

**JSW STEEL (JSWSTEEL-IN)**

Mineral Resources / Metals & Mining / Iron & Steel

**DETAILED STOCK REPORT**

Report Date: 2023-Dec-03

Last Close <b>810.80 (INR)</b>	Avg Daily Vol <b>1.8M</b>	52-Week High <b>840.00</b>	Trailing PE <b>21.2</b>	Annual Div <b>3.40</b>	ROE <b>13.6%</b>	LTG Forecast <b>64.9%</b>	1-Mo Return <b>11.9%</b>
2023 December 01 NSE Exchange	Market Cap <b>2.0T</b>	52-Week Low <b>649.05</b>	Forward PE <b>15.1</b>	Dividend Yield <b>0.4%</b>	Annual Rev <b>1.7T</b>	Inst Own <b>16.0%</b>	3-Mo Return <b>0.55%</b>

**AVERAGE SCORE**

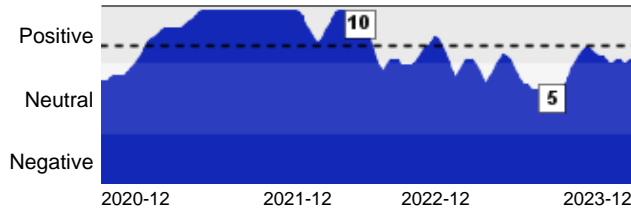
**AVERAGE SCORE**  
**7**

**NEUTRAL OUTLOOK:** JSWSTEEL's current score is relatively in-line with the market.

**Score Averages**

Metals & Mining Group:	<b>6.2</b>	Large Market Cap:	<b>6.7</b>
Mineral Resources Sector:	<b>5.9</b>	BSE Sensex Index:	<b>7.7</b>

**Average Score Trend (4-Week Moving Avg)**



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
JSL	10	9	10	10	<b>10</b>	
JINDALSTEL	8	8	9	8	<b>8</b>	
<b>JSWSTEEL</b>	<b>6</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	
APLAPOLLO	5	5	7	6	<b>6</b>	
BHARATFORG	3	5	5	5	<b>5</b>	

**HIGHLIGHTS**

- The score for JSW Steel last changed from 8 to 7 on 2023-11-05 and has remained the same for 5 weeks.
- The recent change in the Average Score was primarily due to a decline in the Price Momentum component score.

**I/B/E/S MEAN**

**Hold**

27 Analysts

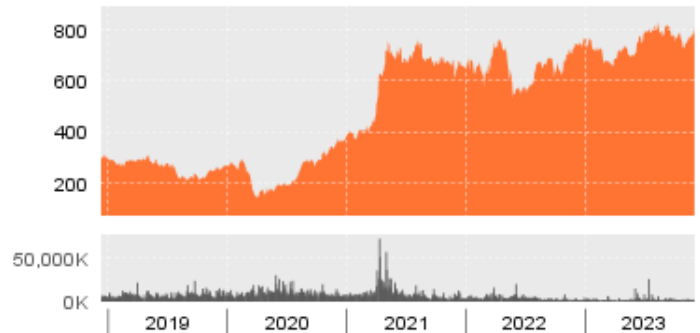
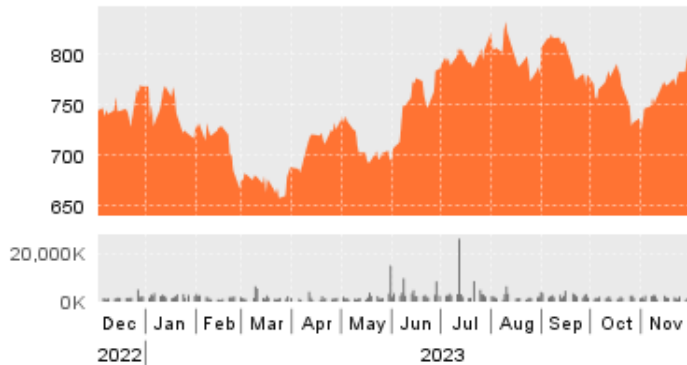
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



