

## Undervalued growth in a rebooting IT cycle

- A leading IT retailer with superior inventory management
- Targeting an expansion of 64 branches within 2026E.
- Initiated with a BUY and TP of THB6.5

### Lean, fast, and competitive: ADVICE's edge in IT retail

In Thailand's competitive IT retail market, ADVICE stands out with its superior inventory management, achieving the lowest turnover period in the industry—well ahead of JIB and Banana IT. This efficiency allows ADVICE to maintain aggressive pricing strategies without compromising margins. In the e-commerce space, ADVICE has the highest average visit durations, indicating stronger engagement and a potentially higher conversion rate, driven by its competitive pricing and broad product availability.

### iStore synergy, Leveling up with Apple

After becoming an Apple Authorized Reseller in 2024, ADVICE launched 6 iStore locations, using its small-town co-location strategy to drive traffic and optimize costs. Positioned next to existing Advice stores, the iStores consistently generate over THB6m in monthly revenue. This setup not only improves operational efficiency but also enhances ADVICE's brand image, attracting more foot traffic and boosting sales of other mobile phones through the added credibility of carrying Apple products.

### iStore ambitious push into 70 provinces

Between 2025E-2026E, ADVICE plans to open 64 new co-located iStore + ADVICE branches, marking its first aggressive expansion phase, with a goal to cover 70 provinces nationwide with one iStore for one province. This growth is fueled by the success of iStore format, but the timeline remains uncertain as each opening requires Apple's approval, which could cause delays, as seen in 2024.

### The up (grade) cycle begins

We expect 2025 to be a strong year for the custom-built PC (DIY) segment, a key revenue driver for ADVICE, driven by the launch of NVIDIA's RTX 50 series GPUs in Jan-25, offering major upgrades in ray tracing and AI capabilities. With only 30% of users currently on the RTX 40 series despite NVIDIA's 83% market share (Steam Survey), there remains a large base of older GPU users likely to upgrade, creating a strong replacement cycle that should benefit ADVICE's DIY sales.

### Initiated with a BUY and TP of THB6.5

We initiate coverage on ADVICE with a BUY recommendation and a TP of THB 6.5, based on a 2025E P/E of 15x, in line with the industry average. We forecast 15% growth in revenue and net profit for 2025E, implying a PEG ratio of 1x, which we view as attractive given the company's growth potential. While the broader IT hardware market may face slower structural growth, we believe ADVICE offers meaningful upside, particularly through its store expansion.

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ESG Rating : -

CG Rating : ▲▲▲▲▲

## BUY

<b>Target Price 12M (THB)</b>	<b>6.50</b>
VS. BB Consensus TP (%)	-8.5%
Share Price) THB(	4.86
Upside/Downside	+33.7%

### Share Data

Market Cap (THB m)	3,013.20
Par (THB)	0.50
Free Float (%)	27.97
Issued shares (m shares)	620

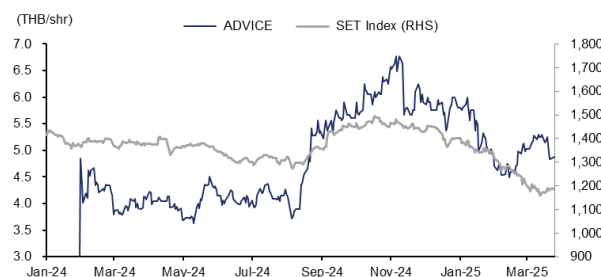
### Financial forecast

YE Dec (THB m)	2024	2025E	2026E	2027E
Revenue	14,217	16,411	18,510	19,243
Net profit	232	268	316	326
Core net profit	232	268	316	326
vs Consensus (%)	-	(6.1)	(6.1)	(10.8)
Net profit growth (%)	36.5	15.2	18.0	3.4
Core net profit growth (%)	36.5	15.2	18.0	3.4
EPS (THB)	0.37	0.43	0.51	0.53
Core EPS (THB)	0.37	0.43	0.51	0.53
Chg in core EPS (%)	-	0.00	0.00	0.00
DPS (THB)	0.33	0.17	0.20	0.42
P/E (x)	16.00	11.26	9.54	9.23
P/BV (x)	8.58	3.96	2.74	2.30
ROE (%)	37.16	26.25	26.24	23.18
Dividend yield (%)	5.42	3.55	4.19	8.67

