

## ADVANC+JACKSON+KBANK = growth

- Solid 4Q25 net profit boosted by ADVANC, Jackson, HKP, GJP
- 2026-27 net profit outlook is now moving from strength to strength on rising net profits from ADVANC, Jackson, HKP, and KBANK
- Maintain BUY and lifted TP to THB82

### Superb 4Q25 results as expected

4Q25 core net profit (NP) was THB7.1b, up 8% q-q and 66% y-y while the reported NP was THB8.9b on gain from bargain purchase. Key drivers were the higher share of profit to THB7.0b (+21% q-q, +192% y-y), driven by 1) HKP (THB443m, +118% y-y); 2) higher share of profits from ADVANC (THB4.8b, +206% y-y); 3) BKR2 (THB266m, +74% y-y); 4) GJP (THB550m, +933% y-y); and 5) Jackson power plant in USA (THB371m, +740% y-y). Gas cost for its 19 small power producers (SPPs) dipped to THB277.9/mmbtu (-7% q-q, -12% y-y) due to the lower LNG price.

### ADVANC is GULF's crown jewel

In 4Q25 ADVANC contributed THB4.8b (+25% q-q, +206% y-y) equity income, accounting for 61% of GULF's 4Q25 core NP of THB7.9b, due to the higher ARPU, lower spectrum cost, and effective cost management. ADVANC is now contributing almost 2/3 of GULF's net profit in 2026-27 thanks to its projected sequential record-high quarterly net profits.

### Other non-consolidated assets generated handsome profits

Excluding ADVANC's contribution, share of profits from other power plants and businesses now jumped to THB2.2b in 4Q25, boosted by GJP, HKP, Jackson, BKR2, PTT NGD, and GGC. Other income in 4Q25 was THB1.1b, comprising 1) THB142m dividend income; 2) THB827m interest income; and 3) THB157m other income.

### Solid net profit outlook ahead

In 2026-2027 we project GULF's core net profit to rise from THB28.9b in 2025 to THB36.4b (+26% y-y) in 2026E, THB41.8b (+15% y-y) in 2027E, and THB52.7b (+26% y-y) in 2028E, driven by our projected strong equity income contributions from ADVANC/THCOM and Jackson power plant in the U.S. on its higher capacity payments.

### Maintain BUY and lifted SoTP TP to THB82

We maintain BUY and raised our TP from THB67 to THB82 as we roll over our valuation to 2026. We believe GULF is now heading to a full-scale NP growth, springboarded by ADVANC, its U.S.-based power plants in PJM, capacity expansions, the emerging growths from many infrastructure projects including LNG terminals, motorways, and the most strategic growth factor of digital business in data centers via GULF-ADVANC-Singtel JV with global AI/tech firms. In addition, GULF's 9.96% stake in KBANK should further strengthen its dividend income and net profit thanks to high dividend paid from KBANK.

#### Analyst

Suwat Sinsadok, CFA, FRM, ERP  
suwat.s@globlex.co.th,  
+662 687 7026

ESG Rating : AA

CG Rating : ▲▲▲▲▲

## BUY

<b>Target Price 12M (THB)</b>	<b>82.00</b>
VS. BB Consensus TP (%)	+25.8%
Share Price (THB)	61.25
Upside/Downside	+33.9%

### Share Data

Market Cap (THB m)	915,065.06
Par (THB)	1.00
Free Float (%)	32.40
Issued shares (m shares)	14,940

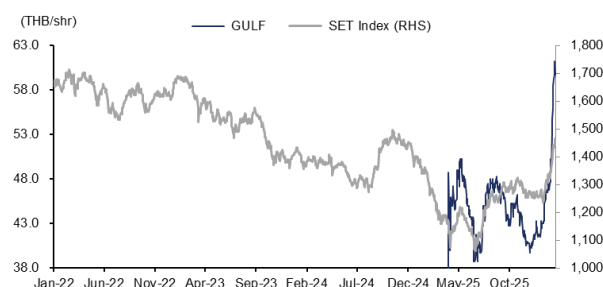
### Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	98,886	135,832	146,565	157,151
Net profit	79,998	36,719	42,170	53,003
Core net profit	79,998	36,719	42,170	53,003
vs Consensus (%)		16.8	22.0	48.0
Net profit growth (%)	274.1	(54.1)	14.8	25.7
Core net profit growth (%)	274.1	(54.1)	14.8	25.7
EPS (THB)	5.35	2.46	2.82	3.55
Core EPS (THB)	5.35	2.46	2.82	3.55
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.88	0.74	0.85	1.06
P/E (x)	10.96	24.92	21.70	17.26
P/BV (x)	2.61	2.55	2.34	2.12
ROE (%)	23.96	10.57	11.25	12.91
Dividend yield (%)	1.50	1.20	1.38	1.74