**PRICE AND VOLUME CHARTS**

**1-Year Return: 8.6%**

**5-Year Return: 157.5%**



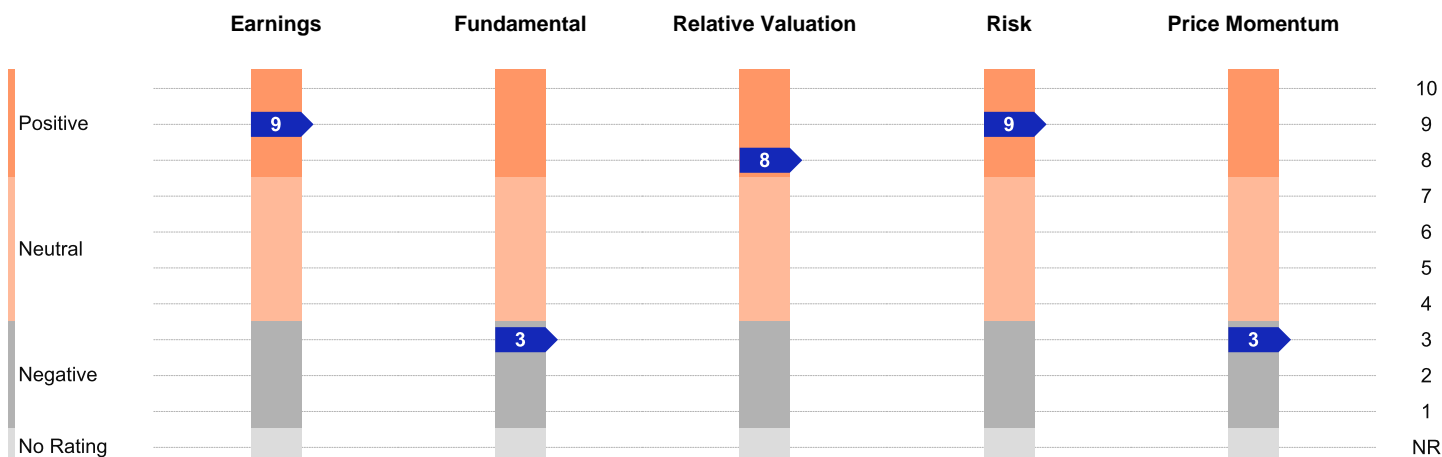
**BUSINESS SUMMARY**

JSW Steel Limited is an India-based holding company. The Company is primarily engaged in the business of manufacturing and sale of iron and steel products. It is an integrated manufacturer of a diverse range of steel products with its manufacturing facilities located at Vijayanagar Works in Karnataka, Dolvi Works in Maharashtra and Salem works in Tamil Nadu. It also has a plate and coil mill division in Anjar, Gujarat. It manufactures and offers a portfolio of flat and long products, comprising hot rolled coils, sheets, and plates, cold rolled coils and sheets, galvanized and galvalume products, tinplate, non-grain oriented electrical steel, pre-painted galvanized and galvalume products, thermo-mechanically treated (TMT) bars, wire rods, rails, grinding balls and special steel bars. Its color coated and roofing products are available under JSW Radiance, JSW Colouron+, JSW Everglow and JSW Pragati+ brands. Its alloy-based sheets are available under JSW Vishwas and JSW Vishwas+ brands.

**INDICATOR COMPONENTS**

**AVERAGE SCORE**  
**7**

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

Average Score	Ticker	PRICE MOMENTUM				VALUATION		FUNDAMENTAL		ANALYSTS			
		Price (2023-12-01)	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
7	JSWSTEEL	810.80	11.9%	0.55%	8.6%	2.0T	21.2	15.1	0.42%	5.4%	64.9%	Hold	27
8	JINDALSTEL	692.20	18.3%	-1.3%	22.6%	695.7B	17.2	11.7	0.29%	8.0%	--	Buy	23
5	BHARATFORG	1,156.50	12.6%	7.2%	36.3%	538.5B	80.5	40.5	0.61%	4.6%	--	Hold	27
6	APLAPOLLO	1,644.95	7.8%	-4.9%	45.2%	456.5B	59.5	51.0	0.30%	4.3%	55.1%	Buy	13
10	JSL	517.10	15.5%	11.5%	193.1%	425.8B	21.2	13.6	0.34%	7.1%	--	Buy	7
9	RATNAMANI	3,822.90	37.7%	47.4%	97.0%	268.0B	52.3	40.7	0.31%	12.7%	--	Buy	5
1	KIOCL	306.65	-6.6%	37.6%	42.2%	186.4B	--	--	0.58%	-1.6%	--	--	--
8	JINDALSAW	470.70	8.2%	30.5%	415%	149.6B	12.4	11.6	0.64%	6.0%	--	Buy	3
7	RKFORGE	795.60	23.7%	11.6%	256%	143.7B	51.4	--	0.25%	8.2%	--	Hold	5
10	SHYAMMETL	468.80	8.3%	-2.5%	59.2%	119.1B	13.1	12.4	1.7%	8.1%	--	Strong Buy	3
10	JAIBALAJI	593.30	6.4%	109.0%	1326%	95.2B	23.6	--	--	6.1%	--	--	--
7.4	Average	1,025.41	13.1%	22.4%	227%	459.3B	35.2	24.6	0.54%	6.2%	60.0%	Buy	12.6

**PEER COMPANIES**

APLAPOLLO	APL Apollo Tubes	JSL	Jindal Stainless
BHARATFORG	Bharat Forge	KIOCL	KIOCL
JAIBALAJI	Jai Balaji Industries	RATNAMANI	Ratnamani Metals and Tubes
JINDALSAW	Jindal SAW	RKFORGE	Ramkrishna Forgings
JINDALSTEL	Jindal Steel And Power	SHYAMMETL	Shyam Metalics and Energy

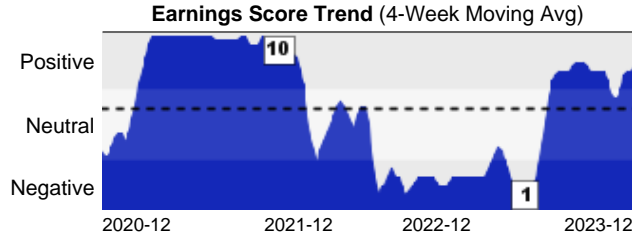
**EARNINGS** Currency in INR

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

**EARNINGS**  
**9**

**Earnings Score Averages**

Metals & Mining Group:	<b>5.8</b>	Large Market Cap:	<b>6.0</b>
Mineral Resources Sector:	<b>5.8</b>	BSE Sensex Index:	<b>6.9</b>



