

ICICI BANK (ICICIBANK-IN)

Banking & Investment Svcs. / Banking Services / Banks

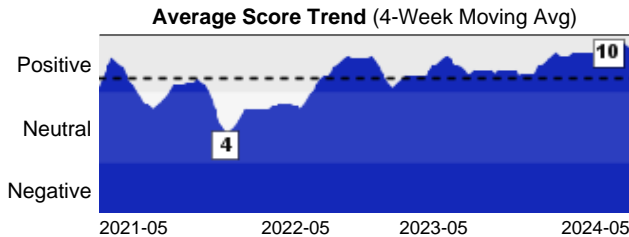
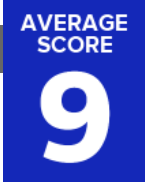
DETAILED STOCK REPORT

Report Date: 2024-May-05

Last Close 1,142.05 (INR)	Avg Daily Vol 15.4M	52-Week High 1,169.55	Trailing PE 18.4	Annual Div 8.00	ROE 18.8%	LTG Forecast --	1-Mo Return 6.0%
2024 May 03 NSE Exchange	Market Cap 8.0T	52-Week Low 899.00	Forward PE 18.4	Dividend Yield 0.7%	Annual Rev 2.4T	Inst Own 53.9%	3-Mo Return 11.5%

AVERAGE SCORE

POSITIVE OUTLOOK: ICICIBANK's current score of 9 places it within the top 15% of stocks scored.



Score Averages

Banking Services Group:	5.1	Large Market Cap:	6.8
Banking & Investment Svcs. Sector:	5.1	BSE Sensex Index:	8.1

Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
AXISBANK	9	9	9	9	9	
ICICIBANK	9	9	10	9	9	
SBIN	9	9	9	9	9	
HDFCBANK	7	7	6	8	8	
KOTAKBANK	7	8	8	8	7	

HIGHLIGHTS

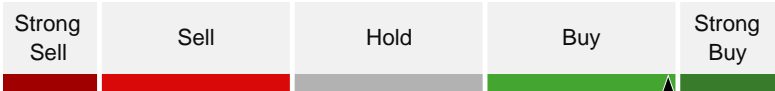
- The score for ICICI Bank last changed from 10 to 9 on 2024-04-14.
- The recent change in the Average Score was primarily due to a decline in the Fundamental component score.

I/B/E/S MEAN

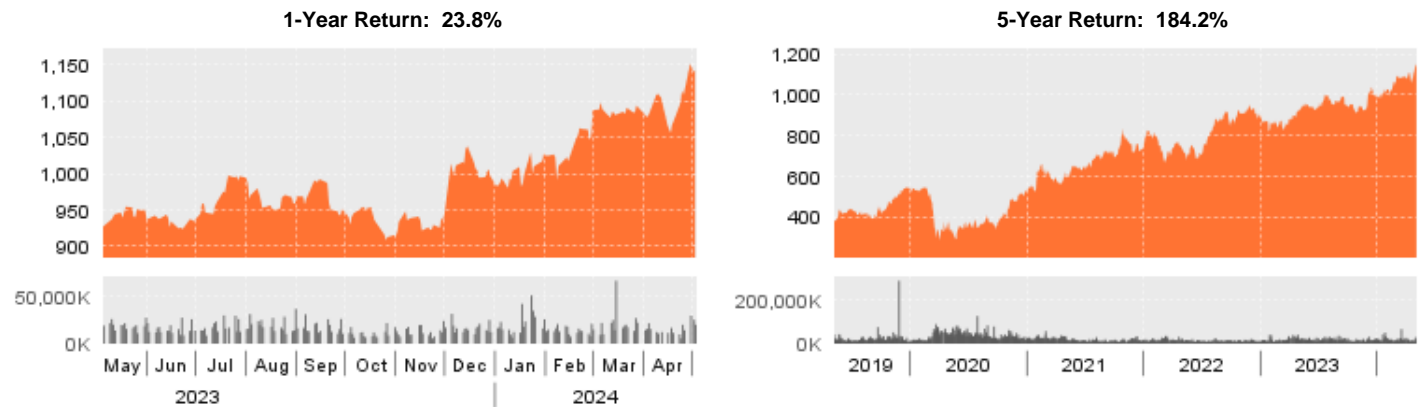
Buy

40 Analysts

Mean recommendation from all analysts covering the company on a standardized 5-point scale.



