ULTRATECH CEMENT (ULTRACEMCO-IN)

Mineral Resources / Construction Materials / Construction Materials

Last Close	Avg Daily Vol	52-Week High	Trailing PE	Annual Div	ROE	LTG Forecast	1-Mo Return
9,673.15 (INR)	**316,195**	**10,526.00**	**43.5**	**38.00**	**10.6%**	**--**	**-5.4%**
2024 March 07 NSE Exchange	Market Cap	52-Week Low	Forward PE	Dividend Yield	Annual Rev	Inst Own	3-Mo Return
	2.8T	**6,991.00**	**35.3**	**0.4%**	**691.5B**	**19.8%**	**3.4%**

AVERAGE SCORE

AVERAGE SCORE 9

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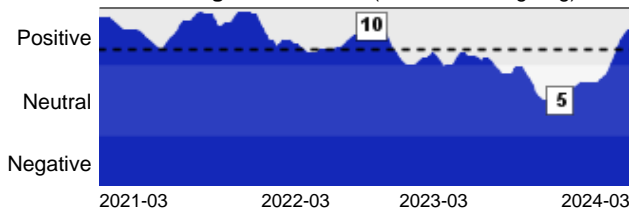
Score Averages

Construction Materials Group: **6.8** Large Market Cap: **6.8**
Mineral Resources Sector: **6.4** BSE Sensex Index: **7.9**

Average Score Trend (4-Week Moving Avg)

Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
AMBUJACEM	6	8	10	9	9	
RAMCOIND	7	6	8	9	9	
ULTRACEMCO	**5**	**6**	**9**	**9**	**9**	
GRASIM	5	6	7	8	7	
RHIM	5	5	6	4	4	

HIGHLIGHTS

- The score for UltraTech Cement has been on a positive trend from 5 to 9 over the past 31 weeks.

- In the past 3 years, the best score was 10 on 2022-09-25, and the worst score was 5 on 2023-10-15.
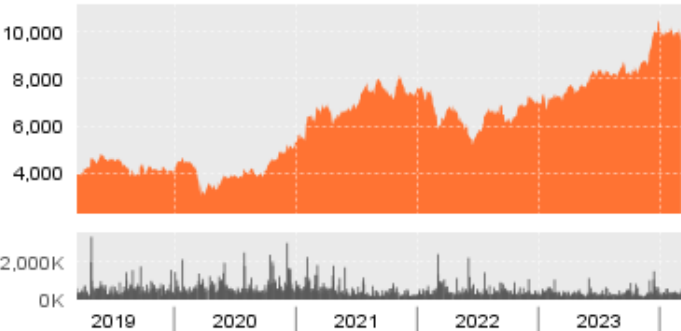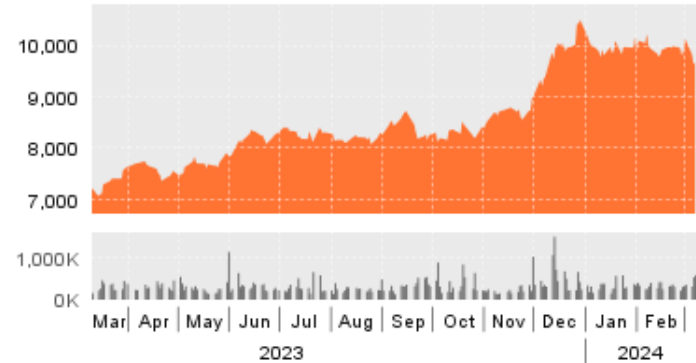
I/B/E/S MEAN

Buy
34 Analysts

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

Strong Sell	Sell	Hold	Buy	Strong Buy

PRICE AND VOLUME CHARTS

1-Year Return: 34.3%


5-Year Return: 147.2%

BUSINESS SUMMARY

UltraTech Cement Limited is an India-based company engaged in the business of manufacturing and sale of cement and cement related products. It offers Ordinary Portland Cement (OPC), Portland Pozzolana Cement (PPC), Portland Slag Cement (PSC), Composite Cement (CC), and Ready-Mix Concrete (RMC). The Company's products include UltraTech Cement, UltraTech Concrete, UltraTech Building Products, Birla White Cement and White Topping Concrete. Its UltraTech Building products range includes tiles adhesives, repair products (MICROKRETE and BASEKRETE), waterproofing products, industrial and precision grout, plasters (READIPLAST, SUPER STUCCO), masonry products (FIXOBLOCK), light weight autoclaved aerated concrete block. The Company provides Tile Adhesive polymer under TILEFIXO; water proofing products for kitchen balconies, slope roofs, bathrooms, canal linings, swimming pools, and water tanks; industrial grout for machine foundation, joining of precast elements, high performance safety vaults.

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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 by used to evaluate a stock.

