

TATA CONSUMER PRODUCTS (TATACONSUM-IN)

Food & Beverages / Food & Tobacco / Food Processing

DETAILED STOCK REPORT

Report Date: 2024-Feb-25

Last Close 1,160.30 (INR)	Avg Daily Vol 1.5M	52-Week High 1,190.95	Trailing PE 89.7	Annual Div 8.45	ROE 8.2%	LTG Forecast 23.0%	1-Mo Return 1.3%
2024 February 23 NSE Exchange	Market Cap 1.1T	52-Week Low 686.60	Forward PE 65.2	Dividend Yield 0.7%	Annual Rev 149.0B	Inst Own 33.6%	3-Mo Return 24.4%

AVERAGE SCORE

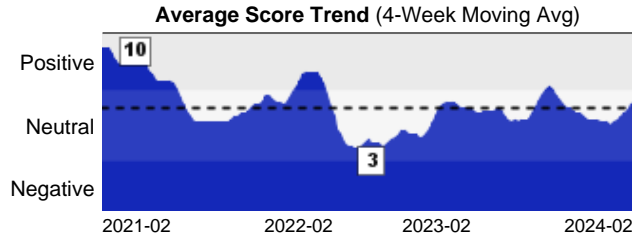
AVERAGE SCORE

7

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

Score Averages

Food & Tobacco Group:	6.0	Large Market Cap:	7.0
Food & Beverages Sector:	6.0	BSE Sensex Index:	7.9



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
JAYSREETEA	6	5	6	7	7	
TATACONSUM	7	6	6	7	7	
GOODRICKE	6	8	6	6	6	
MCLEODRUSS	4	4	5	5	6	
VINCOFE	3	4	6	6	6	

HIGHLIGHTS

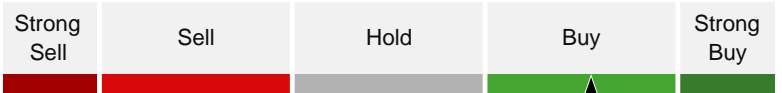
- The score for Tata Consumer Products has been on a positive trend from 5 to 7 over the past 12 weeks.
- The recent change in the Average Score was primarily due to an improvement in the Earnings component score.

I/B/E/S MEAN

Buy

25 Analysts

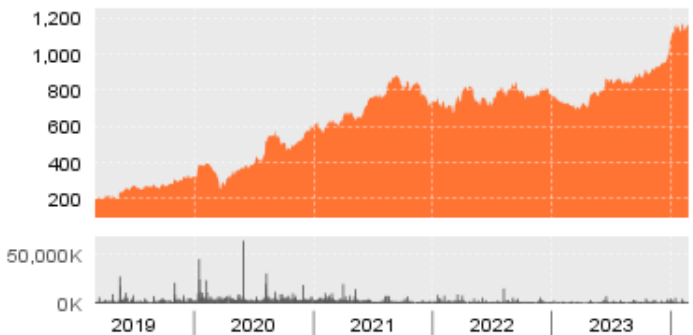
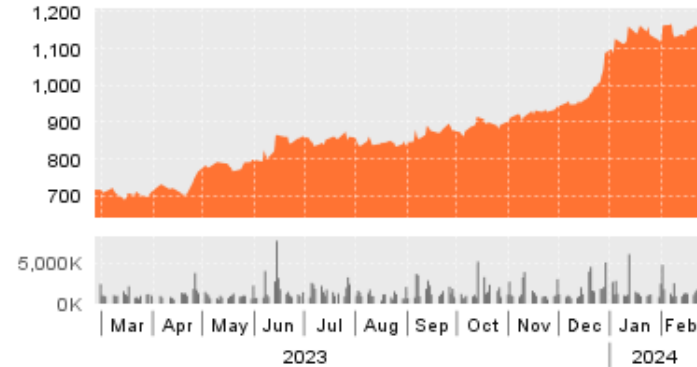
Mean recommendation from all analysts covering the company on a standardized 5-point scale.