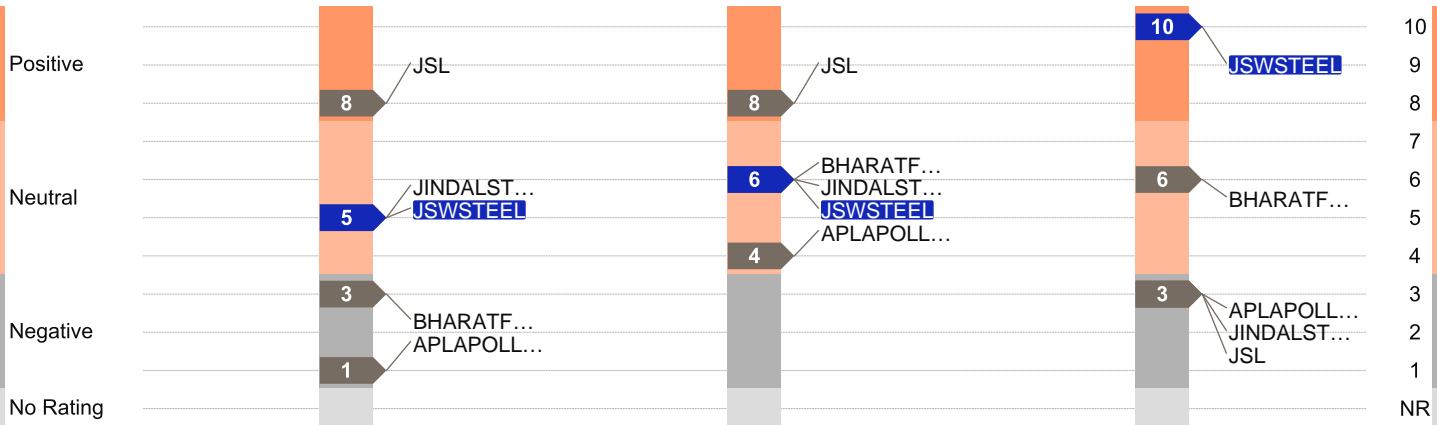
Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
<b>JSWSTEEL</b>	7	8	8	8	<b>9</b>	
JSL	10	7	8	8	8	
BHARATFORG	3	6	4	5	4	
JINDALSTEL	7	8	6	4	4	
APLAPOLLO	4	2	3	1	2	

**EARNINGS INDICATORS**

**Earnings Surprises**  
(33.3% weight)

**Estimate Revisions**  
(33.3% weight)

**Recommendation Changes**  
(33.3% weight)



**Last 4 Quarters**

# Positive Surprises (>2%)	1
# Negative Surprises (<-2%)	3
# In-Line Surprises (within 2%)	0
Avg Surprise	-3.7%

**Last 4 Weeks**

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

**Last 120 Days**

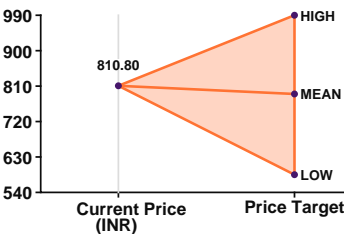
# Broker Upgrades	6
# Broker Downgrades	1

**HIGHLIGHTS**

- JSW Steel currently has an Earnings Rating of 9, which is significantly more bullish than the Iron & Steel industry average of 5.4.
- Over the past 4 quarters, the company has reported 1 positive, 3 negative, and 0 in-line surprises. The average surprise for this time period has been -3.7%. Most recently on 2023-10-20, the company reported quarterly earnings of 9.91 per share, a negative surprise of -6.9% below the consensus of 10.64.
- JSWSTEEL's current quarter consensus estimate has decreased over the past 90 days from 13.18 to 12.70, a loss of -3.6%. Consensus estimates for the Iron & Steel industry have moved an average -2.0% 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**

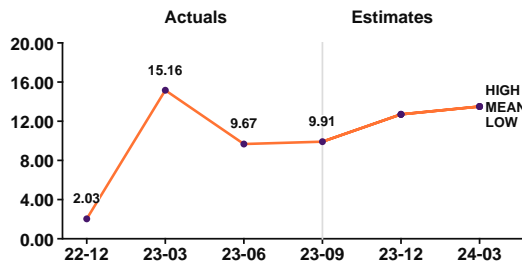
Mean (INR)	790.00
High	990.00
Low	585.00
Target vs. Current	-2.6%
# of Analysts	28



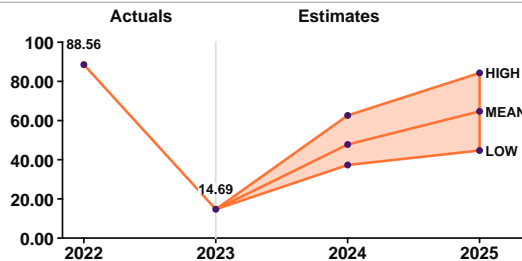
EARNINGS PER SHARE

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	23-12	24-03
Mean	12.700	13.500
High	12.700	13.500
Low	12.700	13.500
# of Analysts	1	1



Annual	2024	2025
Mean	47.770	64.690
High	62.600	84.300
Low	37.300	44.700
# of Analysts	26	25

MEAN ESTIMATE TREND

	Q 23-12	Q 24-03	Y 2024	Y 2025	Price Target
Current	12.700	13.500	47.770	64.690	790.00
30 Days Ago	12.700	13.500	48.220	65.030	790.00
90 Days Ago	13.180	14.010	50.950	66.050	752.00
% Change (90 Days)	-3.6%	-3.6%	-6.2%	-2.1%	5.1%