Earnings: 10, Fundamental: 6, Relative Valuation: 4, Risk: 10, Price Momentum: 10
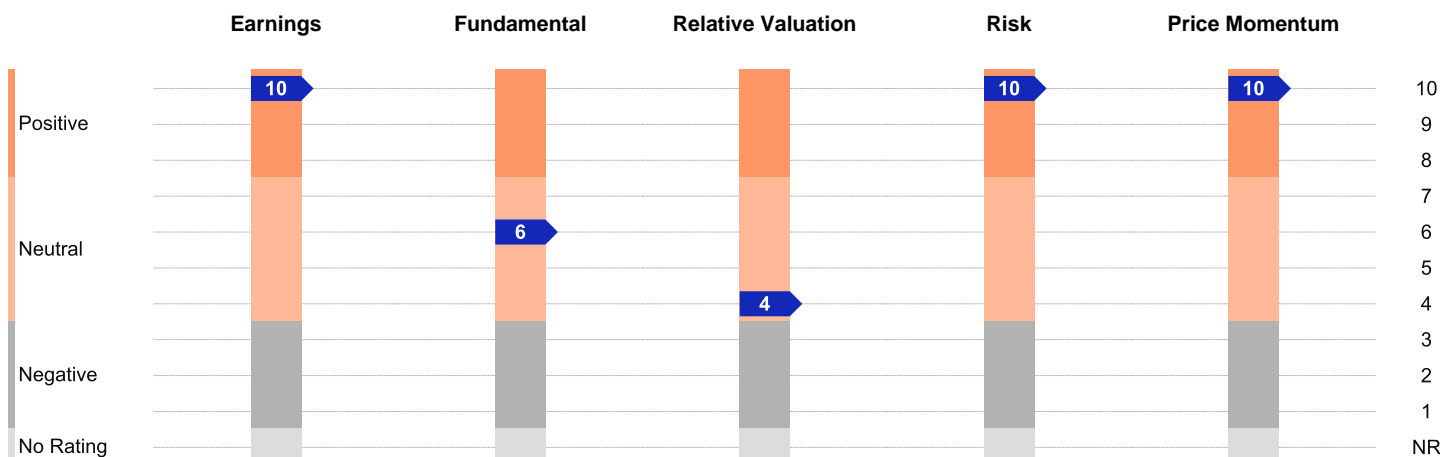
PEER ANALYSIS

Currency in INR

Average Score	Ticker	Price (2024-03-07)	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
			PRICE MOMENTUM				**VALUATION**		**FUNDAMENTAL**		**ANALYSTS**		
9	ULTRACEMCO	9,673.15	-5.4%	3.4%	34.3%	2.8T	43.5	35.3	0.39%	9.3%	--	Buy	34
7	GRASIM	2,228.10	5.5%	7.5%	39.9%	1.5T	26.1	18.9	0.45%	4.4%	--	Buy	8
9	AMBUJACEM	603.15	6.2%	19.4%	56.5%	1.2T	40.2	26.4	0.41%	6.5%	--	Buy	32
4	RHIM	557.30	-21.4%	-26.5%	-15.7%	115.1B	--	48.6	0.45%	-14.0%	--	Buy	3
9	RAMCOIND	217.70	-13.3%	1.3%	58.4%	18.9B	15.2	--	0.46%	8.1%	--	--	--
6	BIGBLOC	214.20	7.6%	35.2%	49.1%	15.2B	54.3	--	0.23%	12.6%	--	--	--
10	POKARNA	466.25	-8.7%	-10.8%	50.6%	14.5B	17.5	--	0.13%	12.0%	--	--	--
4	VISAKAIND	120.75	-23.0%	30.0%	56.1%	10.4B	256.0	--	6.3%	0.3%	--	--	--
9	DECCANCE	602.45	-6.0%	10.9%	33.3%	8.4B	19.1	--	0.62%	5.7%	--	Sell	1
10	MORGANITE	1,431.55	-14.1%	-10.8%	60.1%	8.0B	32.4	--	2.7%	15.3%	--	--	--
8	ORIENTCER	55.90	-11.1%	2.1%	121.8%	6.7B	32.6	--	0.45%	6.5%	--	--	--
7.7	Average	1,470.05	-7.6%	5.6%	49.5%	517.6B	53.7	32.3	1.1%	6.0%	--	Buy	15.6

PEER COMPANIES

AMBUJACEM	Ambuja Cements	ORIENTCER	Orient Ceratech
BIGBLOC	Bigbloc Construction	POKARNA	Pokarna
DECCANCE	Deccan Cements	RAMCOIND	Ramco Industries
GRASIM	Grasim Industries	RHIM	RHI Magnesita India
MORGANITE	Morganite Crucible (India)	VISAKAIND	Visaka Industries

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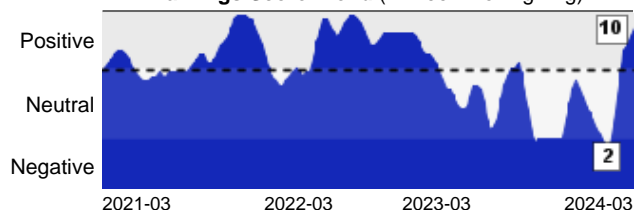
EARNINGS

EARNINGS 10

Currency in INR

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

Earnings Score Averages

Construction Materials Group:	6.0	Large Market Cap:	6.0
Mineral Resources Sector:	6.0	BSE Sensex Index:	6.8

Earnings Score Trend (4-Week Moving Avg)

Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
ULTRACEMCO	3	4	8	10	**10**	
AMBUJACEM	4	9	9	8	**7**	
GRASIM	2	5	2	5	**2**	
RHIM	8	8	7	2	**2**	
RAMCOIND	NR	NR	NR	NR	**NR**	

EARNINGS INDICATORS

Earnings Surprises
(33.3% weight)