PRICE AND VOLUME CHARTS

1-Year Return: 62.0%

5-Year Return: 513%



BUSINESS SUMMARY

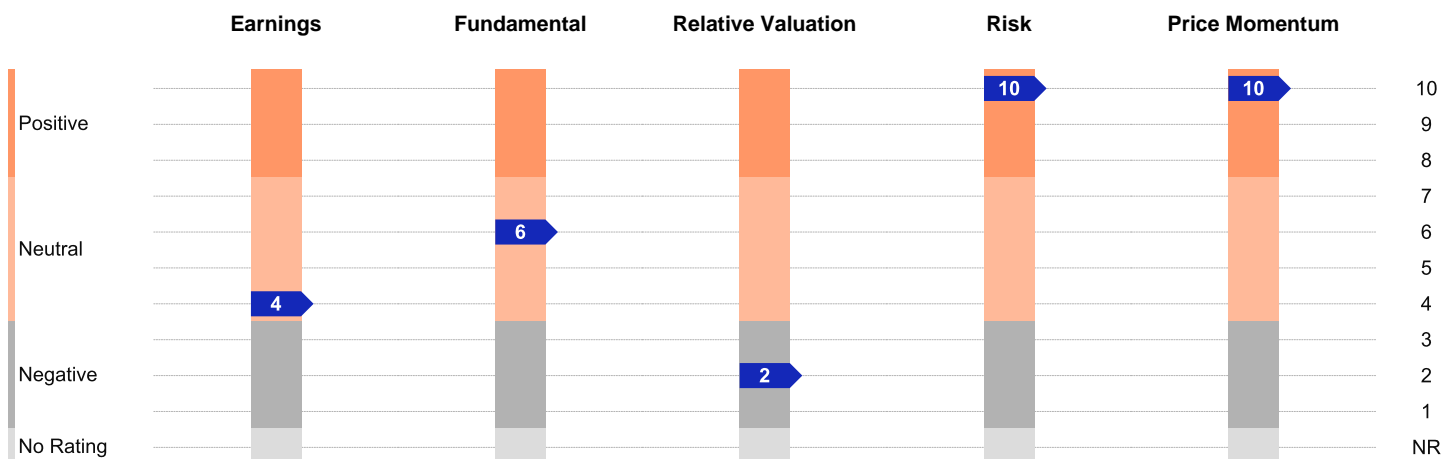
Tata Consumer Products Limited is an India-based company that is engaged in the trading, production, and distribution of consumer products. The Company operates through two segments: Branded and Non-Branded. Branded segment is sub-categorized as India Business and International Business. Its India Business is engaged in the sale of branded tea, coffee & water, and sale of food products in various value-added forms. Its International Business is engaged in the sale of branded tea, coffee & water, and the sale of food products in various value-added forms. The Company has branded beverage business in India, Europe, United States, Canada and Australia, and food business in India. Non-Branded segment is involved in plantation and extraction business for tea, coffee and other produce in India, Vietnam, and the United States. The Company's subsidiary is Tata Consumer Products UK Group Ltd.



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		# of Analysts
		Price (2024-02-23)	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	
7	TATACONSUM	1,160.30	1.3%	24.4%	62.0%	1.1T	89.7	65.2	0.73%	8.1%	23.0%	Buy	25
6	VINCOFE	51.69	0.47%	8.0%	65.4%	5.4B	57.4	--	0.08%	8.5%	--	--	--
6	GOODRICKE	188.10	-8.4%	-1.8%	-0.45%	4.1B	--	--	--	-4.9%	--	--	--
7	JAYSREETEA	130.05	18.7%	28.6%	47.4%	3.8B	26.7	--	--	2.3%	--	--	--
6	MCLEODRUSS	34.95	44.7%	53.6%	76.1%	3.7B	--	--	--	-100.4%	--	--	--
8	NEAGI	3,864.65	2.8%	11.8%	12.0%	2.4B	7.2	--	0.78%	130.9%	--	--	--
10	UNITEDTEA	376.45	16.2%	17.6%	37.4%	1.9B	11.9	--	0.72%	20.0%	--	--	--
9	BNALTD	455.30	9.1%	21.5%	68.9%	1.4B	10.8	--	0.11%	4.5%	--	--	--
5	BENGALT	125.00	15.9%	51.6%	65.6%	1.1B	506.5	--	0.80%	-5.9%	--	--	--
3	PKTEA	352.15	12.2%	24.9%	40.3%	1.1B	374.7	--	0.14%	0.7%	--	--	--
9	JAMESWARREN	234.75	-7.2%	-9.7%	-0.38%	869M	10.9	--	--	-2.5%	--	--	--
6.9	Average	633.94	9.6%	21.0%	43.1%	102.8B	121.7	65.2	0.48%	5.6%	23.0%	Buy	25

PEER COMPANIES

BENGALT	Bengal Tea & Fabrics	MCLEODRUSS	McLeod Russel India
BNALTD	B & A	NEAGI	Neelamalai Agro Industries
GOODRICKE	Goodricke Group	PKTEA	Peria Karamalai Tea
JAMESWARREN	James Warren Tea	UNITEDTEA	United Nilgiri Tea Estates Co
JAYSREETEA	Jay Shree Tea and Industries	VINCOFE	Vintage Coffee and Beverages

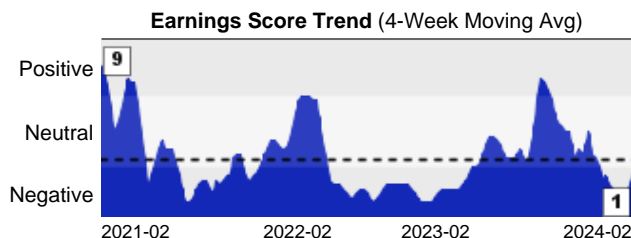
EARNINGS Currency in INR

NEUTRAL OUTLOOK: Mixed earnings expectations and performance.

EARNINGS
4

Earnings Score Averages

Food & Tobacco Group: 5.0	Large Market Cap: 6.0
Food & Beverages Sector: 5.4	BSE Sensex Index: 6.9