Source: Financial Statement and Globlex securities

### Share Price Performance (%)

	1M	3M	6M	YTD
Stock	35.36	44.97	30.32	46.71
Market	18.29	27.13	12.44	26.60
12M High/Low (THB)				61.50 / 37.75



### Major Shareholders (%) as of 17 Apr 2025

Mr. Sarath Ratanavadi	29.19
UBS Ag Singapore Branch	10.14
GULF Capital Holdings Limited	8.00

### Company Profile

A holding company invests in subsidiaries that operate 3 core businesses including energy business, infrastructure and utilities business, and digital business

Source: SETSMART, SET

### Exhibit 1: Summary of 4Q25/2025 operations

	3Q24 (THB m)	3Q25 (THB m)	4Q25 (THB m)	(q-q%)	(y-y%)	2024 (THB m)	2025 (THB m)	chg. (y-y%)
Revenue	27,246	29,037	31,331	7.9	15.0	120,888	98,886	(18.2)
Operating costs	(21,540)	(22,158)	(24,640)	(11.2)	(14.4)	(96,775)	(78,977)	18.4
EBITDA	5,706	6,879	6,691	(2.7)	17.3	24,113	19,909	(17.4)
EBITDA margin (%)	20.9	23.7	21.4	na	na	19.9	20.1	na
Depn & amort.	(1,161)	(1,309)	(1,395)	(6.6)	(20.1)	(4,575)	(3,940)	13.9
EBIT	4,545	5,570	5,296	(4.9)	16.5	19,539	15,969	(18.3)
Interest expense	(3,098)	(3,323)	(3,374)	(1.5)	(8.9)	(11,213)	(9,940)	11.4
Interest & invt inc	852	796	71	(91.1)	(91.7)	2,985	2,465	(17.4)
Other income	368	68	813	1,087.6	120.7	749	58,541	7,719.7
Associates' contrib	6,309	5,779	6,971	20.6	10.5	15,891	18,130	14.1
Exceptionals	(897)	204	519	154.4	157.8	(676)	511	175.6
Pretax profit	8,079	9,094	10,295	13.2	27.4	27,275	85,675	214.1
Tax	(184)	(441)	(53)	88.0	71.3	(682)	(1,294)	(89.7)
Tax rate (%)	2.3	4.8	0.5	na	na	2.5	1.5	na
Minority interests	(781)	(1,379)	(1,390)	(0.8)	(77.9)	(5,210)	(4,383)	15.9
Net profit	7,113	7,274	8,852	21.7	24.4	21,383	86,562	304.8
Non-recurring	2,354	(6)	963	16,985.8	(59.1)	189	(57,786)	(30,650.5)
Core net profit	4,759	7,280	7,889	8.4	65.8	21,572	28,776	33.4
EPS (THB)	0.61	0.62	0.75	21.7	24.4	1.43	5.35	274.1
Core EPS (THB)	0.41	0.62	0.67	8.4	65.8	1.43	5.35	274.1

Sources: TOP, Globlex Research

### Exhibit 2: 4Q25/2025 net profit breakdown

(THB m)	4Q24	3Q25	4Q25	Change (q-q %)	(y-y %)	2024	2025	chg. (y-y%)
Profit for the period	4,686	8,653	10,242	18.4	118.6	26,593	92,231	246.8
Profit attributable to owners of the parent	3,901	7,274	8,852	21.7	126.9	21,383	86,562	304.8
Gain/(loss) on exchange rate attributable to owners of the parent	(822)	10	446	4,360.0	154.3	(135)	1,181	974.8
Unrealised gain (loss) on derivatives of PTT NGD	(36)	(16)	(1)	93.8	97.2	(54)	(33)	38.9
Core profit	4,759	7,280	7,889	8.4	65.8	21,572	28,776	33.4
Share of Core Profit from associates and JVs	2,901	5,779	6,971	20.6	140.3	15,380	21,474	39.6
Electricity sold to IUs (THB/kWh) under GMP	3.77	3.54	3.52	(0.0)	(0.3)	3.76	3.61	(0.2)
SPP Electricity sold to EGAT (THB/kWh) under GJP	3.57	3.36	3.30	(0.1)	(0.3)	3.64	3.59	(0.1)
Electricity sold to IUs (THB/kWh) under GJP	3.71	3.50	3.47	(0.0)	(0.2)	3.71	3.55	(0.2)
Average natural gas cost per unit (SPP under GMP) (THB/mmbtu)	316.6	298.0	277.9	(6.7)	(12.2)	326.1	306.1	(6.1)
Average natural gas cost per unit (IPP under GSRC) (THB/mmbtu)	316.1	297.5	285.4	(4.1)	(9.7)	324.1	307.6	(5.1)