PRICE AND VOLUME CHARTS

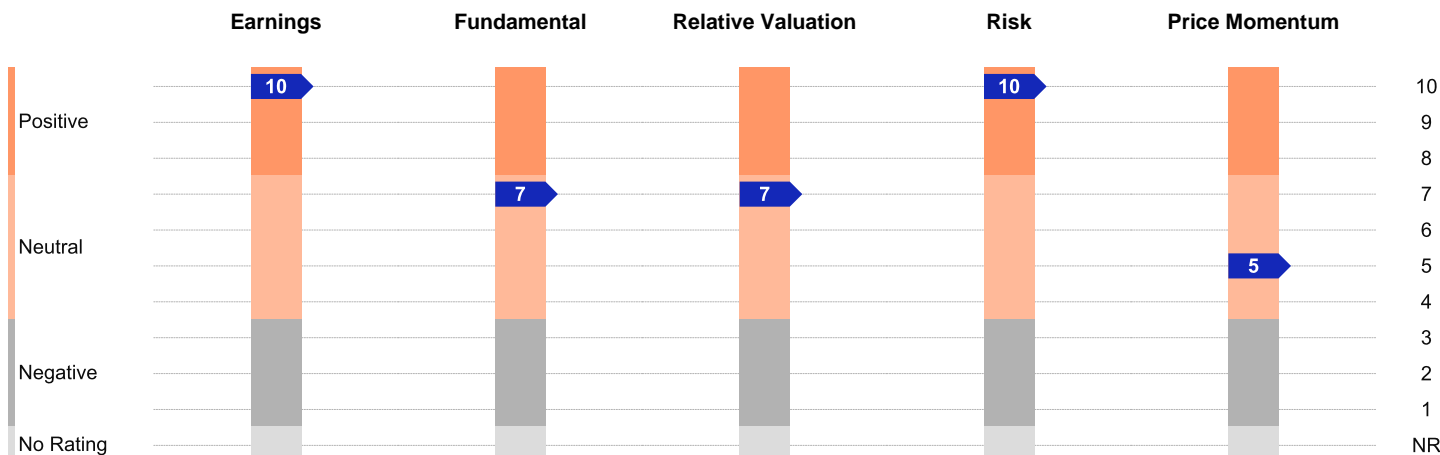


BUSINESS SUMMARY

ICICI Bank Limited (the Bank) is an India-based banking company. The Bank is engaged in providing a range of banking and financial services, including commercial banking and treasury operations. The Bank has six segments. Retail banking segment includes income from credit cards, debit cards, third party product distribution and the associated costs. Wholesale banking segment includes all advances to trusts, partnership firms, companies and statutory bodies. Treasury segment primarily includes the entire investment and derivative portfolio of the Bank. Other banking segment includes leasing operations and other items and the Bank's banking subsidiaries, ICICI Bank UK PLC and ICICI Bank Canada. Life insurance segment represents the results of ICICI Prudential Life Insurance Company Limited. Others segment includes ICICI Home Finance Company Limited, ICICI Venture Funds Management Company Limited and others. The Bank's geographical segments: Domestic operations, and Foreign operations.

INDICATOR COMPONENTS
**AVERAGE
SCORE**
9

The **AVERAGE SCORE** combines the quantitative analysis of five widely-used investment decision making tools: Earnings, Fundamental, Relative Valuation, Risk, and Price Momentum. A simple average of the underlying component ratings is normally distributed to rank stocks on a 1-10 scale (10 being awarded to the most favorable). These factors may be evaluated differently using alternative methodologies and the importance of individual factors varies across industries, market capitalization and investment styles. Additional criteria should always be used to evaluate a stock.


PEER ANALYSIS

Currency in INR

		PRICE MOMENTUM					VALUATION		FUNDAMENTAL		ANALYSTS		
Average Score	Ticker	Price (2024-05-03)	1-Mo Return	3-Mo Return	1-Yr Return	Market Cap	Trailing PE	Forward PE	Dividend Yield	Net Margin	LTG Forecast	I/B/E/S Mean	# of Analysts
8	HDFCBANK	1,519.60	2.5%	5.1%	-10.3%	11.6T	16.9	16.3	1.3%	15.7%	-- Buy		41
9	ICICIBANK	1,142.05	6.0%	11.5%	23.8%	8.0T	18.4	18.4	0.70%	18.7%	-- Buy		40
9	SBIN	831.45	7.8%	28.0%	45.7%	7.4T	10.5	12.7	1.4%	11.3%	-- Buy		40
9	AXISBANK	1,141.50	7.4%	7.0%	32.8%	3.5T	13.4	13.3	0.09%	19.1%	-- Buy		39
7	KOTAKBANK	1,546.70	-10.7%	-15.2%	-19.9%	3.1T	17.7	15.7	0.10%	20.1%	-- Buy		36
7	PNB	135.80	0.48%	8.3%	158.4%	1.5T	19.6	10.3	0.48%	6.5%	-- Hold		18
10	BANKBARODA	275.75	0.55%	8.0%	49.4%	1.4T	7.6	8.6	2.0%	13.8%	-- Buy		27
2	IOB	66.25	-0.82%	18.0%	163.9%	1.3T	49.9	--	--	9.2%	-- --		--
9	UNIONBANK	152.50	-3.2%	2.5%	101.3%	1.2T	8.1	8.0	2.0%	11.6%	34.4% Buy		10
7	INDUSINDBK	1,483.70	-3.8%	-3.3%	29.5%	1.2T	12.9	11.0	0.94%	16.3%	-- Buy		41
10	CANBK	625.65	3.1%	21.6%	95.8%	1.1T	7.7	--	1.9%	11.0%	-- Buy		14
7.9	Average	811.00	0.85%	8.3%	61.0%	3.7T	16.6	12.7	1.1%	13.9%	34.4% Buy		30.6

PEER COMPANIES

AXISBANK	Axis Bank	IOB	Indian Overseas Bank
BANKBARODA	Bank of Baroda	KOTAKBANK	Kotak Mahindra Bank
CANBK	Canara Bank	PNB	Punjab National Bank
HDFCBANK	HDFC Bank	SBIN	State Bank of India
INDUSINDBK	Indusind Bank	UNIONBANK	Union Bank of India

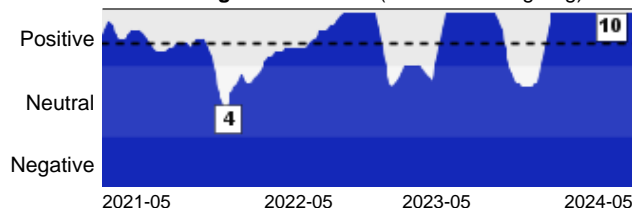
EARNINGS
EARNINGS
10

Currency in INR

POSITIVE OUTLOOK: Strong earnings with recent analyst upgrades or a history of surpassing consensus estimates.

Earnings Score Averages

Banking Services Group: **6.3** Large Market Cap: **5.8**
 Banking & Investment Svcs. Sector: **6.5** BSE Sensex Index: **6.7**

Earnings Score Trend (4-Week Moving Avg)


Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
ICICIBANK	10	10	10	10	10	
AXISBANK	10	9	10	9	9	
HDFCBANK	8	6	7	9	9	
KOTAKBANK	8	9	9	8	7	
SBIN	10	9	6	6	6	

EARNINGS INDICATORS
Earnings Surprises

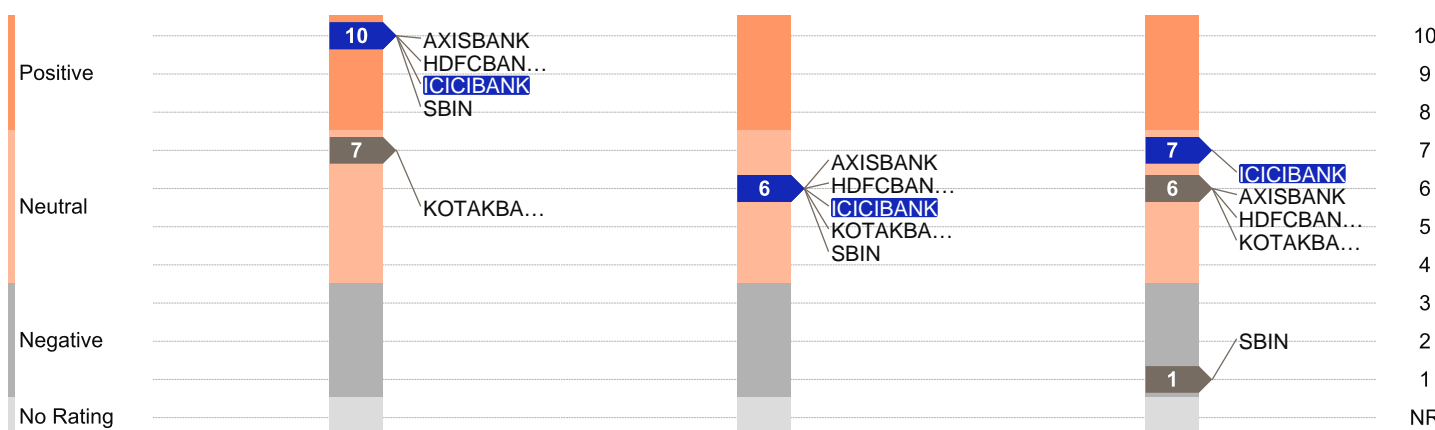
(33.3% weight)