Estimate Revisions
(33.3% weight)

Recommendation Changes
(33.3% weight)
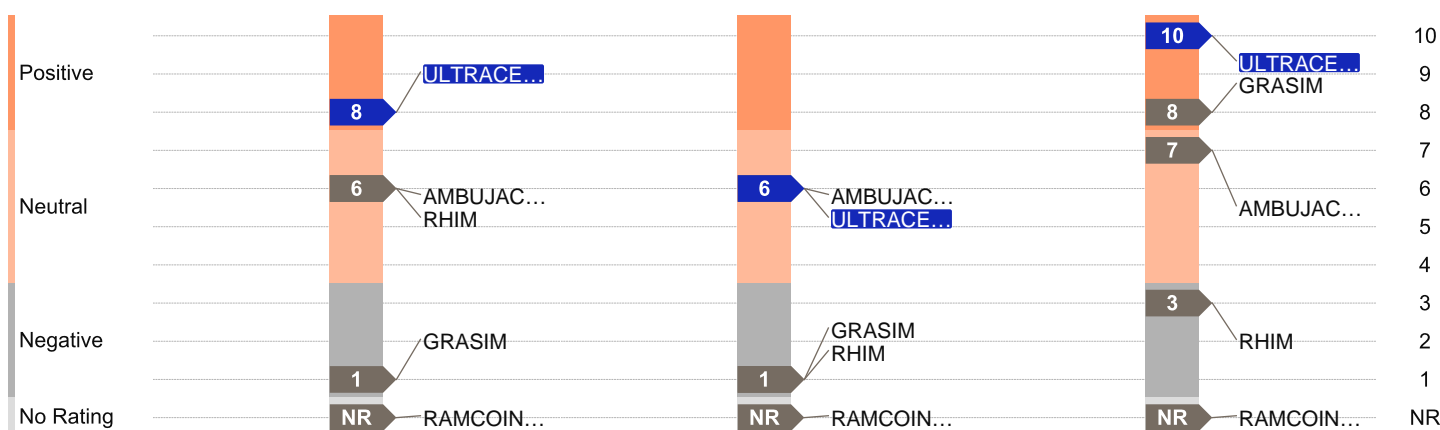
Last 4 Quarters	
# Positive Surprises (>2%)	1
# Negative Surprises (<-2%)	2
# In-Line Surprises (within 2%)	1
Avg Surprise	2.0%

| Last 4 Weeks	
# Up Revisions	0
# Down Revisions	0
Avg Up Revisions	0.00%
Avg Down Revisions	0.00%

Last 120 Days	
# Broker Upgrades	5
# Broker Downgrades	2

HIGHLIGHTS

- UltraTech Cement currently has an Earnings Rating of 10, which is significantly more bullish than the Construction Materials industry average of 6.0. ULTRACEMCO scores a bullish 7 or greater for two of three component ratings.

- Over the past 90 days, the consensus price target for ULTRACEMCO has increased notably from 9,300.00 to 10,600.00, a gain of 14.0%.

- Over the past 4 quarters, the company has reported 1 positive, 2 negative, and 1 in-line surprises. The average surprise for this time period has been 2.0%. Most recently on 2024-01-19, the company reported quarterly earnings of 61.68 per share, a positive surprise of 12.7% above the consensus of 54.75.

PRICE TARGET

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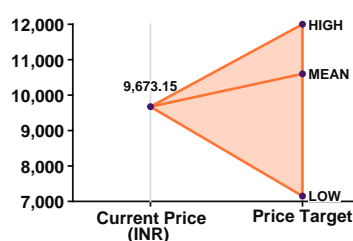

12-Month Price Target	
Mean (INR)	10,600.00
High	12,000.00
Low	7,150.00
Target vs. Current	9.6%
# of Analysts	37

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Mineral Resources / Construction Materials / Construction Materials

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.
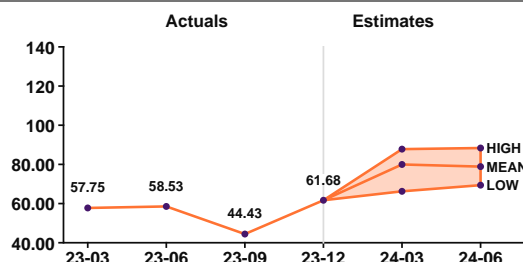
Quarterly	24-03	24-06
Mean	79.960	78.870
High	87.790	88.350
Low	66.250	69.390
# of Analysts	4	2
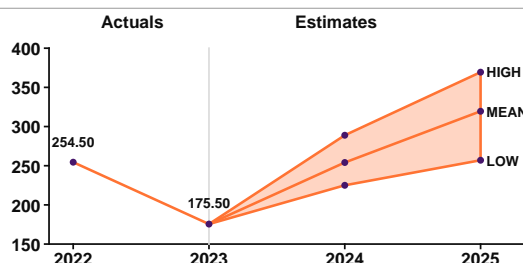
Annual	2024	2025
Mean	254.1	319.5
High	288.9	369.4
Low	225.0	257.0
# of Analysts	30	32

MEAN ESTIMATE TREND

	Q 24-03	Q 24-06	Y 2024	Y 2025	Price Target
Current	79.960	78.870	254.1	319.5	10,600.00
30 Days Ago	79.960	78.870	254.2	319.3	10,500.00
90 Days Ago	94.570	85.360	268.1	327.4	9,300.00
% Change (90 Days)	-15.4%	-7.6%	-5.2%	-2.4%	14.0%