Source: Financial Statement and Globlex securities

### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(4.71)	(19.67)	(16.92)	(19.00)
Market	(1.04)	(5.86)	2.07	(4.70)
12M High/Low (THB)				7.15 / 3.76



### Major Shareholders (%) as of 11 Mar 2025

MR. NATH NATNITHIKARAT	27.07
THAI JOINT VENTURE GROUPS	25.81
MR. AMORN THATHONG	11.50

### Company Profile

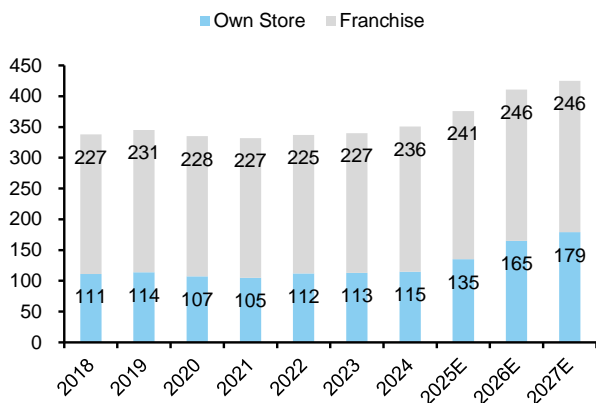
Retail and wholesale of IT products such as assembled computers (D.I.Y), notebook, computer desktop, and peripheral devices, as well as smartphones and home appliances, through branches and online channels and provide comprehensive after-sales service.

Source: SETSMART, SET

## Undervalued growth in a rebooting IT cycle

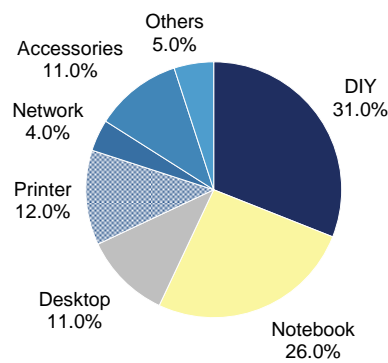
As one of the country’s leading IT retailers, ADVICE has built a strong multi-channel distribution network, spanning over 351 stores nationwide alongside a growing e-commerce platform. ADVICE has proven itself to grow even amid a highly competitive IT industry landscape, facing challenges from traditional powerhouses like COM7 and JIB, as well as the increasing dominance of e-commerce like Shopee and Lazada.

**Exhibit 1: ADVICE stores count**



Sources: ADVICE, Globlex Research estimates

**Exhibit 2: Revenue breakdown by category**



Sources: ADVICE

**A leading player in Thailand’s IT industry.** Among Thailand’s leading IT retailers, ADVICE’s “Infinite” and its arch rival “Banana IT” stand out as the dominant players, followed by JIB and other smaller competitors. What sets ADVICE apart is its “small-town strategy” — expanding its footprint in provincial areas and underserved markets, where competition is lower and customer loyalty runs deep. In contrast, Banana IT has taken an urban-centric approach, focusing on major cities and high-traffic shopping malls to capture a convenience-based consumer.

Despite ADVICE’s established presence in Thailand’s IT retail sector, its store expansion has remained relatively stagnant, mirroring the sluggish growth of the broader IT hardware market. According to IDC, total PC shipments in 2024 grew by a mere 1% y-y, reflecting weakened consumer demand and longer device replacement cycles.

Looking ahead, the industry faces even slower momentum, with IDC forecasting an average annual growth rate of just 0.4% over the next five years. This subdued outlook highlights the challenges retailers like ADVICE face in scaling their physical footprint, as market saturation and shifting consumer preferences toward e-commerce and mobile-first computing redefine the industry’s growth trajectory.