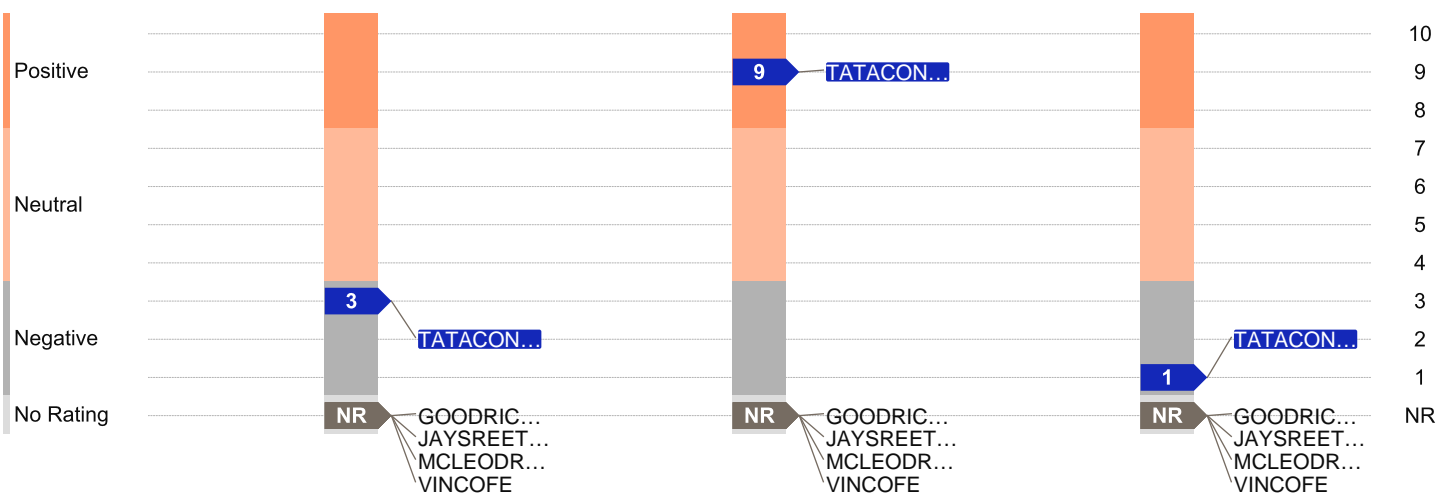
Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
TATACONSUM	7	5	1	4	4	
GOODRICKE	NR	NR	NR	NR	NR	
JAYSREETEA	NR	NR	NR	NR	NR	
MCLEODRUSS	NR	NR	NR	NR	NR	
VINCOFE	NR	NR	NR	NR	NR	

EARNINGS INDICATORS

Earnings Surprises
(33.3% weight)

Estimate Revisions
(33.3% weight)

Recommendation Changes
(33.3% weight)



Last 4 Quarters

# Positive Surprises (>2%)	0
# Negative Surprises (<-2%)	2
# In-Line Surprises (within 2%)	2
Avg Surprise	-3.5%

Last 4 Weeks

# Up Revisions	3
# Down Revisions	1
Avg Up Revisions	12.0%
Avg Down Revisions	-4.0%

Last 120 Days

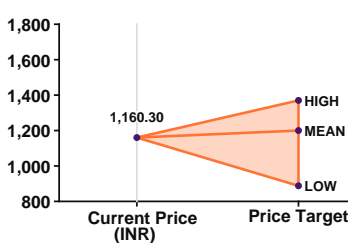
# Broker Upgrades	0
# Broker Downgrades	2

HIGHLIGHTS

- Tata Consumer Products currently has an Earnings Rating of 4, with two of three components rated as a bearish 4 or less. The average Earnings Rating for its Food Processing industry is 4.6 and the S&P BSE SENSEX index average is 6.9.
- Over the past 90 days, the consensus price target for TATACONSUM has increased notably from 987.00 to 1,200.00, a gain of 21.6%.
- On 2024-02-07, the company announced quarterly earnings of 3.98 per share, relatively in-line with the consensus 4.05. Over the past 4 quarters, the company has reported 0 positive, 2 negative, and 2 in-line surprises. The average surprise for this time period has been -3.5%.

PRICE TARGET

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



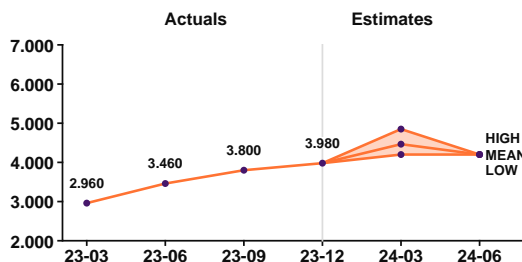
12-Month Price Target

Mean (INR)	1,200.00
High	1,370.00
Low	888.00
Target vs. Current	3.4%
# of Analysts	26

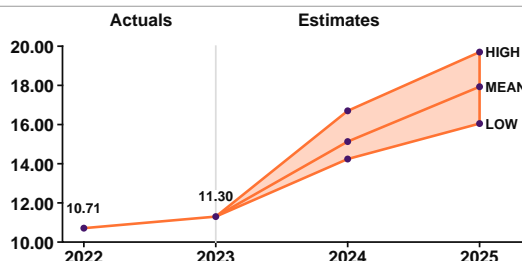
EARNINGS PER SHARE

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	24-03	24-06
Mean	4.465	4.200
High	4.850	4.200
Low	4.200	4.200
# of Analysts	4	1



Annual	2024	2025
Mean	15.130	17.930
High	16.700	19.700
Low	14.240	16.050
# of Analysts	25	25

MEAN ESTIMATE TREND

	Q 24-03	Q 24-06	Y 2024	Y 2025	Price Target
Current	4.465	4.200	15.130	17.930	1,200.00
30 Days Ago	3.895	4.200	15.250	18.120	1,120.00
90 Days Ago	4.080	4.200	15.330	18.190	987.00
% Change (90 Days)	9.4%	0.00%	-1.3%	-1.4%	21.6%