Current Fiscal Year End: 24-03
Next Expected Report Date: 2024-04-26

ANALYST RECOMMENDATIONS

I/B/E/S Mean: **Buy** (34 Analysts)

Strong Buy	16
Buy	12
Hold	4
Sell	1
Strong Sell	1

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%)	6	50.0%
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	2024-01-19	2023-12-31	61.680	54.750	12.7%
Negative	2023-10-19	2023-09-30	44.430	45.380	-2.1%
Negative	2023-07-21	2023-06-30	58.530	61.260	-4.5%
In-Line	2023-04-28	2023-03-31	57.750	56.780	1.7%
Negative	2023-01-21	2022-12-31	36.680	37.560	-2.3%
Negative	2022-10-19	2022-09-30	26.200	33.840	-22.6%

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.
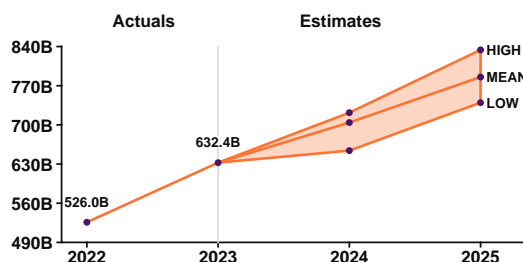
	2024	2025
Mean	704.2B	785.5B
High	721.8B	834.0B
Low	654.0B	739.7B
Forecasted Growth	11.4%	24.2%
# of Analysts	33	33

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FUNDAMENTAL

FUND-AMENTAL
6

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

Fundamental Score Averages

Construction Materials Group:	4.8	Large Market Cap:	6.4
Mineral Resources Sector:	5.6	BSE Sensex Index:	6.9

Fundamental Score Trend
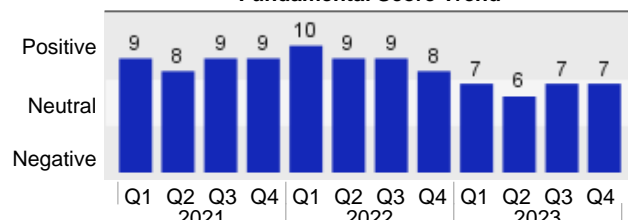
Peers	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Current	3Y Trend
AMBUJACEM	1	NR	NR	8	8	
RAMCOIND	9	7	6	8	6	
ULTRACEMCO	**7**	**6**	**7**	**7**	**6**	
GRASIM	7	7	8	8	4	
RHIM	6	5	5	1	3	

FUNDAMENTAL INDICATORS

Profitability (25% weight)	Debt (25% weight)	Earnings Quality (25% weight)	Dividend (25% weight)
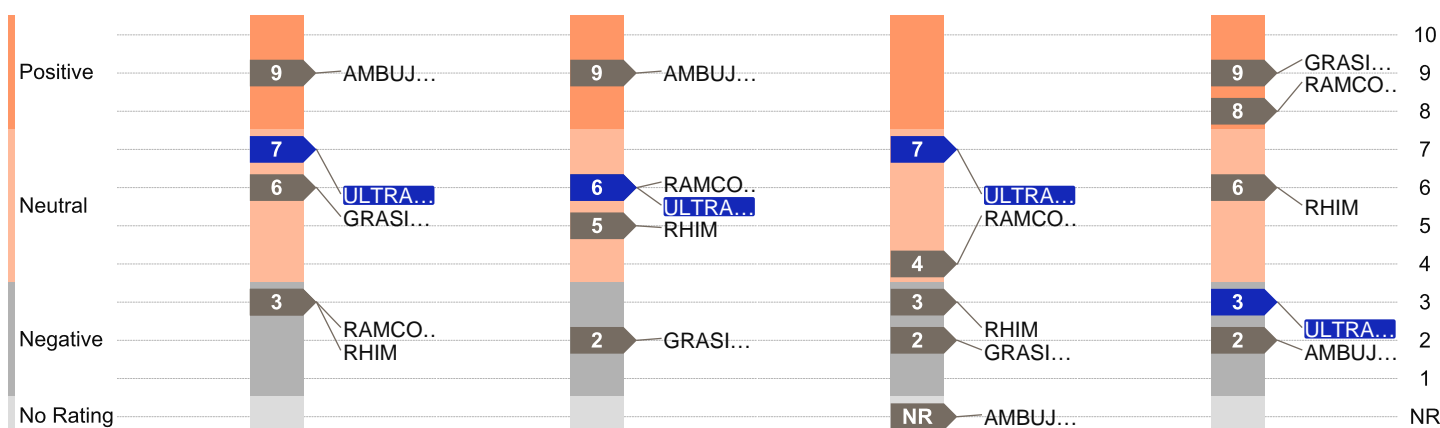
Revenue Growth	14.6%	**Current Ratio**	0.8	**Oper. Cash Yield**	33.9%	**Dividend Growth**	--
For year over year ending 2023-12		For interim period ending 2023-09		For latest 12 months ending --		For year over year ending --	
Gross Margin	39.8%	**Debt-to-Capital**	10.5%	**Accruals**	7.4%	**Dividend Payout**	17.1%
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	10.6%	**Interest Funding**	8.7%	**Days Sales In Inv.**	80.7	**Dividend Coverage**	8.2
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	9.3%	**Interest Coverage**	10.0	**Days Sales In Rec.**	32.2	**Current Div. Yield**	0.4%
For latest 12 months ending 2023-12		For interim period ending 2023-12		For annual period ending 2023-03		For latest 12 months ending 2024-03	

HIGHLIGHTS

- UltraTech Cement currently has a relatively neutral Fundamental Rating of 6. The average Fundamental Rating for its Construction Materials industry group is 4.8 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 interest coverage has been higher than its industry group average for each of the past five years.