**Exhibit 3: Top 5 companies, Worldwide PC shipments**

Company	24 shipments (m units)	24 market share	23 shipments (m units)	2023 market share	24/23 Growth
1. Lenovo	62	23.5%	59	22.7%	4.7%
2. HP Inc.	53	20.2%	53	20.3%	0.1%
3. Dell Technologies	39	14.9%	40	15.4%	-2.2%
4. Apple	23	8.7%	22	8.4%	4.5%
5. Asus	18	6.8%	17	6.5%	6.4%
Others	68	25.9%	70	26.7%	-2.1%
<b>Total</b>	<b>263</b>	<b>100.0%</b>	<b>260</b>	<b>100.0%</b>	<b>1.0%</b>

Sources: IDC Quarterly Personal Computing Device Tracker

### Exhibit 4: Worldwide PC device forecast by segment

Segment Category	2025E Shipment	Y-Y Growth	2029E Shipment	2025E-2029E CAGR
Commercial	138	4.3%	143	0.8%
Education	42	6.7%	38	-2.1%
Consumer	237	0.2%	242	0.5%
<b>Total</b>	<b>416</b>	<b>2.1%</b>	<b>423</b>	<b>0.4%</b>

Sources: IDC Worldwide Personal Computing Device Tracker

**Efficient inventory management overshadows price competition.** In the highly competitive IT retail industry, price wars are inevitable, forcing retailers to adopt aggressive pricing strategies to capture market share. However, ADVICE holds a crucial advantage—its efficient inventory management system, which allows it to maintain an inventory turnover period of just 42 days in 2024, the lowest among major players. In comparison, JIB holds inventory for over 50 days, while Banana IT’s cycle extends close to 60 days, largely due to its heavy focus on mobile phone sales.

By minimizing inventory holding periods, ADVICE not only reduces capital tied up in stock but also gains flexibility to adjust prices quickly, enabling it to sustain competitive pricing without excessive financial strain.

**Client visit duration over frequency.** In the e-commerce segment, ADVICE stands out as a leading IT retailer, despite trailing Banana IT in terms of monthly website visits. However, what sets ADVICE apart is its higher average visit duration, suggesting a stronger customer engagement and potentially higher conversion rates. This metric indicates that visitors spend more time browsing ADVICE’s platform, likely due to its competitive pricing and product availability.

### Exhibit 5: E-commerce engagement among IT retailers from Dec-24 to Feb-25

Metric	advice.co.th	bnn.in.th	jib.co.th	ihavecpu.com
Monthly visits	2.196M	2.877M 🏆	1.611M	315,074
Monthly unique visitors	N/A	N/A	N/A	N/A
Visits / Unique visitors	N/A	N/A	N/A	N/A
Visit duration	00:07:20 🏆	00:02:17	00:03:31	00:04:54
Pages per visit	5.61 🏆	3.20	3.96	5.21
Bounce rate	34.39%	36.84%	32.93% 🏆	46.14%
Page Views	12.32M 🏆	9.218M	6.387M	1.642M

Sources: Similarweb

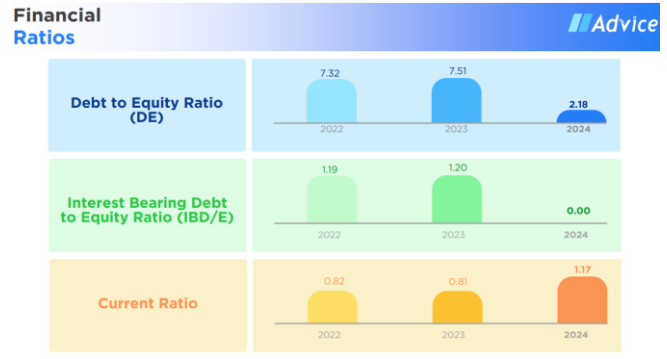
In an industry where barriers to entry are low, success hinges on a retailer's ability to efficiently manage inventory and sustain competitive pricing. Retailers that fail to optimize their stock turnover risk higher carrying costs, outdated inventory, and weaker margins, putting them at a disadvantage in an environment where consumers are highly price-sensitive. ADVICE’s lean inventory strategy and agility in pricing adjustments position it well to navigate the relentless price competition that defines Thailand’s IT retail landscape.