Current Fiscal Year End: 24-03

Next Expected Report Date: 2024-04-23

ANALYST RECOMMENDATIONS

I/B/E/S Mean: Buy (25 Analysts)

Strong Buy	8
Buy	11
Hold	5
Sell	1
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)

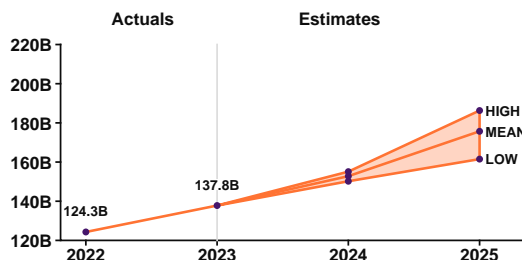
Surprise Type	Amount	Percent
Positive Quarters (> 2%)	1	8.3%
Negative Quarters (< -2%)	9	75.0%
In-Line Quarters (within 2%)	2	16.7%

Surprise Detail (Last 6 Periods)

Surprise Type	Announce Date	Period End Date	Actual EPS	Mean EPS	Surprise (%)
In-Line	2024-02-07	2023-12-31	3.980	4.053	-1.8%
In-Line	2023-10-31	2023-09-30	3.800	3.835	-0.90%
Negative	2023-07-26	2023-06-30	3.460	3.532	-2.0%
Negative	2023-04-25	2023-03-31	2.960	3.266	-9.4%
Negative	2023-02-02	2022-12-31	2.940	3.637	-19.2%
Negative	2022-10-20	2022-09-30	2.350	3.533	-33.5%

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	152.8B	175.7B
High	155.1B	186.3B
Low	150.2B	161.5B
Forecasted Growth	10.9%	27.5%
# of Analysts	24	24

FUNDAMENTAL

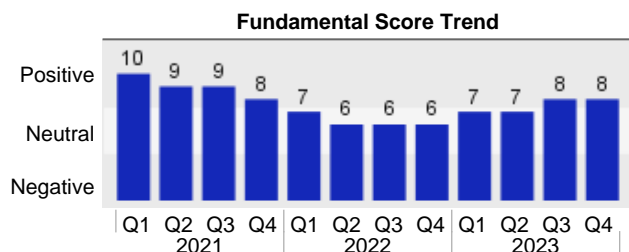
FUND-AMENTAL

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

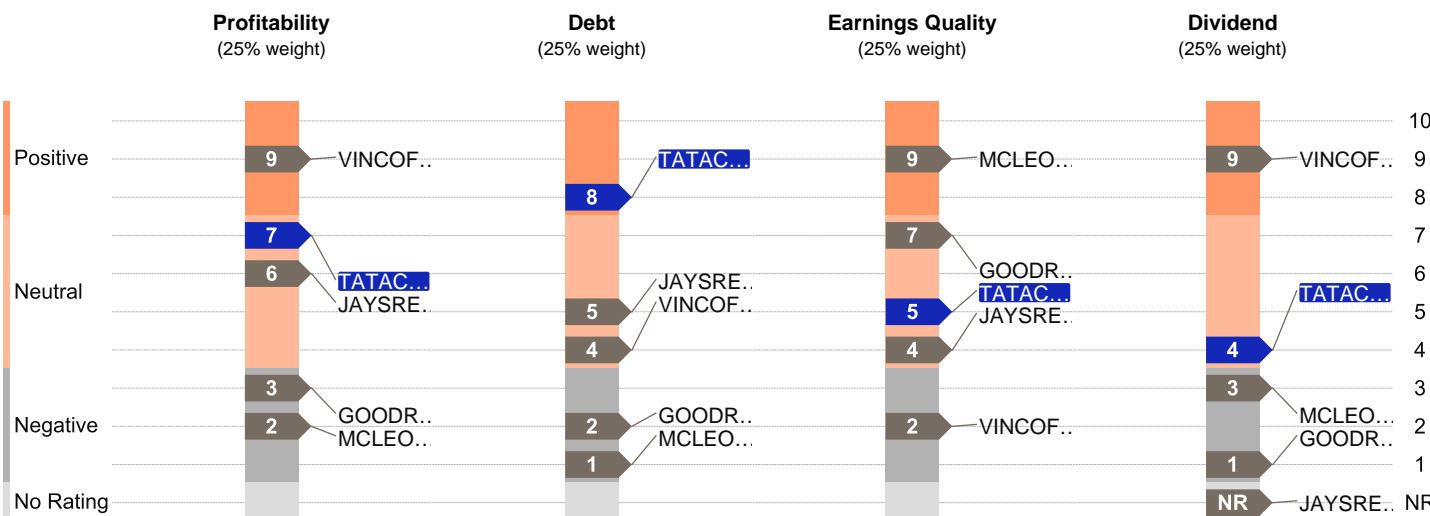
Fundamental Score Averages

Food & Tobacco Group:	5.3	Large Market Cap:	6.4
Food & Beverages Sector:	5.3	BSE Sensex Index:	6.9



Peers	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Current	3Y Trend
TATACONSUM	7	7	8	8	6	[Bar chart showing trend]
VINCOFE	3	2	2	2	6	[Bar chart showing trend]
JAYSRETEA	3	7	2	2	4	[Bar chart showing trend]
MCLEODRUSS	3	7	3	3	2	[Bar chart showing trend]
GOODRICKE	5	8	4	3	1	[Bar chart showing trend]