- The company's days sales in inventory has been lower than its industry group average for each of the past five years.

- Of the 69 firms within the Construction Materials industry group, UltraTech Cement is among 33 companies that pay a dividend. The stock's dividend yield is currently 0.39%.
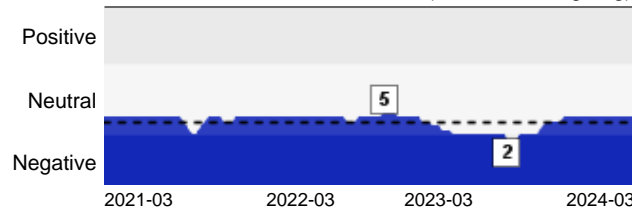
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RELATIVE VALUATION

RELATIVE VALUATION

4

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

Relative Valuation Score Averages

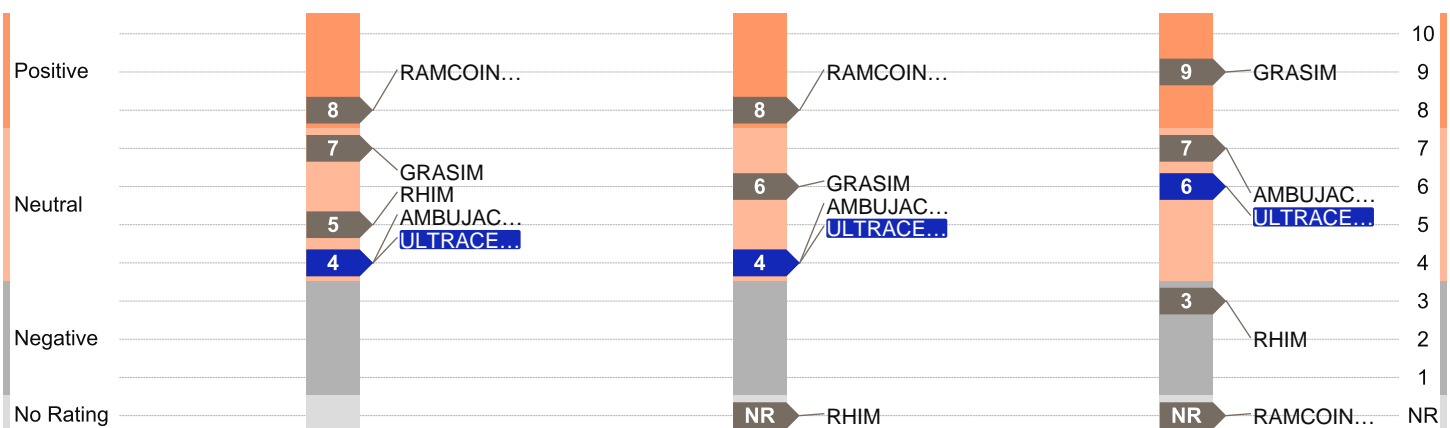|			
Construction Materials Group:	**6.0**	Large Market Cap:	**4.5**
Mineral Resources Sector:	**6.2**	BSE Sensex Index:	**5.7**

Relative Valuation Score Trend (4-Week Moving Avg)

Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
GRASIM	9	8	8	8	**8**	
RAMCOIND	8	7	8	8	**8**	
AMBUJACEM	5	5	5	5	**5**	
RHIM	2	3	4	4	**4**	
ULTRACEMCO	**4**	**4**	**4**	**4**	**4**	

RELATIVE VALUATION INDICATORS

Price to Sales (33.3% weight)

Trailing PE (33.3% weight)

Forward PE (33.3% weight)

Price to Sales		4.1
5-Yr Average		3.6
Rel. to 5-Yr Avg.	15% Premium	
BSE Sensex Index		3.6
Rel. to BSE Sensex	13% Premium	

Trailing PE		43.5
5-Yr Average		34.6
Rel. to 5-Yr Avg.	26% Premium	
BSE Sensex Index		25.5
Rel. to BSE Sensex	71% Premium	

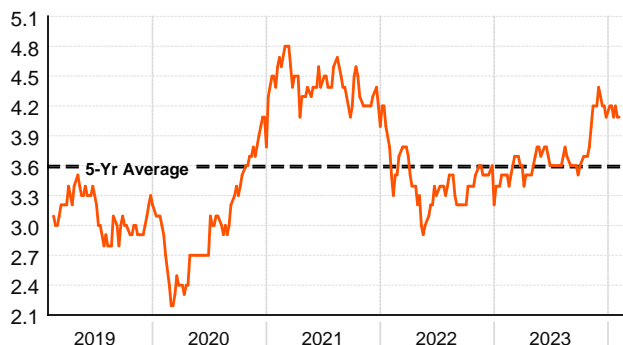| Forward PE		35.3
5-Yr Average		31.5
Rel. to 5-Yr Avg.	12% Premium	
BSE Sensex Index		24.0
Rel. to BSE Sensex	47% Premium	

HIGHLIGHTS

- UltraTech Cement currently has a Relative Valuation Rating of 4 which is significantly below the S&P BSE SENSEX index average rating of 5.7.