Current Fiscal Year End: 24-03  
Next Expected Report Date: 2024-01-18

ANALYST RECOMMENDATIONS

I/B/E/S Mean: **Hold (27 Analysts)**

Strong Buy	5
Buy	5
Hold	8
Sell	6
Strong Sell	3

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)

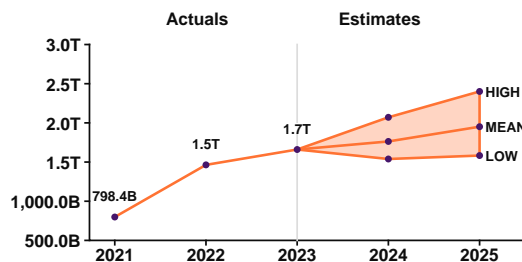
Surprise Type	Amount	Percent
Positive Quarters (> 2%)	5	41.7%
Negative Quarters (< -2%)	7	58.3%
In-Line Quarters (within 2%)	0	--

Surprise Detail (Last 6 Periods)

Surprise Type	Announce Date	Period End Date	Actual EPS	Mean EPS	Surprise (%)
Negative	2023-10-20	2023-09-30	9.910	10.640	-6.9%
Negative	2023-07-21	2023-06-30	9.670	10.490	-7.8%
Positive	2023-05-19	2023-03-31	15.160	6.397	137.0%
Negative	2023-01-20	2022-12-31	2.030	4.750	-57.3%
Negative	2022-10-21	2022-09-30	-3.530	5.098	-169.2%
Negative	2022-07-22	2022-06-30	3.460	6.100	-43.3%

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.



	2024	2025
Mean	1,763B	1,951B
High	2,071B	2,401B
Low	1,539B	1,583B
Forecasted Growth	6.2%	17.5%
# of Analysts	26	25

FUNDAMENTAL

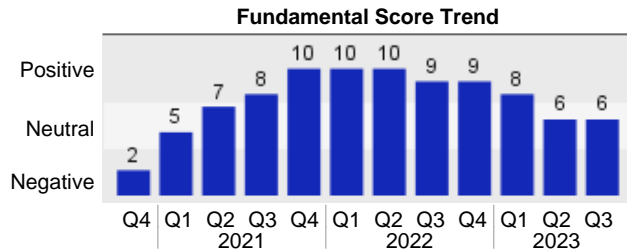
FUND-AMENTAL

3

**NEGATIVE OUTLOOK:** Weak fundamentals such as low profit margins, high debt levels, or falling dividends.

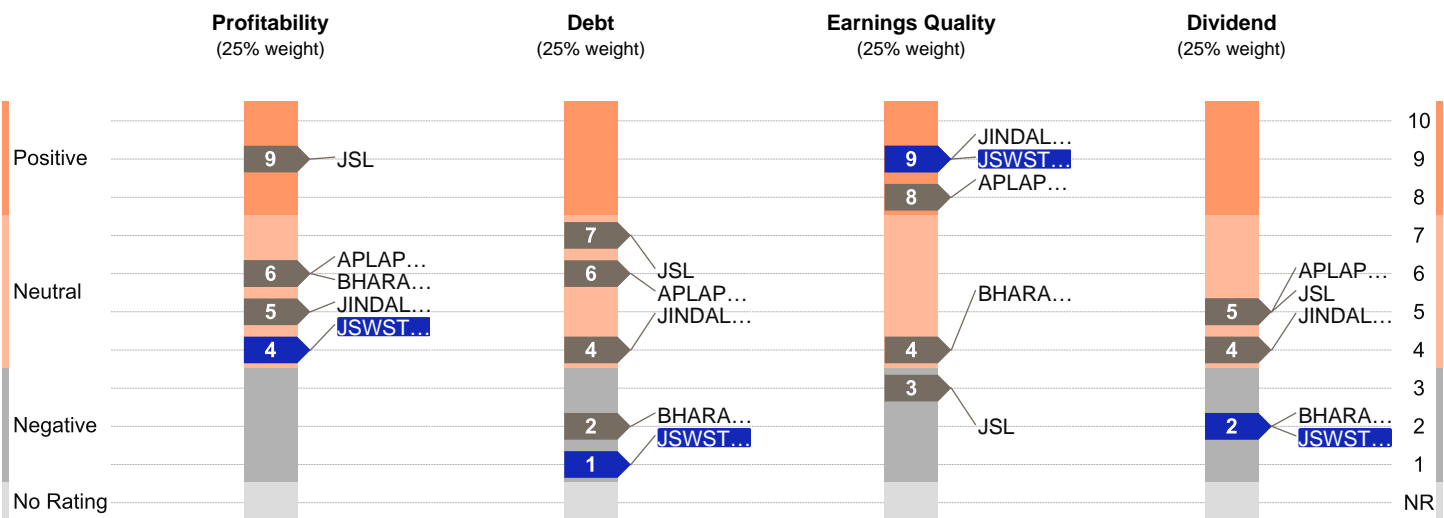
Fundamental Score Averages

Metals & Mining Group:	5.7	Large Market Cap:	6.5
Mineral Resources Sector:	5.6	BSE Sensex Index:	7.0