FUNDAMENTAL INDICATORS



Revenue Growth	11.7%	Current Ratio	2.3	Oper. Cash Yield	25.1%	Dividend Growth	39.7%
For year over year ending 2023-12		For interim period ending 2023-09		For latest 12 months ending --		For year over year ending 2023-12	
Gross Margin	21.7%	Debt-to-Capital	3.2%	Accruals	4.6%	Dividend Payout	65.3%
For latest 12 months ending 2023-12		For annual period ending 2023-03		For latest 12 months ending 2023-03		For latest 12 months ending 2023-12	
Return On Equity	8.2%	Interest Funding	5.4%	Days Sales In Inv.	107.4	Dividend Coverage	2.7
For interim period ending 2023-09		For interim period ending 2023-03		For annual period ending 2023-03		For annual period ending 2023-03	
Net Margin	8.1%	Interest Coverage	13.7	Days Sales In Rec.	50.2	Current Div. Yield	0.7%
For latest 12 months ending 2023-12		For interim period ending 2023-12		For annual period ending 2023-03		For latest 12 months ending 2024-02	

HIGHLIGHTS

- The Fundamental Rating for Tata Consumer Products declined significantly over the last quarter from a bullish 8 to a relatively neutral 6. The average Fundamental Rating for its Food & Tobacco industry group is 5.3 and the S&P BSE SENSEX index average is 6.9.
- The company's gross margin has been higher than its industry group average for each of the past five years.
- The company's current ratio has been higher than its industry group average for each of the past five years.
- The company's accruals ratio has been lower than its industry group average for each of the past five years.
- Of the 274 firms within the Food & Tobacco industry group, Tata Consumer Products is among 82 companies that pay a dividend. The stock's dividend yield is currently 0.73%.

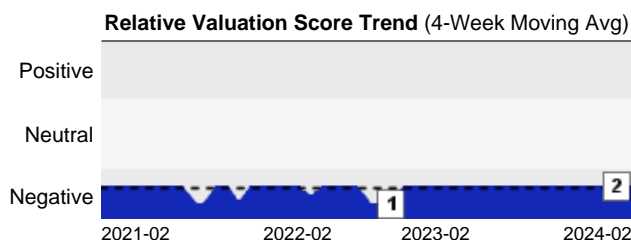
RELATIVE VALUATION

NEGATIVE OUTLOOK: Multiples significantly above the market or the stock's historic norms.

RELATIVE VALUATION
2

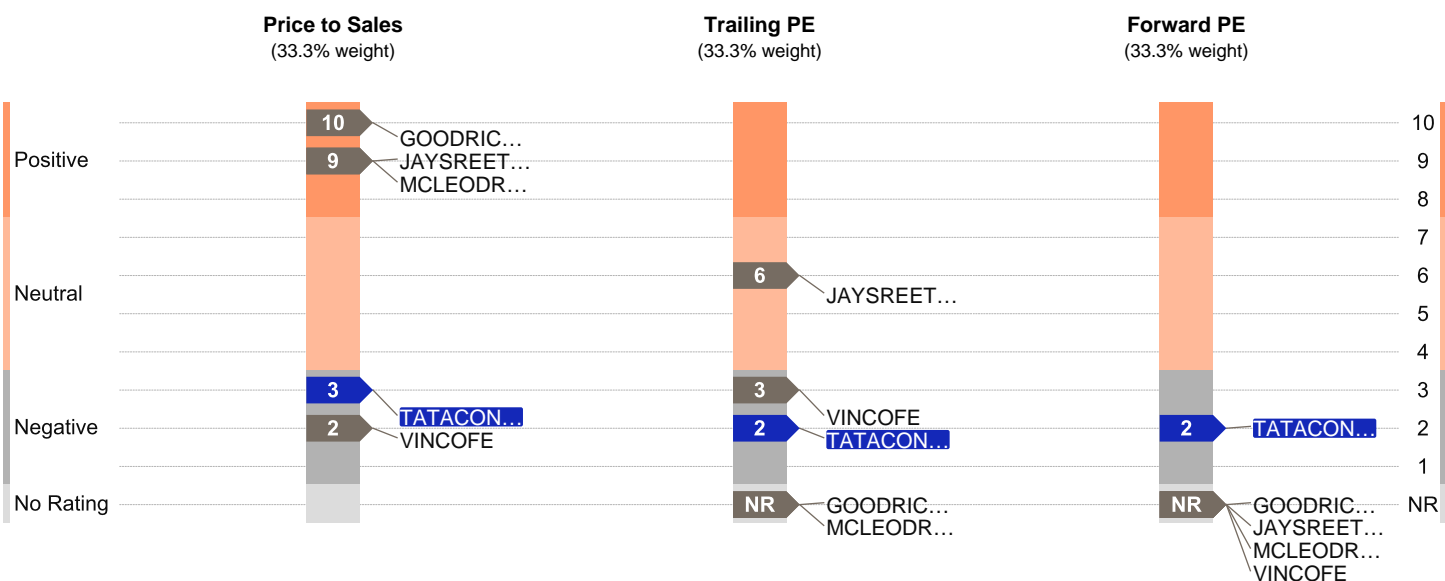
Relative Valuation Score Averages

Food & Tobacco Group:	6.4	Large Market Cap:	4.6
Food & Beverages Sector:	6.3	BSE SENSEX Index:	5.8