Estimate Revisions

(33.3% weight)

Recommendation Changes

(33.3% weight)


Last 4 Quarters

# Positive Surprises (>2%)	4
# Negative Surprises (<-2%)	0
# In-Line Surprises (within 2%)	0
Avg Surprise	15.7%

Last 4 Weeks

# Up Revisions	0
# Down Revisions	0
Avg Up Revisions	0.00%
Avg Down Revisions	0.00%

Last 120 Days

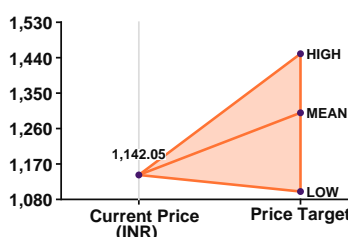
# Broker Upgrades	2
# Broker Downgrades	2

HIGHLIGHTS

- ICICI Bank currently has an Earnings Rating of 10, which is significantly more bullish than the Banks industry average of 6.7. ICICIBANK scores a bullish 7 or greater for two of three component ratings.
- On 2024-04-28, the company announced quarterly earnings of 16.32 per share, a positive surprise of 20.4% above the consensus 13.55. Over the past 4 quarters, the company has reported 4 positive, 0 negative, and 0 in-line surprises. The average surprise for this time period has been 15.7%.
- ICICIBANK's current quarter consensus estimate has remained relatively unchanged over the past 90 days at 14.63. Estimates within its industry have moved an average of 0.0% during the same time period.

PRICE TARGET

The chart indicates where analysts predict the stock price will be within the next 12 months, as compared to the current price.

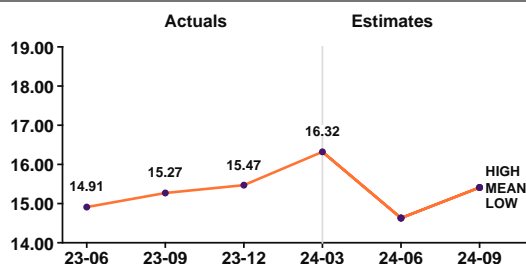

12-Month Price Target

Mean (INR)	1,300.00
High	1,450.00
Low	1,100.00
Target vs. Current	13.8%
# of Analysts	39

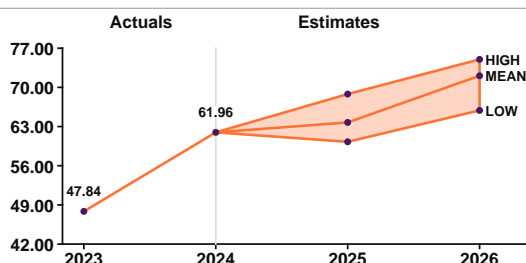
EARNINGS PER SHARE

Earnings per share (EPS) is calculated by dividing a company's earnings by the number of shares outstanding. Analysts tend to interpret a pattern of increasing earnings as a sign of strength and flat or falling earnings as a sign of weakness.

The charts provide a comparison between a company's actual and estimated EPS, including the high and low forecasts.



Quarterly	24-06	24-09
Mean	14.630	15.410
High	14.630	15.410
Low	14.630	15.410
# of Analysts	1	1



Annual	2025	2026
Mean	63.730	72.070
High	68.800	75.000
Low	60.270	65.880
# of Analysts	8	7

MEAN ESTIMATE TREND

	Q 24-06	Q 24-09	Y 2025	Y 2026	Price Target
Current	14.630	15.410	63.730	72.070	1,300.00
30 Days Ago	14.630	15.410	61.840	70.370	1,230.00
90 Days Ago	14.880	15.690	60.410	69.870	1,230.00
% Change (90 Days)	-1.7%	-1.8%	5.5%	3.1%	5.7%

Current Fiscal Year End: 25-03

Next Expected Report Date: 2024-07-20

ANALYST RECOMMENDATIONS

 I/B/E/S Mean: **Buy (40 Analysts)**

Strong Buy	23
Buy	13
Hold	4
Sell	0
Strong Sell	0

EARNINGS SURPRISES

Comparing a company's actual earnings to the mean expectation of analysts results in a difference referred to as a 'positive' or 'negative' surprise. Research has shown that when a company reports a surprise, it is often followed by more of the same surprise type.

Surprise Summary (Last 12 Quarters)

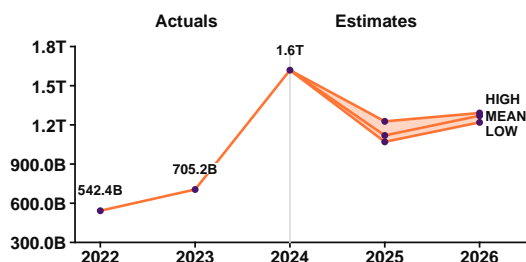
Surprise Type	Amount	Percent
Positive Quarters (> 2%)	10	83.3%
Negative Quarters (< -2%)	1	8.3%
In-Line Quarters (within 2%)	1	8.3%

Surprise Detail (Last 6 Periods)

Surprise Type	Announce Date	Period End Date	Actual EPS	Mean EPS	Surprise (%)
Positive	2024-04-27	2024-03-31	16.320	13.550	20.4%
Positive	2024-01-20	2023-12-31	15.470	13.640	13.4%
Positive	2023-10-21	2023-09-30	15.270	13.450	13.5%
Positive	2023-07-22	2023-06-30	14.910	12.940	15.2%
Positive	2023-04-23	2023-03-31	13.840	12.740	8.6%
Positive	2023-01-21	2022-12-31	12.350	11.580	6.6%

ANNUAL REVENUE

A pattern of increasing sales in conjunction with a rising EPS may influence a buy recommendation, while flat or falling sales and faltering earnings may explain a sell recommendation. A rising EPS with flat or falling sales may result from increased cost efficiency and margins, rather than market expansion. This chart shows the sales forecast trend of all analysts and the highest and lowest projections for the current and next fiscal year.