Peers	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Current	3Y Trend
APLAPOLLO	7	6	6	6	7	[Bar chart]
JSL	9	9	6	8	7	[Bar chart]
JINDALSTEL	10	10	8	9	6	[Bar chart]
<b>JSWSTEEL</b>	<b>9</b>	<b>8</b>	<b>6</b>	<b>6</b>	<b>3</b>	[Bar chart]
BHARATFORG	5	5	4	3	2	[Bar chart]

FUNDAMENTAL INDICATORS



<b>Revenue Growth</b>	4.9%	<b>Current Ratio</b>	0.9	<b>Oper. Cash Yield</b>	84.0%	<b>Dividend Growth</b>	-80.4%
For year over year ending 2023-09		For interim period ending 2023-09		For latest 12 months ending --		For year over year ending 2023-09	
<b>Gross Margin</b>	24.2%	<b>Debt-to-Capital</b>	48.7%	<b>Accruals</b>	-1.3%	<b>Dividend Payout</b>	8.9%
For latest 12 months ending 2023-09		For annual period ending 2023-03		For latest 12 months ending 2023-03		For latest 12 months ending 2023-09	
<b>Return On Equity</b>	13.6%	<b>Interest Funding</b>	46.6%	<b>Days Sales In Inv.</b>	102.9	<b>Dividend Coverage</b>	3.3
For interim period ending 2023-09		For interim period ending 2023-03		For annual period ending 2023-03		For annual period ending 2023-03	
<b>Net Margin</b>	5.4%	<b>Interest Coverage</b>	3.2	<b>Days Sales In Rec.</b>	23.8	<b>Current Div. Yield</b>	0.4%
For latest 12 months ending 2023-09		For interim period ending 2023-09		For annual period ending 2023-03		For latest 12 months ending 2023-12	

HIGHLIGHTS

- The Fundamental Rating for JSW Steel declined significantly over the last quarter from 6 to 3. The current rating is considerably more bearish than the Metals & Mining industry group average of 5.7.
- The company's gross margin has been higher than its industry group average for each of the past five years.
- The company's debt-to-capital 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 248 firms within the Metals & Mining industry group, JSW Steel is among 90 companies that pay a dividend. The stock's dividend yield is currently 0.42%.

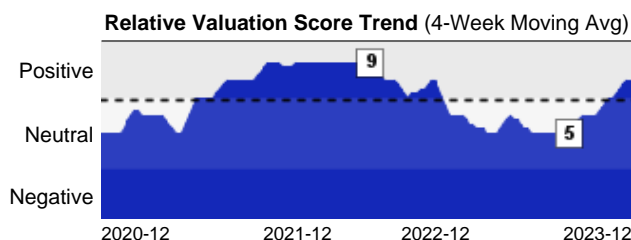
**RELATIVE VALUATION**

**POSITIVE OUTLOOK:** Multiples significantly below the market or the stock's historic norms.

**RELATIVE VALUATION**  
**8**

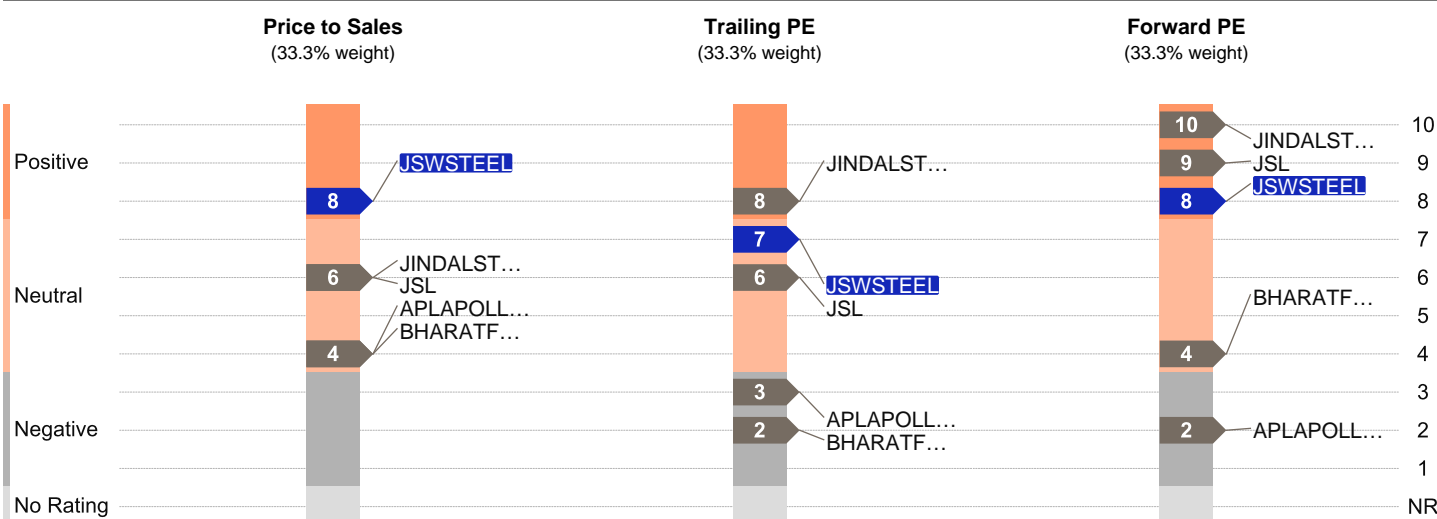
**Relative Valuation Score Averages**

Metals & Mining Group:	<b>6.3</b>	Large Market Cap:	<b>4.6</b>
Mineral Resources Sector:	<b>6.1</b>	BSE Sensex Index:	<b>5.7</b>