\* Note: Change in margin % is represented in ppt change

Source: GULF; Globlex Research

### Exhibit 3: 4Q25/2025 key quarterly drivers

	4Q24 (THB m)	3Q25 (THB m)	4Q25 (THB m)	Change (q-q %)	(y-y %)	2024 (THB m)	2025 (THB m)	chg. (y-y%)
Share of profit from ADVANC	1,566	3,848	4,793	24.6	206.1	10,308	15,448	49.9
Share of profit from GJP	(66)	609	550	(9.7)	933.3	1,981	2,157	8.9
Share of profit from PTT NGD	221	186	146	(21.5)	(33.9)	1,070	799	(25.3)
Share of profit from LPCL	(133)	22	75	240.9	156.4	43	220	411.6
Share of profit from companies under GULF1	5	6	7	16.7	40.0	15	28	86.7
Share of profit from HKP	203	255	443	73.7	118.2	892	1,404	57.4
Share of profit from HKH	0	35	80	128.6	nm	64	187	192.2
Share of profit from GULF GUNKUL	310	230	209	(9.1)	(32.6)	746	755	1.2
Share of profit from TTT	49	58	38	(34.5)	(22.4)	240	227	(5.4)
Share of profit from BKR2	153	(72)	266	469.4	73.9	283	200	(29.3)
Share of profit from Jackson	(58)	554	371	(33.0)	739.7	0	1,056	nm
Share of profit from a project in Oman	46	124	71	(42.7)	54.3	478	413	(13.6)
Share of profit from GSA Data Center	0	(54)	(16)	70.4	nm	(24)	(99)	(312.5)
Share of profit from other associates and JVs	87	(23)	(64)	(178.3)	(173.6)	(202)	(213)	(5.4)
Total share of profit from an associate and joint ventures	2,384	5,779	6,971	20.6	192.4	15,891	22,582	42.1

Sources: GULF, Globlex Research

#### Exhibit 4: SoTP valuation

DCF valuation estimate		Installed capacity (MW)	%	THB m	Equity Capacity	THB/sh are	Comments
IPP						14.8	
	GNS	1,668	40	23,966	667	1.6	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	GUT	1,752	40	33,098	701	2.2	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	GSRC	2,650	70	50,355	1,855	3.4	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	GPD	2,650	70	64,895	1,855	4.3	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	DIPWP	326	49	2,837	160	0.2	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	Hin Kong (2024E-2025E)	1,540	49	34,517	755	2.3	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	Burapa power (2027E)	600	35	10,725	210	0.7	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
SPP						3.5	
	GJP's 7 SPPs	888	39	14,930	346	1.0	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	GMP's 9 SPPs	1,205	52	28,694	632	1.9	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	GMP's 3 SPPs (GNC, GNRV1&2)	382	70	8,899	267	0.6	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	CGC (biomass)	25	100	421	25	0.0	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
Renewable						5.1	
	Solar - Thailand	101	50	12,288	50	0.8	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	Solar - Vietnam	119	90	234	107	0.0	WACC 5%, RF 6%, RPM 6.5%, no terminal growth
	Wind - Thailand	170	50	867	85	0.1	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	Wind - Vietnam	128	95	13,077	122	0.9	WACC 5%, RF 6%, RPM 6.5%, no terminal growth
	Wind - Germany	465	50	7,365	232	0.5	WACC 4%, RF 2%, RPM 8.5%, no terminal growth
	Pak Beng (Hydro, 2028E)	897	35	23,506	314	1.6	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
	Pak Lay (Hydro, 2030E)	770	35	18,325	270	1.2	WACC 4.8%, RF 2.3%, RPM 8.5%, no terminal growth
Infrastructure						6.5	
	Laemchabang phase 3		40	4,809		0.3	EIRR 10.5%
	Maptaphut phase 3		70	91,027		6.1	EIRR 13.6%
	Motorway O&M		40	577		0.0	EIRR 10%
	One Bangkok	240	16	1,045		0.1	EIRR 12%
Digital Investment	JDA (Data center)		40	6,635		0.2	EIRR 12%
	SPCG		9	1,126	26	0.1	At 1.5x FY25E P/BV
	ADVANC+THCOM		40	829,763		55.5	At THB84.6 consensus target price
	Jackson USA	1,270	28	45,973	356	15.3	At 2% premium to discount rate for Thailand's asset
	Net debt			(284,787)		(19.1)	At end-2026E
Residual ordinary equity				1,045,165	9,035	82.0	