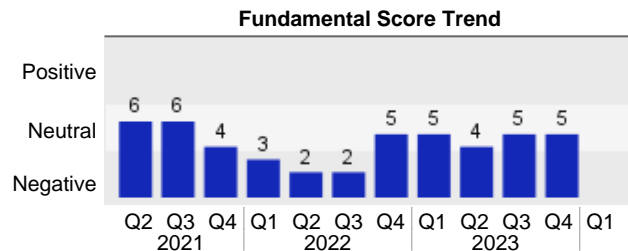


	2025	2026
Mean	1,119B	1,270B
High	1,227B	1,291B
Low	1,070B	1,219B
Forecasted Growth	-30.9%	-21.6%
# of Analysts	5	4

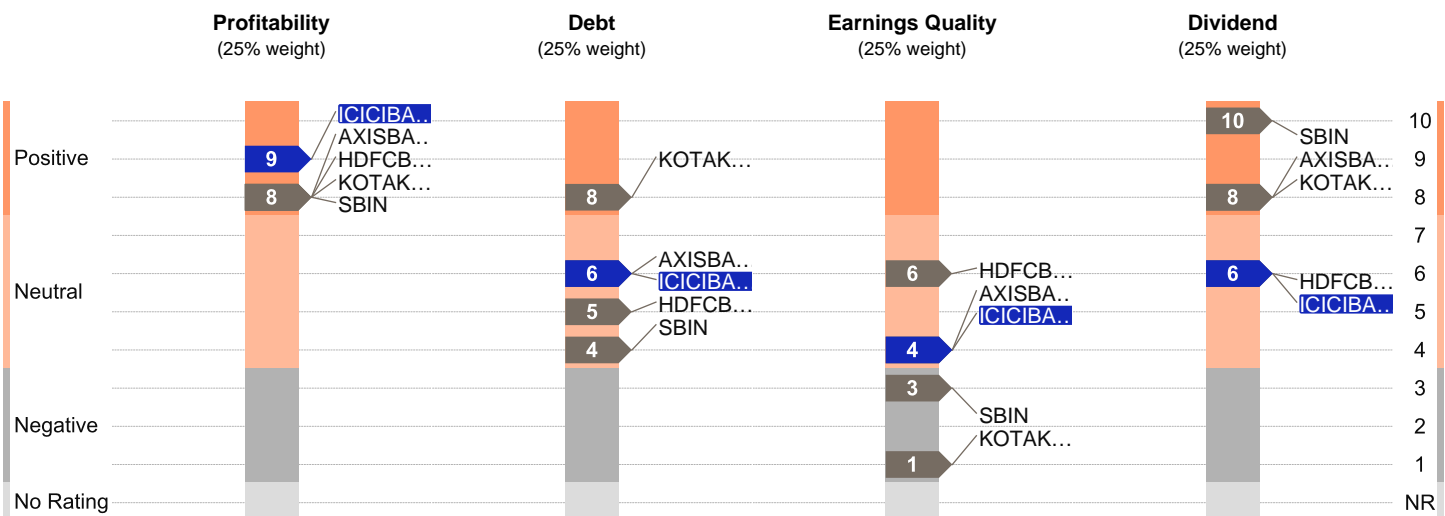
FUNDAMENTAL
**FUND-
AMENTAL**
7
NEUTRAL OUTLOOK: Fundamentals relatively in-line with the market.

Fundamental Score Averages

Banking Services Group:	5.6	Large Market Cap:	6.3
Banking & Investment Svcs. Sector:	5.6	BSE Sensex Index:	7.1



Peers	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Current	3Y Trend
AXISBANK	5	5	2	NR	8	
KOTAKBANK	4	4	6	NR	8	
HDFCBANK	3	3	2	NR	7	
ICICIBANK	4	5	5	NR	7	
SBIN	4	5	5	NR	7	

FUNDAMENTAL INDICATORS


Revenue Growth	26.7%	Current Ratio	--	Oper. Cash Yield	95.7%	Dividend Growth	25.0%
For year over year ending 2024-03		For interim period ending --		For latest 12 months ending --		For year over year ending 2024-03	
Gross Margin	--	Debt-to-Capital	43.4%	Accruals	87.4%	Dividend Payout	15.8%
For latest 12 months ending --		For annual period ending 2024-03		For latest 12 months ending 2024-03		For latest 12 months ending 2024-03	
Return On Equity	18.8%	Interest Funding	21.5%	Days Sales In Inv.	--	Dividend Coverage	--
For interim period ending 2024-03		For interim period ending 2023-03		For annual period ending --		For annual period ending --	
Net Margin	18.7%	Interest Coverage	5.8	Days Sales In Rec.	--	Current Div. Yield	0.7%
For latest 12 months ending 2024-03		For interim period ending 2023-03		For annual period ending --		For latest 12 months ending 2024-05	

HIGHLIGHTS

- The Fundamental Rating for ICICI Bank improved significantly over the last quarter from 5 to 7. The average Fundamental Rating for its Banking Services industry group is 5.6 and the S&P BSE SENSEX index average is 7.1.
- ICICIBANK's return on equity of 18.8% is substantially above the Banking Services industry group average of 9.0%.
- The company's interest coverage has been higher than its industry group average for each of the past five years.
- The company's operating cash yield has been higher than its industry group average for each of the past five years.
- Of the 309 firms within the Banking Services industry group, ICICI Bank is among 84 companies that pay a dividend. The stock's dividend yield is currently 0.70%.

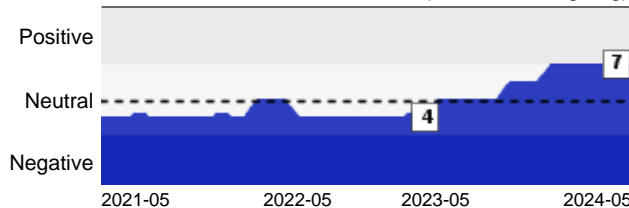
RELATIVE VALUATION

NEUTRAL OUTLOOK: Multiples relatively in-line with the market.