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
JINDALSTEL	8	7	9	9	<b>8</b>	
<b>JSWSTEEL</b>	<b>5</b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>8</b>	
JSL	8	7	8	7	<b>7</b>	
BHARATFORG	3	2	2	3	<b>3</b>	
APLAPOLLO	2	2	2	2	<b>2</b>	

**RELATIVE VALUATION INDICATORS**



Indicator	JSWSTEEL	Peer Average	Relative
Price to Sales	1.1	1.1	1% Premium
Trailing PE	21.2	20.1	6% Premium
Forward PE	15.1	12.7	19% Premium
BSE Sensex Index	3.5	23.5	68% Discount

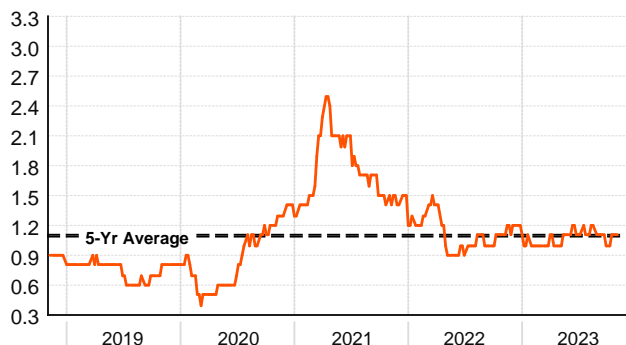
**HIGHLIGHTS**

- JSW Steel currently has a Relative Valuation Rating of 8 which is significantly above the S&P BSE SENSEX index average rating of 5.7.
- JSWSTEEL's Price to Sales ratio of 1.1 represents a 1% Premium to its 5-year average of 1.1.
- JSWSTEEL's Trailing P/E of 21.2 represents a 6% Premium to its 5-year average of 20.1.
- JSWSTEEL's Forward P/E of 15.1 represents a 19% Premium to its 5-year average of 12.7.

**PRICE TO SALES**

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

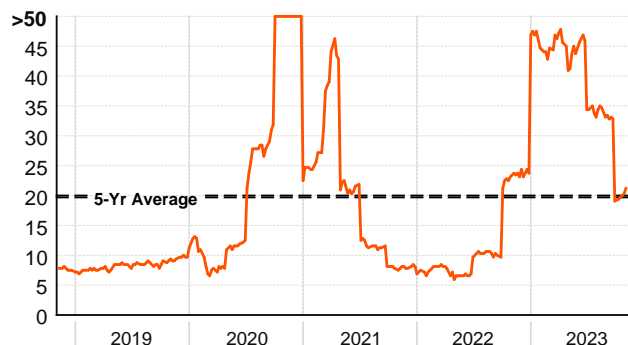
Price to Sales: 1.1  
 5-Year Average: 1.1  
 BSE Sensex Index Average: 3.5  
 Metals & Mining Group Average: 1.1



**TRAILING PE**

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

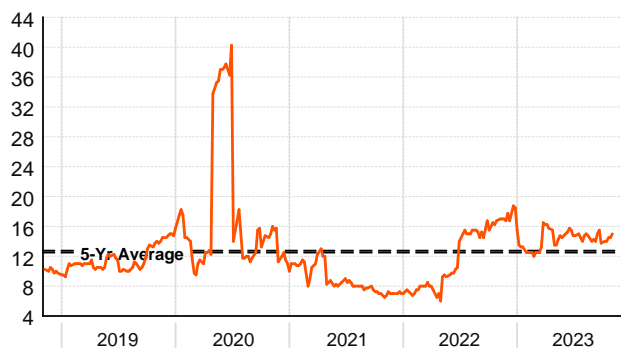
Trailing PE: 21.2  
 5-Year Average: 20.1  
 BSE Sensex Index Average: 23.5  
 Metals & Mining Group Average: 23.2



**FORWARD PE**

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

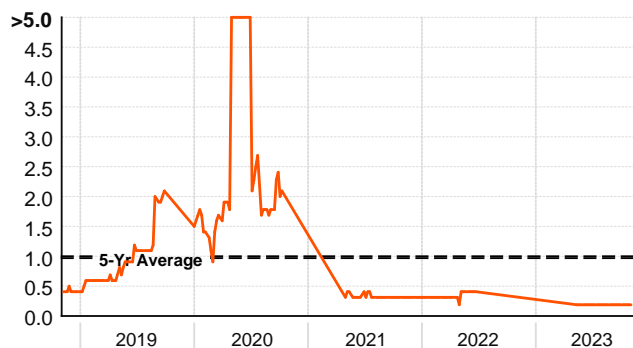
Forward PE: 15.1  
 5-Year Average: 12.7  
 BSE Sensex Index Average: 22.2  
 Metals & Mining Group Average: 17.6



**FORWARD PEG**

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

Forward PEG: 0.2  
 5-Year Average: 1.0  
 BSE Sensex Index Average: 1.4  
 Metals & Mining Group Average: 0.5