**Exhibit 6: Asset management ratios**



Sources: ADVICE

**Exhibit 7: Financial ratios**



Sources: ADVICE

**Sound capital management.** Following its IPO, which raised THB527m, ADVICE strategically allocated the funds across key financial and operational areas. The company repaid THB250m in institutional loans, reducing interest expenses. Additionally, THB117m was injected into working capital. To support its branch expansion plans, THB110m was initially earmarked, though THB43m now remains. Lastly, THB50m was dedicated to enhancing the company's management systems.

**Exhibit 8: iStore expansion in 25E-26E**



Sources: ADVICE

**Exhibit 9: Company's revenue target**



Sources: ADVICE

**From ADVICE to APPLE store co-location synergy.** After becoming an Apple Authorized Reseller in 2024, ADVICE leveraged its small-town and standalone store strategy to expand its presence in the premium tech segment. The company successfully opened six iStore locations in 2024, positioning them near existing ADVICE stores to drive cross-traffic and enhance profitability.

This co-location approach has proven effective, as it helps maintain iStore's monthly revenue above the breakeven point of THB6m per store. By integrating Apple products into its ecosystem while capitalizing on its established brand recognition.

Although iStore locations are currently only breaking even, the co-location strategy with ADVICE stores provides significant operational and financial benefits. Sharing rental costs reduces the overall expense burden, while the ability to streamline staffing at ADVICE stores enhances cost efficiency.

Additionally, having the premium iStore brand alongside ADVICE elevates the retailer's overall brand image, attracting higher foot traffic and reinforcing consumer trust. This synergy not only strengthens ADVICE's positioning in the IT retail market but also boosts sales of other mobile phone brands, as the presence of Apple products enhances the store's credibility.

**64 new stores ahead.** Between 2025E and 2026E, ADVICE Infinite is targeting an ambitious expansion plan, aiming to open 27 new co-located iStore + ADVICE branches in 2025 and an additional 37 stores in 2026, representing a 25% CAGR in store count. This marks the first time the company has pursued aggressive physical growth, a strategic shift driven by the promising potential of the new iStore format. The goal is to establish a presence in at least 70 provinces across Thailand.

However, we believe there is a possibility that the expansion pace may fall short of the current targets, as each new iStore opening requires prior approval from Apple, which can be a time-consuming process. This dependency on Apple’s authorization introduces an element of uncertainty and could lead to delays similar to those experienced in 2024.

In our forecast, we take a more conservative view on ADVICE’s expansion timeline, assuming 24 new store openings in 2025E and 30 stores in 2026E, allowing room for potential delays or execution risks. We anticipate 2025E revenue to grow by 15% y-y to THB16.4b, driven by the new stores and SSSG. We project net profit to reach THB268m in 2025E.

Exhibit 10: RTX 50 series vs 40 series



Sources: ExtremeIT

Exhibit 11: RTX 50 series pricing



Sources: ADVICE

**2025: a year of custom PCs: NVIDIA’s RTX 50 to ignite custom PC demand**

We believe 2025 will mark a strong resurgence for the custom-built PC (DIY) segment, which is a core revenue driver for ADVICE. This momentum is expected to be fueled by the launch of NVIDIA’s RTX 50 series GPUs in Jan-25, which introduces significant advancements in ray tracing and AI acceleration—a notable leap from the RTX 40 series released in 2022.

We believe a significant portion of users who skipped the RTX 40 series are now likely to upgrade to the upcoming RTX 50 series, given the substantial performance leap and AI. According to a recent Steam's survey, the largest gaming platform, NVIDIA maintains a dominant 83% market share among users, yet only around 30% are currently using RTX 40 series GPUs. This suggests a large installed base still running on older-generation cards (RTX 30 or earlier), presenting plenty of headroom for upgrades.