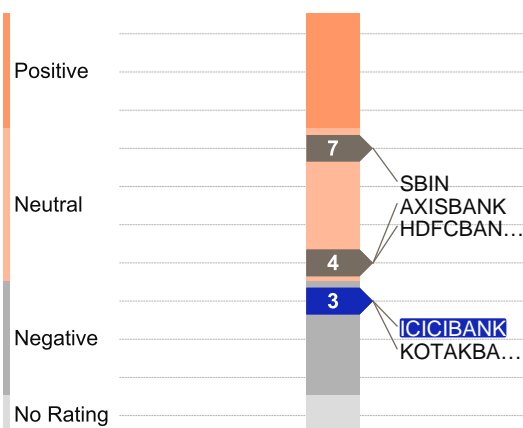
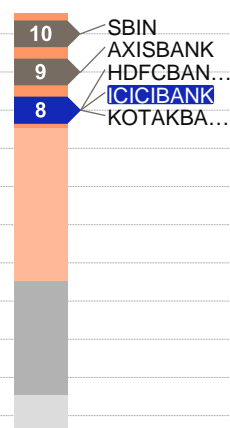
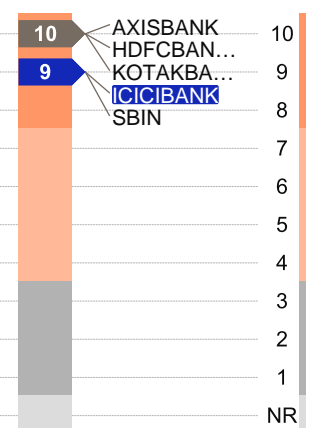
RELATIVE VALUATION
7

Relative Valuation Score Averages

Banking Services Group: **5.8** Large Market Cap: **4.5**
Banking & Investment Svcs. Sector: **5.5** BSE Sensex Index: **6.0**

Relative Valuation Score Trend (4-Week Moving Avg)


Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
SBIN	8	10	9	9	9	
AXISBANK	8	8	8	8	8	
HDFCBANK	7	8	7	8	8	
KOTAKBANK	6	7	7	7	8	
ICICIBANK	7	7	7	7	7	

RELATIVE VALUATION INDICATORS
Price to Sales
(33.3% weight)

Trailing PE
(33.3% weight)

Forward PE
(33.3% weight)


Price to Sales	7.3	Trailing PE	18.4	Forward PE	18.4
5-Yr Average	8.1	5-Yr Average	28.7	5-Yr Average	21.1
Rel. to 5-Yr Avg.	10% Discount	Rel. to 5-Yr Avg.	36% Discount	Rel. to 5-Yr Avg.	13% Discount
BSE Sensex Index	3.5	BSE Sensex Index	24.9	BSE Sensex Index	22.8
Rel. to BSE Sensex	>100% Premium	Rel. to BSE Sensex	26% Discount	Rel. to BSE Sensex	19% Discount

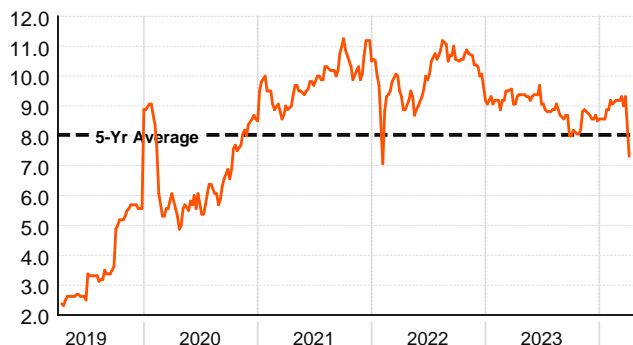
HIGHLIGHTS

- ICICI Bank currently has a Relative Valuation Rating of 7 while the S&P BSE SENSEX index has an average rating of 6.0.
- ICICIBANK's Price to Sales ratio of 7.3 represents a 10% Discount to its 5-year average of 8.1.
- ICICIBANK's 18.4 Trailing P/E is currently at the low end of its 5-year range (lowest 16.2 to highest 74.8).
- ICICIBANK's Forward P/E of 18.4 represents a 13% Discount to its 5-year average of 21.1.

PRICE TO SALES

The most recent week's close price divided by the revenue per share.

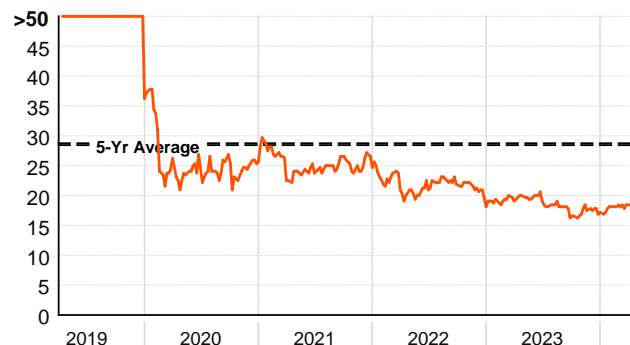
Price to Sales: 7.3
5-Year Average: 8.1
BSE Sensex Index Average: 3.5
Banking Services Group Average: 3.8



TRAILING PE

The most recent week's close price divided by the sum of the four most recently reported quarterly earnings.

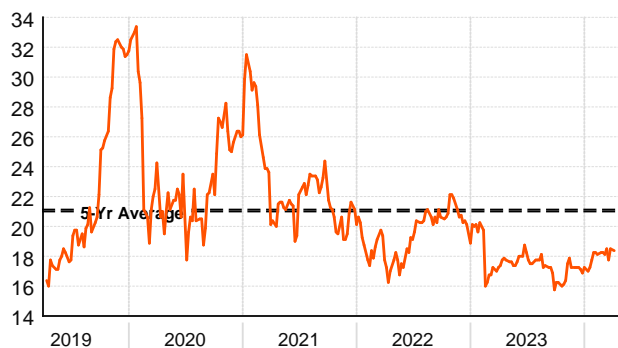
Trailing PE: 18.4
5-Year Average: 28.7
BSE Sensex Index Average: 24.9
Banking Services Group Average: 16.0



FORWARD PE

The most recent week's close price divided by the sum of the four upcoming quarterly consensus estimates.