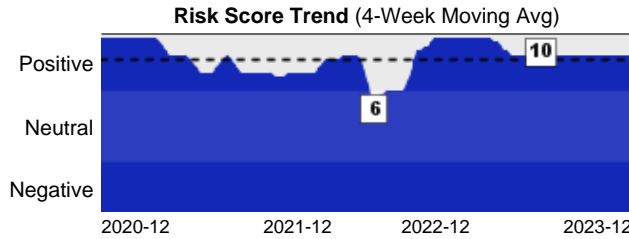
**RISK**

**POSITIVE OUTLOOK:** Consistent return patterns (low volatility).

**RISK**  
**9**

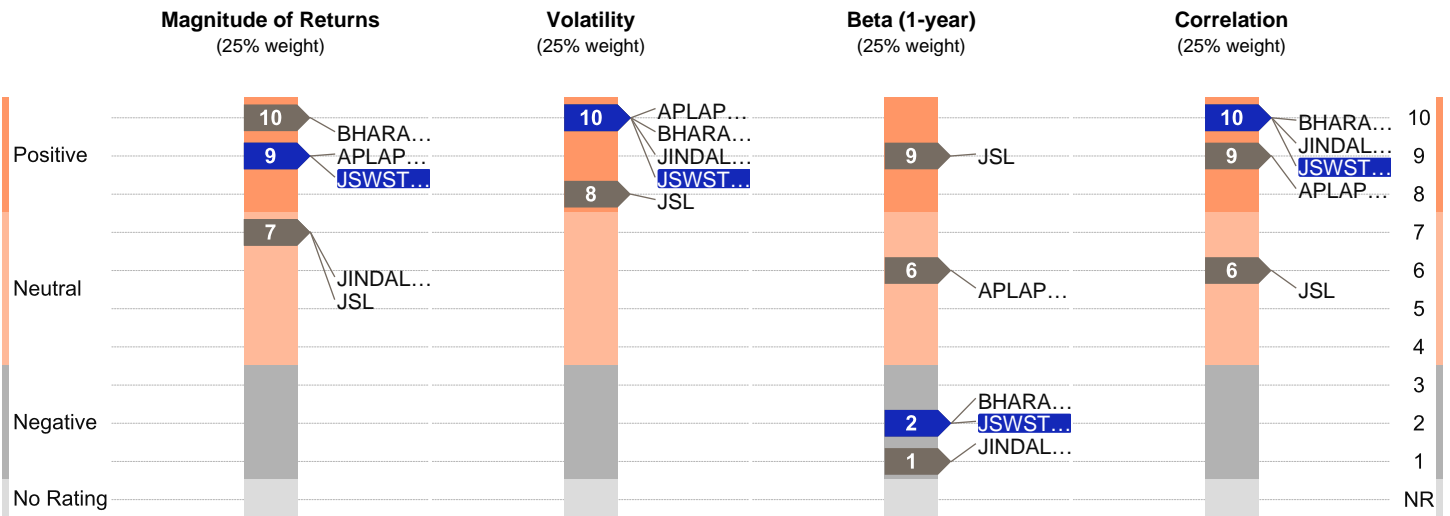
**Risk Score Averages**

Metals & Mining Group:	5.1	Large Market Cap:	8.8
Mineral Resources Sector:	5.5	BSE SENSEX Index:	9.6



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
APLAPOLLO	8	10	10	10	10	
BHARATFORG	10	10	10	10	10	
JSL	6	9	9	9	9	
<b>JSWSTEEL</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	
JINDALSTEL	9	8	8	8	8	

**RISK INDICATORS**



Daily Returns (Last 90 Days)		Standard Deviation		Beta vs. BSE SENSEX		Correlation vs. BSE SENSEX	
Best	3.4%	Last 90 Days	1.21	Positive Days Only	0.90	Last 90 Days	75%
Worst	-2.7%	Last 60 Months	12.46	Negative Days Only	1.18	Last 60 Months	52%
Monthly Returns (Last 60 Months)		Intra-Day Swing (Last 90 Days)		Beta vs. Group		Correlation vs. Group	
Best	53.2%	Average	1.8%	Positive Days Only	0.40	Last 90 Days	61%
Worst	-38.0%	Largest	3.8%	Negative Days Only	0.17	Last 60 Months	20%

**HIGHLIGHTS**

- JSW Steel currently has a Risk Rating of 9 while the S&P BSE SENSEX index has an average rating of 9.6.
- On days when the market is up, JSWSTEEL tends to perform in-line with the S&P BSE SENSEX index. However, on days when the market is down, the shares generally decrease by more than the index does.
- In both short-term and long-term periods, JSWSTEEL has shown high correlation ( $\geq 0.4$ ) 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, JSWSTEEL shares have been more volatile than the overall market, as the stock's daily price fluctuations have exceeded that of 65% 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
<b>JSWSTEEL</b>	<b>3.4%</b>	<b>-2.7%</b>	<b>30</b>	<b>31</b>	<b>3.8%</b>	<b>53.2%</b>	<b>-38.0%</b>
APLAPOLLO	5.5%	-6.2%	33	28	8.7%	30.7%	-35.9%
BHARATFORG	4.4%	-3.6%	34	27	5.6%	31.6%	-46.0%
JINDALSTEL	4.2%	-7.7%	29	32	6.3%	42.9%	-46.6%
JSL	6.2%	-5.4%	35	26	8.7%	50.4%	-38.8%
<b>BSE SENSEX</b>	<b>1.1%</b>	<b>-1.4%</b>	<b>34</b>	<b>26</b>	<b>1.3%</b>	<b>14.4%</b>	<b>-23.1%</b>