As the RTX 50 series rolls out, this pent-up demand could drive a strong replacement cycle—particularly among gamers, and creators—benefiting IT retailers like ADVICE, which has deep exposure to the DIY and PC market.

#### Exhibit 12: % of GPU usage among Steam users

Video Card	DEC-24	JAN-25	FEB-25
NVIDIA GeForce RTX 4060	4.0%	4.6%	8.6%
NVIDIA GeForce RTX 3060	5.0%	5.2%	6.9%
NVIDIA GeForce RTX 4060 Ti	3.3%	3.5%	6.6%
NVIDIA GeForce RTX 4070	2.7%	2.9%	5.4%
NVIDIA GeForce RTX 3070	3.0%	2.9%	4.3%
NVIDIA GeForce RTX 3060 Ti	3.1%	3.2%	3.9%
NVIDIA GeForce RTX 4060 Laptop GPU	4.2%	4.6%	3.7%
NVIDIA GeForce RTX 4070 SUPER	1.8%	2.0%	3.6%
NVIDIA GeForce RTX 2060	2.8%	2.8%	3.1%

Sources: Steam

#### Will Windows 12 and the rise of AI PCs serve as a catalyst for ADVICE?

In our view, the impact is likely to be limited in the near term, particularly in the Thai market. Corporate and business users—who make up a sizable portion of PC demand—tend to delay upgrades until new OS are proven stable and fully compatible with their existing software ecosystems. Additionally, while AI PCs are being heavily marketed, we believe they remain more of a gimmick than a necessity at this stage, lacking a compelling use case that would justify a mass hardware upgrade.

#### Undervalued Growth: ADVICE Offers Upside at Just 11x 2025E P/E

In terms of valuation, we believe ADVICE remains attractively priced, with the current market cap reflecting 2025E P/E of 11x. Given the company's solid fundamentals, strong presence in both traditional and e-commerce channels, and an ambitious growth outlook for 2025E–2027E, we see greater upside potential than downside risk.

In 2024, the company paid a dividend of THB0.325 per share, implying a yield of 6.7%, which is notably high for a growth-oriented company. However, we expect the dividend payout to moderate in 2025E–2026E as ADVICE ramps up its aggressive store expansion strategy. With each new store requiring CAPEX of THB2.5m, management is likely to prioritize reinvestment over distribution in the near term. Nevertheless, we view this as a positive long-term move, as reinvesting for scalable growth could ultimately enhance shareholder value more meaningfully than short-term payouts.

#### Initiated with a BUY and TP of THB6.5

We initiate coverage on ADVICE with a BUY recommendation and a target price of THB6.5, based on a 2025E P/E of 15x, in line with the sector average for IT retailers. While the overall IT hardware industry may be entering a period of slow growth, we believe ADVICE still holds meaningful upside potential, particularly as an emerging player in the Apple retail segment.

Balance sheet (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Current assets</b>					
Cash & ST investment	100	195	329	496	633
Account receivable	0	0	0	0	0
Inventories	1,367	1,619	1,870	2,106	2,190
Others	273	360	360	360	360
<b>Non-current assets</b>					
Net fixed assets	454	501	552	618	690
Others	450	316	316	316	316
<b>Total Assets</b>	<b>2,643</b>	<b>2,991</b>	<b>3,427</b>	<b>3,897</b>	<b>4,189</b>
<b>Current liabilities</b>					
Account payable	1,704	1,760	2,032	2,289	2,380
ST borrowing	416	77	77	77	77
Others	36	27	32	36	37
<b>Long-term liabilities</b>					
Long-term debts	98	99	99	99	99
Others	78	88	88	88	88
<b>Total liabilities</b>	<b>2,333</b>	<b>2,051</b>	<b>2,327</b>	<b>2,589</b>	<b>2,681</b>
Paid-up capital	225	310	310	310	310
Retained earnings	98	193	352	561	761
Others	(12)	437	437	437	437
Minority interest	0	0	0	0	0
<b>Shareholders' equity</b>	<b>311</b>	<b>940</b>	<b>1,099</b>	<b>1,308</b>	<b>1,508</b>