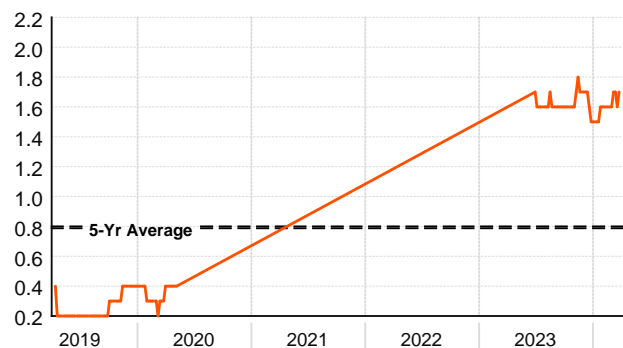
Forward PE: 18.4
5-Year Average: 21.1
BSE Sensex Index Average: 22.8
Banking Services Group Average: 20.1



FORWARD PEG

The Forward P/E divided by the five-year forecasted growth rate.

Forward PEG: --
5-Year Average: 0.8
BSE Sensex Index Average: 1.5
Banking Services Group Average: 0.8

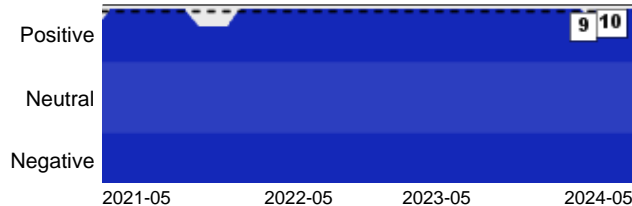


RISK

POSITIVE OUTLOOK: Consistent return patterns (low volatility).

RISK
10
Risk Score Averages

Banking Services Group: **5.2** Large Market Cap: **8.4**
 Banking & Investment Svcs. Sector: **5.0** BSE Sensex Index: **9.4**

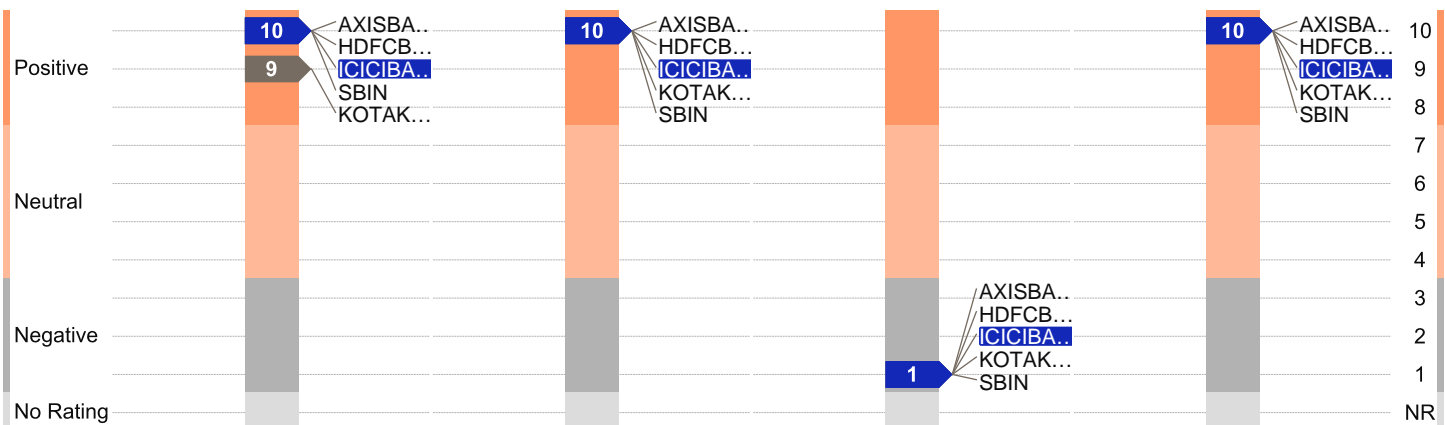
Risk Score Trend (4-Week Moving Avg)


Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
AXISBANK	10	10	10	10	10	
HDFCBANK	10	10	10	10	10	
ICICIBANK	10	10	10	10	10	
KOTAKBANK	10	10	10	9	9	
SBIN	10	9	9	9	9	

RISK INDICATORS
Magnitude of Returns
 (25% weight)

Volatility
 (25% weight)

Beta (1-year)
 (25% weight)

Correlation
 (25% weight)


Daily Returns (Last 90 Days)		Standard Deviation		Beta vs. BSE Sensex		Correlation vs. BSE Sensex	
Best	4.7%	Last 90 Days	1.25	Positive Days Only	1.32	Last 90 Days	67%
Worst	-3.2%	Last 60 Months	8.23	Negative Days Only	0.54	Last 60 Months	83%
Monthly Returns (Last 60 Months)		Intra-Day Swing (Last 90 Days)		Beta vs. Group		Correlation vs. Group	
Best	17.4%	Average	2.0%	Positive Days Only	0.25	Last 90 Days	17%
Worst	-34.9%	Largest	4.8%	Negative Days Only	-0.04	Last 60 Months	49%

HIGHLIGHTS

- ICICI Bank currently has a Risk Rating of 10 while the S&P BSE SENSEX index has an average rating of 9.4.
- On days when the market is up, ICICIBANK tends to outperform the S&P BSE SENSEX index. However, on days when the market is down, the shares generally decrease by less than the index.
- In both short-term and long-term periods, ICICIBANK has shown high correlation (≥ 0.4) with the S&P BSE SENSEX index. Thus, this stock would provide only low levels of diversification to a portfolio similar to the broader market.
- Over the last 90 days, ICICIBANK shares have been less volatile than the overall market, as the stock's daily price has fluctuated less than 99% of S&P BSE SENSEX index firms.