- Compared to the Construction Materials industry group, ULTRACEMCO is currently trading at a significant premium based on both Price to Sales ratio and Trailing P/E.

- ULTRACEMCO's Price to Sales ratio of 4.1 represents a 15% Premium to its 5-year average of 3.6.

- ULTRACEMCO's Trailing P/E of 43.5 represents a 26% Premium to its 5-year average of 34.6. If the Trailing P/E returned to historical form, the stock would trade at 7,695.31.

- ULTRACEMCO's Forward P/E of 35.3 represents a 12% Premium to its 5-year average of 31.5.

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PRICE TO SALES

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

Price to Sales: 4.1
5-Year Average: 3.6
BSE Sensex Index Average: 3.6
Construction Materials Group Average: 2.4


TRAILING PE

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

Trailing PE: 43.5
5-Year Average: 34.6
BSE Sensex Index Average: 25.5
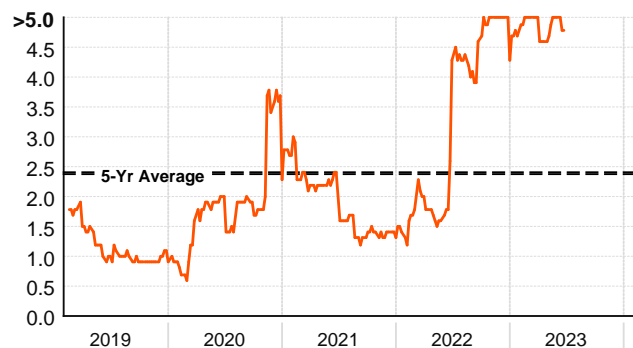Construction Materials Group Average: 19.5
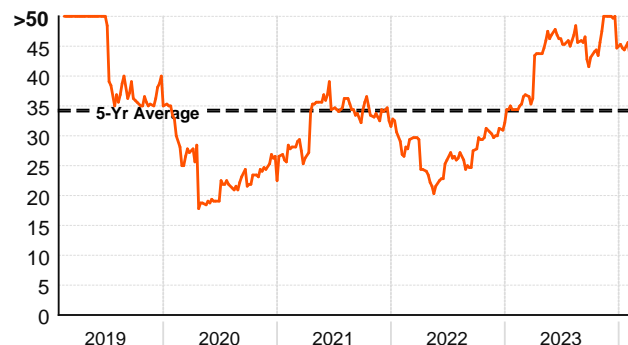
FORWARD PE

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

Forward PE: 35.3
5-Year Average: 31.5
BSE Sensex Index Average: 24.0
Construction Materials Group Average: 30.9
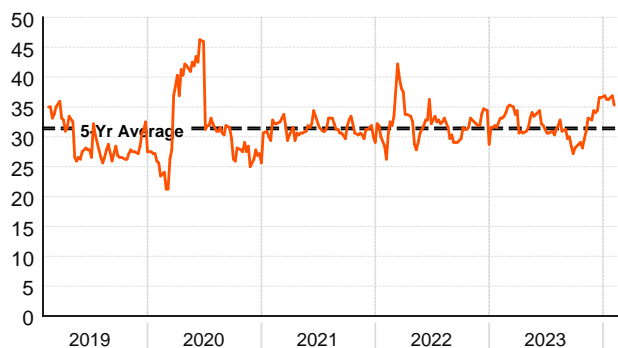
FORWARD PEG

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

Forward PEG: --
5-Year Average: 2.4
BSE Sensex Index Average: 1.6
Construction Materials Group Average: 1.7

RISK

RISK

10

POSITIVE OUTLOOK: Consistent return patterns (low volatility).

Risk Score Averages

Construction Materials Group:	6.7	Large Market Cap:	8.4
Mineral Resources Sector:	5.5	BSE Sensex Index:	9.5

Risk Score Trend (4-Week Moving Avg)
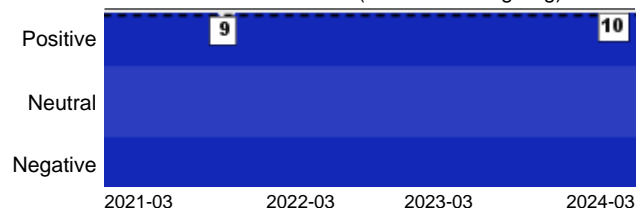
Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
GRASIM	10	10	10	10	10	
ULTRACEMCO	**10**	**10**	**10**	**10**	**10**	
AMBUJACEM	10	9	9	9	9	
RAMCOIND	10	9	9	9	9	
RHIM	9	10	10	9	9	

RISK INDICATORS

Magnitude of Returns (25% weight)

Volatility (25% weight)

Beta (1-year) (25% weight)