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
GOODRICKE	9	10	10	10	10	
MCLEODRUSS	10	10	10	10	10	
JAYSREETA	10	7	7	7	8	
TATACONSUM	2	2	2	2	2	
VINCOFE	3	2	2	2	2	

RELATIVE VALUATION INDICATORS



Indicator	TATACONSUM	Peer Average	Rel. to Peer Avg.
Price to Sales	7.4	7.4	
5-Yr Average	4.9	4.9	
Rel. to 5-Yr Avg.			52% Premium
BSE SENSEX Index	3.6	3.6	
Rel. to BSE SENSEX			>100% Premium
Trailing PE	89.7	89.7	
5-Yr Average	68.5	68.5	
Rel. to 5-Yr Avg.			31% Premium
BSE SENSEX Index	25.3	25.3	
Rel. to BSE SENSEX			>100% Premium
Forward PE	65.2	65.2	
5-Yr Average	49.3	49.3	
Rel. to 5-Yr Avg.			32% Premium
BSE SENSEX Index	23.8	23.8	
Rel. to BSE SENSEX			>100% Premium

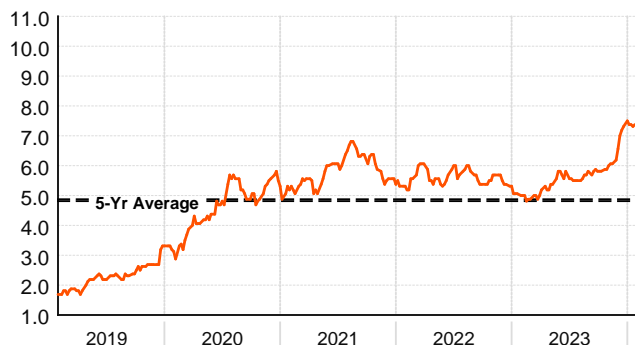
HIGHLIGHTS

- Tata Consumer Products currently has a Relative Valuation Rating of 2 which is significantly below the S&P BSE SENSEX index average rating of 5.8.
- TATACONSUM's Price to Sales, Trailing P/E, and Forward P/E multiples are all significantly above (more expensive than) their 5-year averages.
- TATACONSUM's 7.4 Price to Sales multiple is currently at the high end of its 5-year range (lowest 1.7 to highest 7.5).
- TATACONSUM's current Trailing P/E of 89.7 represents a >100% Premium to its Food & Tobacco industry group average.
- Based on Forward P/E, TATACONSUM currently trades at a 61% Premium to its Food & Tobacco industry group peers. On average, the company has traded at a 60% Premium over the past five years.

PRICE TO SALES

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

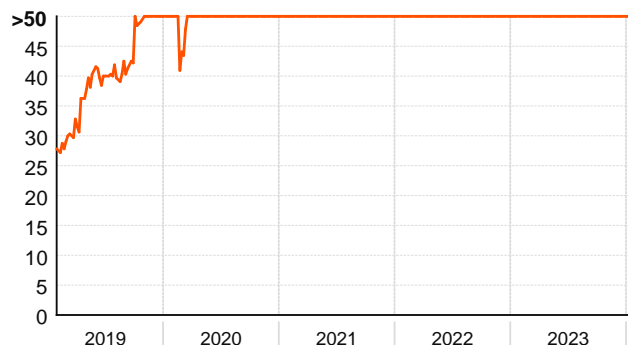
Price to Sales: 7.4
 5-Year Average: 4.9
 BSE Sensex Index Average: 3.6
 Food & Tobacco Group Average: 3.4



TRAILING PE

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

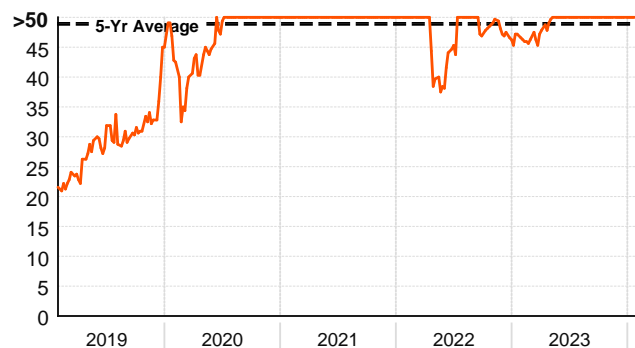
Trailing PE: 89.7
 5-Year Average: 68.5
 BSE Sensex Index Average: 25.3
 Food & Tobacco Group Average: 37.0



FORWARD PE

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

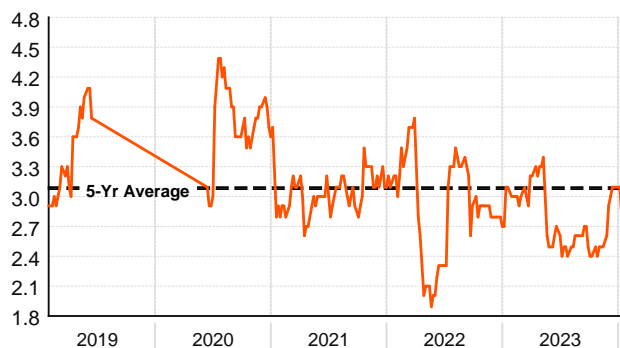
Forward PE: 65.2
 5-Year Average: 49.3
 BSE Sensex Index Average: 23.8
 Food & Tobacco Group Average: 40.6



FORWARD PEG

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

Forward PEG: 2.8
 5-Year Average: 3.1
 BSE Sensex Index Average: 1.6
 Food & Tobacco Group Average: 2.4



RISK

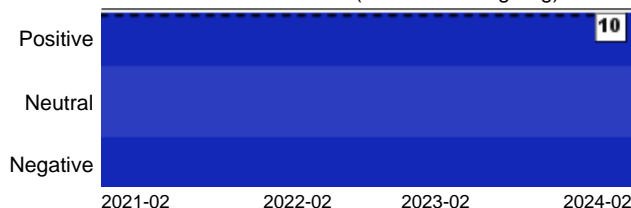
POSITIVE OUTLOOK: Consistent return patterns (low volatility).