RISK ANALYSIS

Peers	Last 90 Days					Last 60 Months	
	Best Daily Return	Worst Daily Return	# Days Up	# Days Down	Largest Intra-Day Swing	Best Monthly Return	Worst Monthly Return
ICICIBANK	4.7%	-3.2%	35	25	4.8%	17.4%	-34.9%
AXISBANK	6.0%	-3.1%	28	32	4.2%	23.6%	-45.7%
HDFCBANK	3.1%	-1.9%	30	30	3.6%	16.9%	-26.8%
KOTAKBANK	2.6%	-10.9%	28	32	5.8%	22.0%	-20.0%
SBIN	5.1%	-2.4%	34	26	5.8%	38.9%	-35.0%
BSE Sensex	1.7%	-1.2%	36	23	2.1%	14.4%	-23.1%

PRICE MOMENTUM

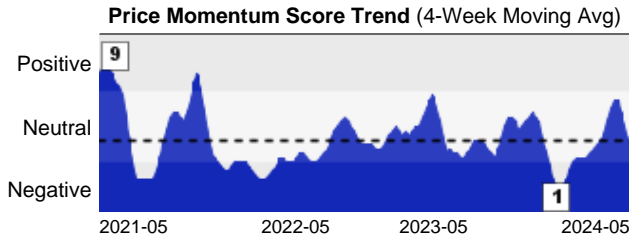


NEUTRAL OUTLOOK: Performance relatively in-line with the market.

Currency in INR

Price Momentum Score Averages

Banking Services Group:	4.4	Large Market Cap:	6.2
Banking & Investment Svcs. Sector:	4.8	BSE Sensex Index:	5.5



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
SBIN	1	3	5	5	6	
ICICIBANK	2	4	5	4	5	
AXISBANK	3	4	4	2	3	
HDFCBANK	1	2	1	1	1	
KOTAKBANK	1	2	1	1	1	

PRICE MOMENTUM INDICATORS

Relative Strength
(50% weight)

Seasonality
(50% weight)



Relative Strength Indicator (Scale from 1 to 100)

	ICICIBANK	Industry Avg
Last 10 Days	65	56
Last 50 Days	60	54
Last 200 Days	56	54

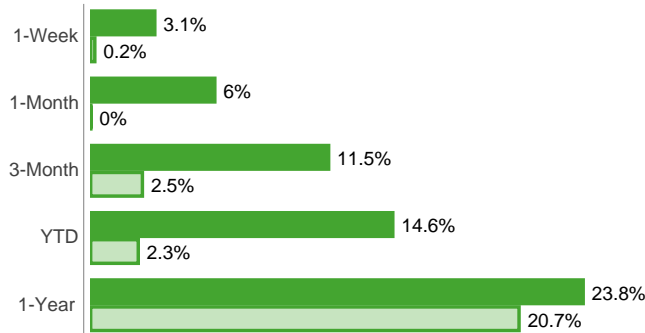
Average Monthly Return (Last 10 Years)

	May	Jun	Jul
Company Avg	4.0%	-1.8%	5.5%
Industry Avg	1.7%	2.8%	2.1%
Industry Rank	61 of 99	82 of 98	84 of 99

PRICE PERFORMANCE

Daily close prices are used to calculate the performance of the stock as compared to a relevant index over five time periods.

ICICIBANK
BSE Sensex



	ICICIBANK	BSE Sensex
Close Price (2024-05-03)	1,142.05	73,880
52-Week High	1,169.55	75,038
52-Week Low	899.00	61,054

- On 2024-05-03, ICICIBANK closed at 1,142.05, 2.4% below its 52-week high and 27.0% above its 52-week low.
- ICICIBANK shares are currently trading 4.7% above their 50-day moving average of 1,090.66, and 13.8% above their 200-day moving average of 1,003.96.
- The S&P BSE SENSEX index is currently 1.5% below its 52-week high and 21.0% above its 52-week low.

DETAILED STOCK REPORT TIPS

The Stock Report from LSEG is a comprehensive, company-specific analysis that includes a proprietary Stock Rating along with underlying component indicators and supportive data elements. The report is updated daily, although some of the data elements and the ratings are updated weekly.

Average Score

The Stock Reports Plus Average Score combines a quantitative analysis of five widely-used investment decision making tools - Earnings, Fundamental, Relative Valuation, Risk, and Price Momentum. First, a simple average of the five underlying component ratings is calculated. Then, a normal distribution is used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A score of 8 to 10 is considered positive, 4 to 7 is neutral, and 1 to 3 is negative. These five factors may be evaluated differently using alternative methodologies, and the importance of individual factors varies across industry groups, market capitalization and investment styles. Additional criteria should always be used to evaluate a stock.

A company must have sufficient data available for at least three of the five component indicators in order to receive an overall Average Score. Approximately 85% of the stocks within the coverage universe meet the criteria to generate a score.

Indicator Components

The five indicators that comprise the stock rating are displayed. Like the stock rating, the component rating scale is 1 to 10, with 10 being best. A company will receive an 'NR' for No Rating if the required data elements or criteria are not met. A detailed section for each component is included in the report.

Indicator Trends

Within each component section, historical score trends are displayed, typically using a 4-week moving average over a timeframe of the past three years. The dotted orange line indicates the average of the scores over those three years. The most recent occurrences of the best and worst scores are also displayed on the chart in grey boxes to put the current score into historical context.

Next to the trend chart for the company, current score averages are included, along with peer company comparisons of values from 6 months ago, 3 months ago, 1 month ago, the most recent value from 1 week ago, and the current score. The four closest industry peers are presented based on similar market capitalization.

Peer Analysis

- The Refinitiv Business Classification (TRBC) schema is used for industry comparisons. It is designed to track and display the primary business of a corporation by grouping together correlated companies that offer products and services into similar end markets. The system includes 10 Economic Sectors, 28 Business Sectors, 54 Industry Groups, and 136 Industries.
- The Peer Analysis section of the report compares the company to its ten closest peers. The peers are selected from the industry based on similar market capitalization. The peer listing may have fewer than ten companies if there are fewer than ten companies classified within that industry.

Highlights

The automated text-generation system from LSEG creates highlights summarizing the most noteworthy data. The bullets will vary by company and will change from week to week as different criteria are met.

Earnings

The Earnings Rating is based on a combination of three factors: earnings surprises, estimate revisions, and recommendation changes. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least two of the three earnings factors in order to receive a score.

- Earnings Surprises - The number of positive and negative surprises within the last 4 periods (quarters or years).
- Estimate Revisions - The number of up and down revisions and the average percentage change of those revisions within a 4 week period.
- Recommendation Changes - The number of broker upgrades and downgrades in the last 120 days.

Price Target

The price target is based on the predictions of analysts covering the stock and shows the high, low and mean price expected within the next 12 months.

Earnings Per Share

The quarterly and annual earnings per share are presented when available, along with the mean, high and low. Quarterly data is displayed for the past 4 quarters (actual) and the next 2 quarters (estimated). Annual data is displayed for the past 2 years (actual) and the next 2 years (estimated).