Correlation (25% weight)
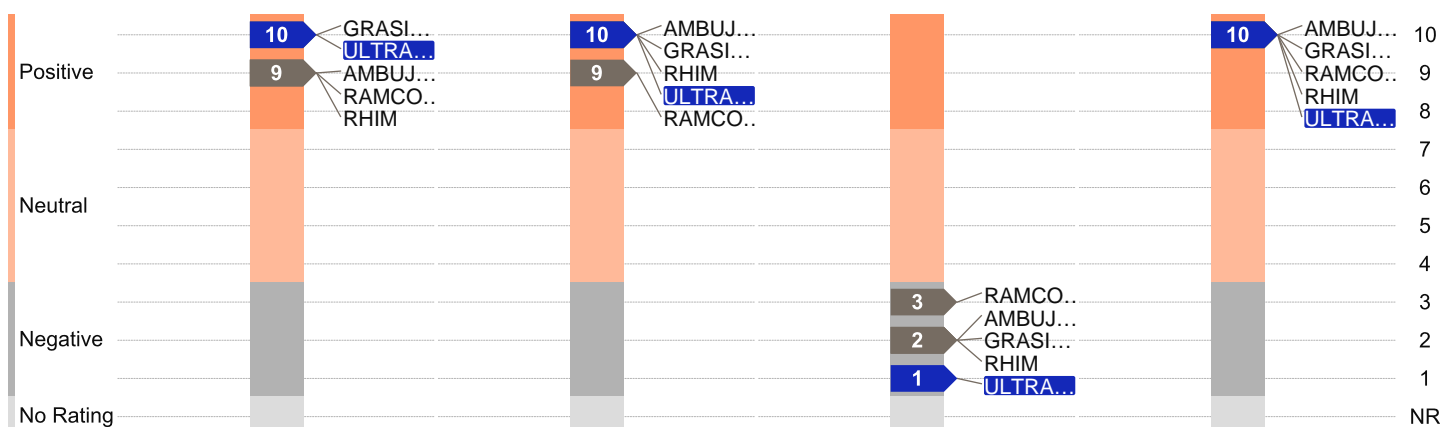
Daily Returns (Last 90 Days)		**Standard Deviation**		**Beta vs. BSE Sensex**		**Correlation vs. BSE Sensex**	
Best	4.2%	Last 90 Days	1.47	Positive Days Only	0.95	Last 90 Days	58%
Worst	-3.0%	Last 60 Months	7.58	Negative Days Only	0.91	Last 60 Months	61%
Monthly Returns (Last 60 Months)		**Intra-Day Swing** (Last 90 Days)		**Beta vs. Group**	0.25	**Correlation vs. Group**	
Best	20.3%	Average	2.1%	Positive Days Only	0.11	Last 90 Days	48%
Worst	-23.1%	Largest	4.1%	Negative Days Only	0.39	Last 60 Months	57%

HIGHLIGHTS

- UltraTech Cement currently has a Risk Rating of 10 while the S&P BSE SENSEX index has an average rating of 9.5.
- ULTRACEMCO tends to perform in-line with the S&P BSE SENSEX index regardless of whether the market is experiencing an up or a down day.
- In both short-term and long-term periods, ULTRACEMCO 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, the daily price fluctuations of ULTRACEMCO have been in-line with the S&P BSE SENSEX index firms.

RISK ANALYSIS

	Last 90 Days					Last 60 Months	
Peers	Best Daily Return	Worst Daily Return	# Days Up	# Days Down	Largest Intra-Day Swing	Best Monthly Return	Worst Monthly Return
ULTRACEMCO	4.2%	-3.0%	32	31	4.1%	20.3%	-23.1%
AMBUJACEM	6.2%	-6.1%	36	27	8.2%	25.4%	-24.1%
GRASIM	5.4%	-3.9%	36	27	6.2%	20.8%	-30.7%
RAMCOIND	8.0%	-6.2%	32	31	9.9%	31.5%	-33.4%
RHIM	3.7%	-5.7%	24	39	7.5%	40.2%	-48.6%
BSE Sensex	**1.8%**	**-2.2%**	**39**	**23**	**2.6%**	**14.4%**	**-23.1%**

IIFL SECURITIES

LSEG DATA & ANALYTICS

ULTRATECH CEMENT (ULTRACEMCO-IN)

Mineral Resources / Construction Materials / Construction Materials

PRICE MOMENTUM

PRICE MOMENTUM 10

Currency in INR

POSITIVE OUTLOOK: Strong recent price performance or entering historically favorable seasonal period.
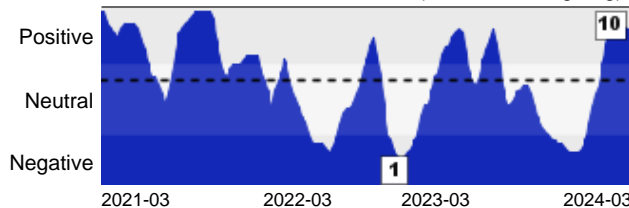
Price Momentum Score Averages

Construction Materials Group:	7.7	Large Market Cap:	6.4
Mineral Resources Sector:	7.0	BSE Sensex Index:	5.6

Price Momentum Score Trend (4-Week Moving Avg)

Peers	-6M	-3M	-1M	-1W	Current	1Y Trend
ULTRACEMCO	3	5	9	9	**10**	
AMBUJACEM	2	2	8	9	**9**	
GRASIM	2	3	8	9	**9**	
RAMCOIND	1	2	6	9	**8**	
RHIM	5	4	7	4	**4**	