Key ratios					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Growth (%YoY)</b>					
Sales	(6.1)	5.1	15.4	12.8	4.0
Operating profit	(12.3)	23.7	16.9	18.2	4.0
EBITDA	(8.3)	17.6	13.5	14.6	4.5
Net profit	(17.2)	36.5	15.2	18.0	3.4
Core net profit	(17.2)	36.5	15.2	18.0	3.4
EPS	(17.2)	36.5	15.2	18.0	3.4
Core EPS	(17.2)	36.5	15.2	18.0	3.4
<b>Profitability (%)</b>					
Gross margin	4.4	5.0	5.0	5.1	5.1
Operation margin	1.8	2.1	2.1	2.2	2.2
EBITDA margin	2.7	3.0	3.0	3.0	3.0
Net margin	1.3	1.6	1.6	1.7	1.7
ROE	54.8	37.2	26.3	26.2	23.2
ROA	6.5	8.3	8.3	8.6	8.1
<b>Stability</b>					
Interest bearing debt/equity (x)	1.7	0.2	0.2	0.1	0.1
Net debt/equity (x)	1.3	n.a.	n.a.	n.a.	n.a.
Interest coverage (x)	9.2	24.9	29.1	28.6	24.8
Interest & ST debt coverage (x)	0.5	3.3	3.9	4.5	4.5
Cash flow interest coverage (x)	0.1	0.0	0.1	0.1	0.1
Current ratio (x)	0.8	1.2	1.2	1.2	1.3
Quick ratio (x)	0.0	0.1	0.2	0.2	0.3
Net debt (THB m)	414	(19)	(153)	(320)	(457)
<b>Activity</b>					
Asset turnover (X)	4.8	4.4	4.3	4.6	9.2
Days receivables	0.0	0.0	0.0	0.0	0.0
Days inventory	38.6	43.8	43.8	43.8	43.8
Days payable	48.1	47.6	47.6	47.6	47.6
Cash cycle days	(9.5)	(3.8)	(3.8)	(3.8)	(3.8)

Profit & loss (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Revenue</b>					
Revenue	13,520	14,217	16,411	18,510	19,243
Cost of goods sold	(12,926)	(13,504)	(15,590)	(17,566)	(18,261)
<b>Gross profit</b>	<b>594</b>	<b>713</b>	<b>821</b>	<b>944</b>	<b>981</b>
Operating expenses	(356)	(418)	(476)	(537)	(558)
<b>Operating profit</b>	<b>238</b>	<b>295</b>	<b>345</b>	<b>407</b>	<b>423</b>
<b>EBIT</b>	<b>238</b>	<b>295</b>	<b>345</b>	<b>407</b>	<b>423</b>
Depreciation	(125)	(132)	(140)	(148)	(157)
<b>EBITDA</b>	<b>363</b>	<b>427</b>	<b>485</b>	<b>556</b>	<b>581</b>
<b>Non-operating income</b>					
Other incomes	0	0	2	2	2
Other non-op income	4	2	0	0	0
<b>Non-operating expense</b>	<b>(26)</b>	<b>(12)</b>	<b>(12)</b>	<b>(14)</b>	<b>(17)</b>
Interest expense	(26)	(12)	(12)	(14)	(17)
Other non-op expense	0	0	0	0	0
<b>Equity income/(loss)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Pre-tax Profit</b>	<b>216</b>	<b>285</b>	<b>335</b>	<b>395</b>	<b>408</b>
Extraordinary items					
Current taxation	(46)	(52)	(67)	(79)	(82)
Minorities	0	0	0	0	0
<b>Net Profit</b>	<b>170</b>	<b>232</b>	<b>268</b>	<b>316</b>	<b>326</b>
<b>Core net profit</b>	<b>170</b>	<b>232</b>	<b>268</b>	<b>316</b>	<b>326</b>
<b>EPS (THB)</b>	<b>0.27</b>	<b>0.37</b>	<b>0.43</b>	<b>0.51</b>	<b>0.53</b>
<b>Core EPS (THB)</b>	<b>0.27</b>	<b>0.37</b>	<b>0.43</b>	<b>0.51</b>	<b>0.53</b>