RISK
10

Risk Score Averages

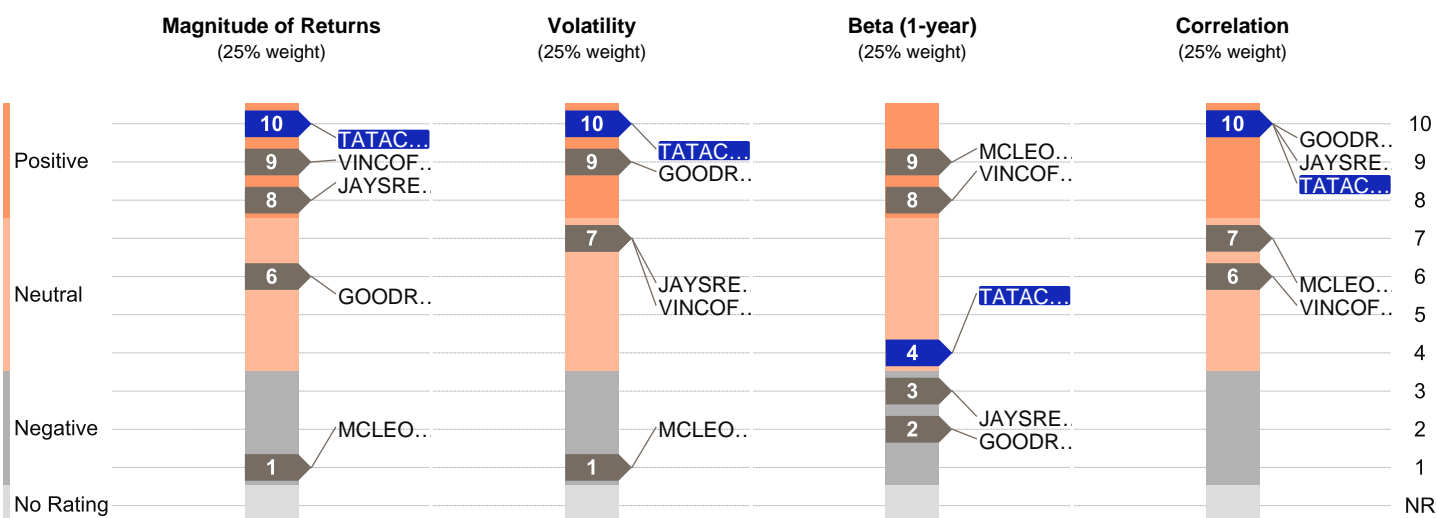
Food & Tobacco Group:	5.5	Large Market Cap:	8.5
Food & Beverages Sector:	5.7	BSE Sensex Index:	9.6

Risk Score Trend (4-Week Moving Avg)



Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
TATACONSUM	10	10	10	10	10	
VINCOFE	7	6	8	8	9	
GOODRICKE	9	10	9	8	8	
JAYSREETEA	10	8	9	8	8	
MCLEODRUSS	4	5	5	4	4	

RISK INDICATORS



Daily Returns (Last 90 Days)		Standard Deviation		Beta vs. BSE Sensex		Correlation vs. BSE Sensex	
Best	4.4%	Last 90 Days	1.28	Positive Days Only	0.30	Last 90 Days	33%
Worst	-2.4%	Last 60 Months	8.44	Negative Days Only	1.00	Last 60 Months	56%
Monthly Returns (Last 60 Months)		Intra-Day Swing (Last 90 Days)		Beta vs. Group		Correlation vs. Group	
Best	24.4%	Average	2.1%	Positive Days Only	0.68	Last 90 Days	27%
Worst	-14.8%	Largest	5.3%	Negative Days Only	0.13	Last 60 Months	35%

HIGHLIGHTS

- Tata Consumer Products currently has a Risk Rating of 10 while the S&P BSE SENSEX index has an average rating of 9.6.
- On days when the market is up, TATACONSUM tends to lag the S&P BSE SENSEX index. On days when the market is down, the stock generally performs in-line with the index.
- In the short term, TATACONSUM has shown average correlation (≥ 0.2 and < 0.4) with the S&P BSE SENSEX index. The stock has, however, shown high correlation (≥ 0.4) with the market in the long term.
- Over the last 90 days, TATACONSUM shares have been less volatile than the overall market, as the stock's daily price has fluctuated less than 98% 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
TATACONSUM	4.4%	-2.4%	39	24	5.3%	24.4%	-14.8%
GOODRICKE	7.9%	-10.0%	32	31	8.7%	37.4%	-37.0%
JAYSREETEA	9.9%	-5.8%	31	31	12.6%	25.1%	-27.3%
MCLEODRUSS	10.0%	-9.5%	28	33	12.8%	112.5%	-49.6%
VINCOFE	5.0%	-5.0%	30	31	9.5%	60.4%	-32.0%
BSE Sensex	2.1%	-2.2%	41	20	2.6%	14.4%	-23.1%