PRICE MOMENTUM INDICATORS

Relative Strength
(50% weight)

AMBUJAC…
ULTRACE…
8
7
GRASIM
5 — RAMCOIN…
2 — RHIM

Seasonality
(50% weight)

AMBUJAC…
GRASIM
9 — RAMCOIN…
ULTRACE…
8 — RHIM
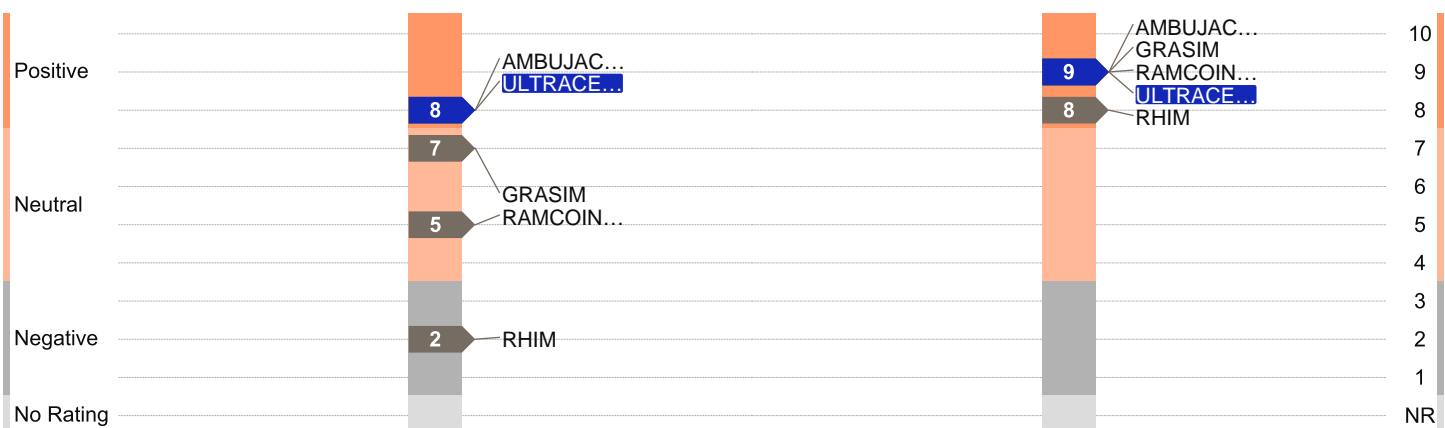
	ULTRACEMCO	Industry Avg
Relative Strength Indicator (Scale from 1 to 100)		
Last 10 Days	39	42
Last 50 Days	51	53
Last 200 Days	55	55

	Mar	Apr	May
Average Monthly Return (Last 10 Years)			
Company Avg	2.5%	1.8%	4.0%
Industry Avg	0.07%	7.3%	4.3%
Industry Rank	13 of 100	58 of 98	11 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.

■ ULTRACEMCO
■ BSE Sensex

1-Week	-2.2%	2.2%
1-Month	-5.4%	2.7%
3-Month	3.4%	6.6%
YTD	-7.9%	2.6%
1-Year	34.3%	23.1%
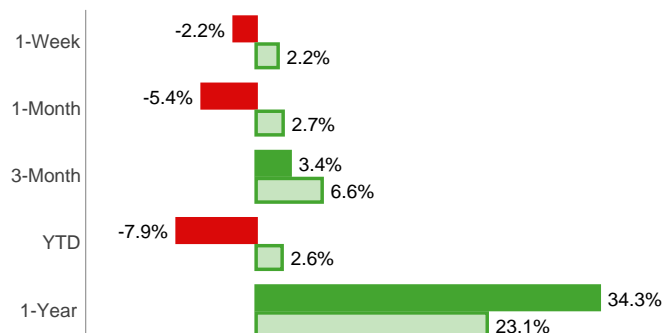
	ULTRACEMCO	BSE Sensex
Close Price (2024-03-07)	9,673.15	74,120
52-Week High	10,526.00	74,119
52-Week Low	6,991.00	57,527

- UltraTech Cement has a Price Momentum Rating of 9, which is significantly above the S&P BSE SENSEX index average rating of 5.6.

- On 2024-03-07, ULTRACEMCO closed at 9,673.15, 8.1% below its 52-week high and 38.4% above its 52-week low.

- ULTRACEMCO shares are currently trading 3.0% below their 50-day moving average of 9,974.70, and 8.8% above their 200-day moving average of 8,894.49.

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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: (Net Sales - Previous Net Sales) / Previous Net Sales
- Gross Margin: Gross Profit / Net Sales
- Return on Equity: Net Income / Total Equity
- Net Margin: Net Profit / Net Sales

Debt

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

Earnings Quality

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

Dividend

The company must have a current dividend yield.

- Dividend Growth Rate: (Dividends per Share - Previous Dividends per Share) / Previous Dividends per Share
- Dividend Funding: Dividends / Operating Cash Flow
- Dividend Coverage: (Pre-Tax Income + Interest Expense) / (Interest Expense + Dividends)
- Dividend Yield: Annual Dividends per Share / 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: Close Price / (Sales for 4 Quarters or 1 Year / Shares Outstanding)

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- 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.