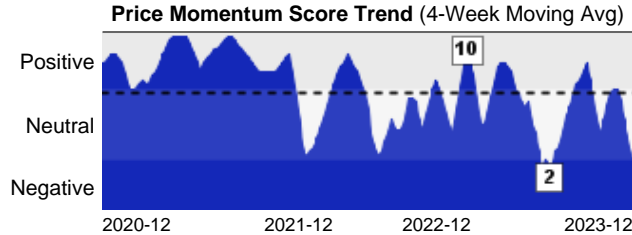
**PRICE MOMENTUM** Currency in INR

**NEGATIVE OUTLOOK:** Weak recent price performance or entering historically poor seasonal period.

**PRICE MOMENTUM**  
**3**

**Price Momentum Score Averages**

Metals & Mining Group:	<b>6.5</b>	Large Market Cap:	<b>4.8</b>
Mineral Resources Sector:	<b>5.8</b>	BSE Sensex Index:	<b>4.0</b>

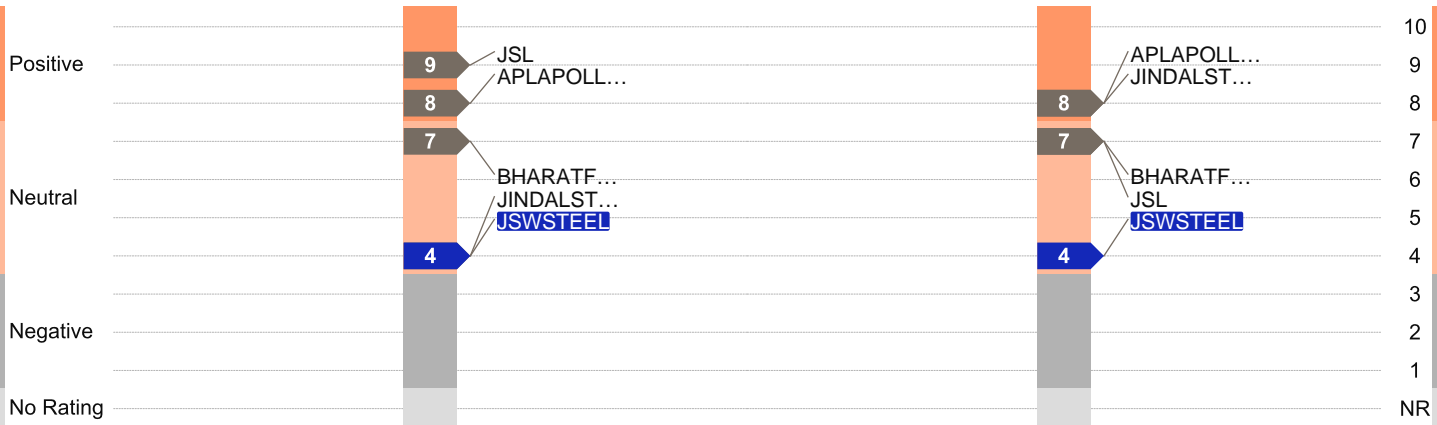


Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
JSL	9	8	8	8	<b>10</b>	
APLAPOLLO	5	8	10	9	<b>9</b>	
BHARATFORG	3	5	8	7	<b>9</b>	
JINDALSTEL	4	6	9	7	<b>7</b>	
<b>JSWSTEEL</b>	<b>4</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>3</b>	

**PRICE MOMENTUM INDICATORS**

**Relative Strength**  
(50% weight)

**Seasonality**  
(50% weight)



**Relative Strength Indicator** (Scale from 1 to 100)

	JSWSTEEL	Industry Avg
Last 10 Days	78	54
Last 50 Days	56	55
Last 200 Days	53	54

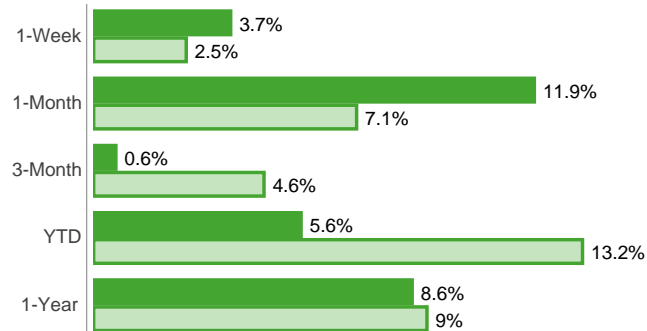
**Average Monthly Return** (Last 10 Years)

	Dec	Jan	Feb
Company Avg	3.5%	-1.7%	-0.56%
Industry Avg	7.4%	2.9%	-4.0%
Industry Rank	22 of 98	37 of 98	69 of 98

**PRICE PERFORMANCE**

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

■ JSWSTEEL  
■ BSE 100



	JSWSTEEL	BSE 100
Close Price (2023-12-01)	810.80	20,860
52-Week High	840.00	20,856
52-Week Low	649.05	17,180

- JSW Steel has a Price Momentum Rating of 3, which is significantly lower than the Iron & Steel industry average rating of 6.6.
- On 2023-12-01, JSWSTEEL closed at 810.80, 3.5% below its 52-week high and 24.9% above its 52-week low.
- JSWSTEEL shares are currently trading 5.8% above their 50-day moving average of 766.19, and 7.9% above their 200-day moving average of 751.26.

## 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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