none"> <li>■ <u>We model 10% YoY revenue growth led by 2/20/6% YoY growth in P&amp;A/Regular/Non-IMFL.</u> Revenue is expected to dip by 6% QoQ. We expect a 9% YoY volume growth (+10% P&amp;A and +9% Popular) as continued traction in home consumption supported demand, despite localized lockdowns impacting pubs and bars.</li> <li>■ Easing of ENA inflation will aid gross margin expansion. We expect gross margin to expand by 15bps YoY to 50% (-400bps in 4QFY20 and +232bps in 3QFY21).</li> <li>■ Employee/S&amp;D/Other expenses are expected to grow by 7/14/5% YoY as operations have returned to normal and the company has resumed investing behind its brands. EBITDA margin is expected to expand by 56bps YoY to 14.6% (flat in 4QFY20 and +238bps in 3QFY21). <u>EBITDA is expected to grow by 15% YoY, but decline by 24% QoQ.</u></li> </ul>	<ul style="list-style-type: none"> <li>■ Industry demand trends</li> <li>■ Commentary on product launches</li> <li>■ Competitive intensity, pricing strategy</li> <li>■ Commodity inflation outlook</li> <li>■ Post COVID-19 change in the debt repayment plan</li> </ul>

## Valuation Summary

Company	MCap (Rs bn)	CMP (Rs)	Reco.	TP (Rs)	EPS (Rs)			P/E (x)			EV/EBITDA (x)			Core RoCE (%)		
					FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E	FY21E	FY22E	FY23E
HUL	5,312	2,454	REDUCE	2,315	34.4	40.0	44.5	71.4	61.3	55.2	49.4	43.2	39.0	39.5	24.7	28.0
ITC	2,569	209	BUY	245	10.9	13.1	14.0	18.9	15.8	14.8	12.8	10.5	9.7	39.0	45.9	47.4
Nestle	1,659	17,210	REDUCE	16,326	217.0	258.0	296.8	75.7	63.7	55.4	47.6	42.4	37.4	76.9	63.5	53.9
Britannia	900	3,746	REDUCE	3,589	80.4	81.6	89.7	46.6	45.9	41.8	34.7	33.9	30.9	57.4	53.9	55.6
Dabur	990	560	ADD	550	10.0	10.9	12.2	56.1	51.2	45.8	46.4	41.0	35.8	42.9	45.5	48.7
GCPL	740	724	ADD	785	17.0	19.0	20.7	42.6	38.1	35.0	34.8	29.4	26.8	20.4	22.7	24.7
Marico	543	421	ADD	460	8.7	10.2	11.5	48.9	41.5	36.9	34.1	29.5	26.4	47.9	60.4	69.2
United Spirits	381	524	ADD	640	5.6	12.4	14.7	97.9	42.6	36.1	44.2	25.8	22.6	9.2	18.0	18.9
Colgate	419	1,540	ADD	1,772	35.3	38.2	42.2	43.6	40.3	36.5	28.6	26.4	24.0	76.8	89.1	98.8
Jubilant	365	2,763	REDUCE	2,500	19.8	36.6	45.3	139.6	75.5	60.9	74.2	44.7	37.3	20.3	30.8	37.2
Emami	234	515	REDUCE	426	14.7	15.7	17.0	34.7	32.5	30.1	24.8	22.9	21.1	34.3	40.8	44.3
Radico	69	518	ADD	546	19.5	23.9	27.3	27.2	22.1	19.4	17.4	14.3	12.5	13.5	15.7	16.5

## FMCG Stock Performance

Companies	1W (%)	1M (%)	3M (%)	6M (%)	12M (%)	3Yr (%)	5Yr (%)
HUL	2.2	11.7	3.8	14.4	4.9	74.5	174.3
ITC	(3.5)	0.0	(2.8)	24.4	13.1	(21.3)	(7.0)
Nestle	2.5	4.7	(2.9)	12.2	5.4	101.5	186.1
Dabur	1.4	6.0	3.5	7.2	15.6	62.9	107.3
Britannia	2.2	11.0	5.3	2.2	40.9	46.4	176.2
GCPL	(1.7)	4.2	(7.2)	4.9	28.4	0.1	56.1
UNSP	(4.7)	(5.2)	(19.5)	1.8	(9.8)	(26.0)	8.4
Marico	1.1	3.4	(2.6)	12.3	40.0	28.9	62.1
Colgate	(0.6)	(3.9)	(2.8)	9.7	14.9	42.1	86.6
Emami	(0.0)	3.8	5.3	49.1	123.0	(9.7)	3.5
Jubilant	(2.4)	(8.2)	(3.7)	18.8	97.6	118.9	334.3
Radico	(6.8)	(10.7)	0.7	22.4	62.9	33.6	482.1
Jyothy	(1.2)	(5.6)	(11.7)	0.3	25.8	(24.4)	(8.2)
Bajaj Corp	0.2	-	20.1	48.6	94.7	(44.7)	(32.4)
Tata Consumer	(2.8)	6.6	5.7	38.3	114.9	138.0	443.4
<b>NSE FMCG</b>	<b>(0.2)</b>	<b>4.5</b>	<b>(0.2)</b>	<b>16.6</b>	<b>21.2</b>	<b>28.1</b>	<b>72.4</b>
<b>Nifty 50</b>	<b>(2.5)</b>	<b>(4.8)</b>	<b>(1.7)</b>	<b>22.5</b>	<b>59.1</b>	<b>36.5</b>	<b>82.3</b>

**Rating Criteria**

BUY: >+15% return potential  
 ADD: +5% to +15% return potential  
 REDUCE: -10% to +5% return potential  
 SELL: > 10% Downside return potential

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