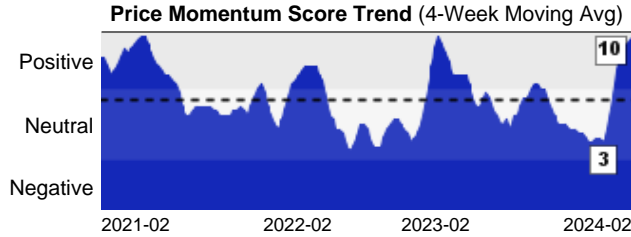
PRICE MOMENTUM Currency in INR

POSITIVE OUTLOOK: Strong recent price performance or entering historically favorable seasonal period.



Price Momentum Score Averages

Food & Tobacco Group:	5.9	Large Market Cap:	6.6
Food & Beverages Sector:	5.8	BSE Sensex Index:	5.4

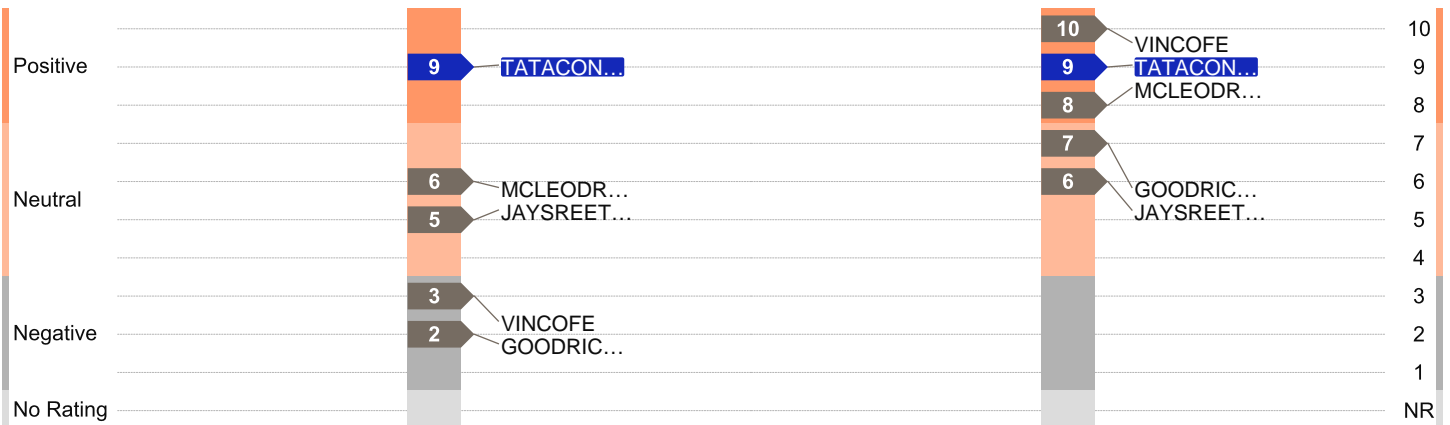


Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
TATACONSUM	7	4	9	10	10	
MCLEODRUSS	1	1	2	6	7	
VINCOFE	2	6	9	8	7	
JAYSREETEA	2	2	2	5	5	
GOODRICKE	2	3	1	4	3	

PRICE MOMENTUM INDICATORS

Relative Strength
(50% weight)

Seasonality
(50% weight)



Relative Strength Indicator (Scale from 1 to 100)

	TATACONSUM	Industry Avg
Last 10 Days	61	51
Last 50 Days	63	54
Last 200 Days	59	53

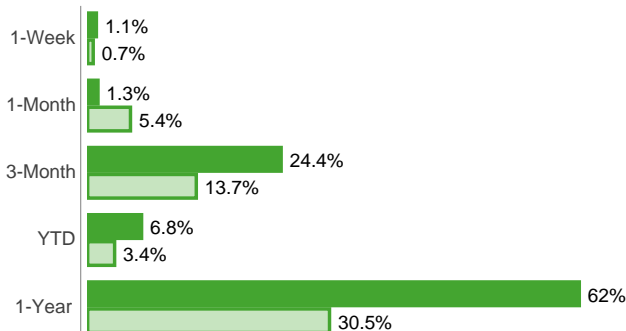
Average Monthly Return (Last 10 Years)

	Feb	Mar	Apr
Company Avg	-3.0%	2.5%	6.0%
Industry Avg	-2.6%	-0.71%	9.9%
Industry Rank	41 of 98	23 of 100	18 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.

■ TATACONSUM
■ BSE 100



	TATACONSUM	BSE 100
Close Price (2024-02-23)	1,160.30	23,140
52-Week High	1,190.95	23,142
52-Week Low	686.60	17,180

- The Price Momentum Rating for Tata Consumer Products is at its 3-year high of 10.
- On 2024-02-23, TATACONSUM closed at 1,160.30, 2.6% below its 52-week high and 69.0% above its 52-week low.
- TATACONSUM shares are currently trading 4.5% above their 50-day moving average of 1,109.92, and 24.7% above their 200-day moving average of 930.21.

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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