Mean Estimate Trend

The mean estimates show how the consensus has changed over the past 30 days and 90 days for the upcoming two quarters (when available) and two years. The percentage change is calculated for the company as a means for comparison by measuring the difference between the current consensus estimate and that of 90 days ago.

Analyst Recommendations

The I/B/E/S Mean is the average recommendation of all analysts covering the stock, as provided by I/B/E/S, the Institutional Brokers Estimate System, from LSEG. The recommendations are presented on a five-point standardized scale: strong buy, buy, hold, sell, and strong sell.

Earnings Surprises

- The surprise summary includes the total number of time periods (and percentage) in the last 12 quarters (quarterly) or last 4 years (annual) in which earnings surprises were positive, negative, or in-line. In order to be recognized as a positive or negative surprise, the percent must be greater than 2% above or 2% below the consensus, respectively.
- The surprise detail section includes a listing of the company's quarterly earnings reported for the most recent 6 periods (quarters or years). The consensus analyst estimate is provided to determine if the actual earnings report represented a positive surprise, negative surprise, or in-line result.

Fundamental

The Fundamental Rating is based on a combination of four fundamental component factors: profitability, debt, earnings quality, and dividend. Companies that do not pay a dividend are not penalized. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have at least two of the four fundamental factors present in order to receive a score.

Profitability

- Revenue Growth: $(\text{Net Sales} - \text{Previous Net Sales}) / \text{Previous Net Sales}$
- Gross Margin: $\text{Gross Profit} / \text{Net Sales}$
- Return on Equity: $\text{Net Income} / \text{Total Equity}$
- Net Margin: $\text{Net Profit} / \text{Net Sales}$

Debt

- Current Ratio: $\text{Current Assets} / \text{Current Liabilities}$
- Debt-to-Capital: $\text{Total Debt} / \text{Total Capital}$
- Interest Funding: $(\text{Interest Expense on Debt} + \text{Preferred Cash Dividends}) / \text{Funds from Operations}$
- Interest Coverage: $\text{Earnings before Interest and Taxes} / (\text{Interest Expense on Debt} + \text{Preferred Cash Dividends})$

Earnings Quality

- Operating Cash Yield: $(\text{Operating Cash Flow} - \text{Net Income}) / \text{Net Income}$
- Accruals: $(\text{Net Income} - \text{Operating Cash Flow} - \text{Investing Cash Flow}) / \text{Average Net Operating Assets}$
- Days Sales in Inventory: $365 / (\text{Cost of Goods Sold} / \text{Inventory})$
- Days Sales in Receivables: $365 / (\text{Net Sales} / \text{Receivables})$

Dividend

The company must have a current dividend yield.

- Dividend Growth Rate: $(\text{Dividends per Share} - \text{Previous Dividends per Share}) / \text{Previous Dividends per Share}$
- Dividend Funding: $\text{Dividends} / \text{Operating Cash Flow}$
- Dividend Coverage: $(\text{Pre-Tax Income} + \text{Interest Expense}) / (\text{Interest Expense} + \text{Dividends})$
- Dividend Yield: $\text{Annual Dividends per Share} / \text{Current Market Price per Share}$

Indicator Trend

The fundamental indicator trend displays either quarterly scores over the past three years or annual scores over the past six years, depending on the reporting periods for the country. The best and worst scores can be easily determined from the values shown on the chart for each quarter or year.

Relative Valuation

The Relative Valuation Rating is based on a combination of three component factors: Price to Sales, Trailing P/E, and Forward P/E. Each factor is equally weighted. Equal deciles are then used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. These common valuation metrics are evaluated against the overall market, the index, and the company's own historic 5-year averages. A stock needs to have at least one of the three relative valuation factors in order to receive a score.

- Price to Sales: $\text{Close Price} / (\text{Sales for 4 Quarters or 1 Year} / \text{Shares Outstanding})$

- Trailing P/E: Close Price / Most Recent 4 Quarters or 1 Year of Earnings
- Forward P/E: Close Price / Upcoming 4 Quarters or 1 Year of Earnings

Valuation Averages

Negative values are excluded when calculating the averages. A maximum value of 100 is placed on Trailing P/E and Forward P/E, a maximum value of 5 is placed on Forward PEG, and a maximum value of 20 is placed on Price to Sales when calculating the averages. Higher values are rounded down to the maximum for the averages.

Valuation Multiples

The valuation multiples provide the Trailing P/E, Forward P/E, Forward PEG, and Price to Sales for the company and the relevant index average. In addition, a comparison of the current company's values to its 5-year average and an industry average are presented. A discount occurs when the company's ratio is valued more favorably (lower) than that to which it is compared.

Risk

The Risk Rating displays stocks on a scale of 1 to 10 with 10 being awarded to the least risky stocks. It is derived by looking at a series of long-term (5-year) and short-term (90-day) stock performance measures including volatility, magnitude of returns, beta, and correlation. Each factor is equally weighted. Then, equal deciles are used to rank each stock across the market. A stock needs to have at least two of the four risk factors in order to receive a score.

- Magnitude of Returns - The best / worst daily returns in the past 90 days and the best / worst monthly returns in the past 60 months.
- Volatility - The standard deviation of the stock price over the last 90 days and last 60 months, along with the average and largest intra-day stock swing.
- Beta - Measures the tendency of a security's returns to respond to swings in the market, based on the beta of the company versus the relevant index.
- Correlation - Determines how closely the returns of the stock and the relevant index move together, measured over the last 90 days and last 60 months.

Risk Analysis

Price analysis for the company and the relevant index is provided over two time periods. Daily analysis is provided for the last 90 days, whereas monthly statistics are used for the last 60 months.

Price Momentum

The Price Momentum Rating is based on a combination of two technical performance factors: relative strength and seasonality. The factors are equally weighted. Equal deciles are then used to rank each stock across the market on a scale of 1 to 10, with 10 being most favorable. A stock needs to have data for the relative strength factor in order to receive a score.

- Relative Strength - The relative strength of the company for the last 10 days, 50 days, and 200 days on a scale of 1 to 100.
- Seasonality - The average monthly return (price performance) for the current month and next 2 months for the company and industry, over the past 10 years. A lower industry rank indicates a higher return.

Price Performance

Daily close prices are used to calculate the price performance of the stock. The performance of the relevant index is also displayed as a means of comparison.

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