Cash flow (THB m)					
Year ending Dec	2023	2024	2025E	2026E	2027E
<b>Operating cash flow</b>					
Net profit	170	232	268	316	326
Depre.& amortization	125	132	140	148	157
Change in working capital	(65)	(206)	26	25	9
Others	(102)	(110)	(139)	(164)	(171)
<b>Investment cash flow</b>	<b>(107)</b>	<b>(379)</b>	<b>(52)</b>	<b>(51)</b>	<b>(59)</b>
Net CAPEX	(124)	(179)	(179)	(179)	(179)
Change in LT investment	(31)	95	242	274	263
Change in other assets	48	(295)	(116)	(146)	(143)
<b>Free cash flow</b>	<b>21</b>	<b>(331)</b>	<b>242</b>	<b>274</b>	<b>263</b>
<b>Financing cash flow</b>					
Change in share capital	0	534	0	0	0
Net change in debt	0	0	0	0	0
Dividend paid	(43)	(109)	(109)	(107)	(126)
Others	0	0	0	0	0
<b>Net cash flow</b>	<b>(23)</b>	<b>95</b>	<b>134</b>	<b>167</b>	<b>137</b>
<b>Per share (THB)</b>					
EPS	0.27	0.37	0.43	0.51	0.53
Core EPS	0.27	0.37	0.43	0.51	0.53
CFPS	0.48	0.59	0.66	0.75	0.78
BVPS	0.50	1.52	1.77	2.11	2.43
Sales/share	21.81	22.93	26.47	29.85	31.04
EBITDA/share	0.59	0.69	0.78	0.90	0.94
DPS	0.07	0.33	0.17	0.20	0.42
<b>Valuation</b>					
P/E (x)	15.7	16.0	11.3	9.5	9.2
P/BV (x)	72.82	8.58	3.96	2.74	2.30
Dividend yield (%)	0.00	5.42	3.55	4.19	8.67
Dividend payout ratio (%)	25.49	86.68	40.00	40.00	80.00

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### Analyst Certification

Siriluck Pinthusoonthorn, Register No. 119539, Globlex Securities Public Company Limited

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## RECOMMENDATION STRUCTURE

### Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as  $(\text{target price}^* - \text{current price}) / \text{current price}$ .

- BUY:** Expected return of 10% or more over the next 12 months.  
**HOLD:** Expected return between -10% and 10% over the next 12 months.  
**REDUCE:** Expected return of -10% or worse over the next 12 months.

Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause temporary mismatch between upside/downside for a stock based on market price and the formal recommendation.

\* In most cases, the target price will equal the analyst's assessment of the current fair value of the stock. However, if the analyst doesn't think the market will reassess the stock over the specified time horizon due to a lack of events or catalysts, then the target price may differ from fair value. In most cases, therefore, our recommendation is an assessment of the mismatch between current market price and our assessment of current fair value.

### Sector Recommendations

- Overweight:** The industry is expected to outperform the relevant primary market index over the next 12 months.  
**Neutral:** The industry is expected to perform in line with the relevant primary market index over the next 12 months.  
**Underweight:** The industry is expected to underperform the relevant primary market index over the next 12 months.

### Country (Strategy) Recommendations

**Overweight:** Over the next 12 months, the analyst expects the market to score positively on two or more of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Neutral:** Over the next 12 months, the analyst expects the market to score positively on one of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.

**Underweight:** Over the next 12 months, the analyst does not expect the market to score positively on any of the criteria used to determine market recommendations: index returns relative to the regional benchmark, index sharpe ratio relative to the regional benchmark and index returns relative to the market cost of equity.