Sources: GULF; Globlex Research



Balance sheet (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Current assets</b>					
Cash & ST investment	33,937	45,746	41,952	68,168	104,180
Account receivable	18,778	29,375	29,375	29,375	29,375
Inventories	3,180	3,768	4,544	4,780	4,803
Others	9,284	19,875	27,301	29,458	31,585
<b>Non-current assets</b>					
Net fixed assets	96,536	104,245	100,758	110,270	119,181
Others	542,556	570,802	570,802	570,802	570,802
<b>Total Assets</b>	<b>704,271</b>	<b>773,810</b>	<b>774,732</b>	<b>812,852</b>	<b>859,927</b>
<b>Current liabilities</b>					
Account payable	6,072	14,644	17,662	18,580	18,668
ST borrowing	56,205	65,421	30,000	30,000	30,000
Others	9,504	15,809	23,116	25,531	27,224
<b>Long-term liabilities</b>					
Long-term debts	259,230	296,739	296,739	296,739	296,739
Others	11,577	15,298	15,298	15,298	15,298
<b>Total liabilities</b>	<b>342,587</b>	<b>407,911</b>	<b>382,815</b>	<b>386,148</b>	<b>387,929</b>
Paid-up capital	14,940	14,940	14,940	14,940	14,940
Retained earnings	129,516	139,174	162,745	193,900	234,251
Others	187,538	181,559	181,559	181,559	181,559
Minority interest	29,689	30,226	34,772	39,805	45,447
<b>Shareholders' equity</b>	<b>361,683</b>	<b>365,899</b>	<b>394,017</b>	<b>430,204</b>	<b>476,198</b>

Key ratios					
Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Growth (%YoY)</b>					
Sales	6.0	(18.2)	37.4	7.9	7.2
Operating profit	9.0	(17.4)	101.6	14.0	21.3
EBITDA	5.3	(17.4)	101.6	14.0	21.3
Net profit	19.3	274.1	(54.1)	14.8	25.7
Core net profit	14.3	274.1	(54.1)	14.8	25.7
EPS	19.3	274.1	(54.1)	14.8	25.7
Core EPS	14.3	274.1	(54.1)	14.8	25.7
<b>Profitability (%)</b>					
Gross margin	23.4	23.8	33.1	34.7	38.8
Operation margin	19.9	20.1	29.6	31.2	35.3
EBITDA margin	19.9	20.1	29.6	31.2	35.3
Net margin	17.7	80.9	27.0	28.8	33.7
ROE	6.5	24.0	10.6	11.3	12.9
ROA	3.6	10.4	3.8	4.4	#N/A
<b>Stability</b>					
Interest bearing debt/equity (x)	0.9	1.0	0.8	0.8	0.7
Net debt/equity (x)	0.8	0.9	0.7	0.6	0.5
Interest coverage (x)	1.7	1.6	3.9	4.7	5.4
Interest & ST debt coverage (x)	0.3	0.2	0.9	1.0	1.2
Cash flow interest coverage (x)	0.1	0.2	0.1	0.2	0.2
Current ratio (x)	0.9	1.0	1.5	1.8	2.2
Quick ratio (x)	0.7	0.8	1.0	1.3	1.8
Net debt (THB m)	281,498	316,414	284,787	258,571	222,559
<b>Activity</b>					
Asset turnover (X)	0.2	0.1	0.2	0.2	0.2
Days receivables	60.3	88.9	78.9	73.2	68.2
Days inventory	12.1	16.8	16.7	17.8	18.2
Days payable	30.5	50.1	64.8	69.1	70.7
Cash cycle days	41.9	55.5	30.8	21.8	15.7

Profit & loss (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Revenue</b>	<b>120,888</b>	<b>98,886</b>	<b>135,832</b>	<b>146,565</b>	<b>157,151</b>
Cost of goods sold	(92,568)	(75,393)	(90,933)	(95,658)	(96,113)
<b>Gross profit</b>	<b>28,320</b>	<b>23,493</b>	<b>44,899</b>	<b>50,907</b>	<b>61,038</b>
Operating expenses	(4,207)	(3,584)	(4,754)	(5,130)	(5,500)
<b>Operating profit</b>	<b>24,113</b>	<b>19,909</b>	<b>40,145</b>	<b>45,777</b>	<b>55,538</b>
<b>EBIT</b>	<b>19,539</b>	<b>15,969</b>	<b>33,294</b>	<b>38,926</b>	<b>48,687</b>
Depreciation	(4,575)	(3,940)	(6,851)	(6,851)	(6,851)
<b>EBITDA</b>	<b>24,113</b>	<b>19,909</b>	<b>40,145</b>	<b>45,777</b>	<b>55,538</b>
<b>Non-operating income</b>	<b>3,733</b>	<b>61,005</b>	<b>4,235</b>	<b>4,046</b>	<b>5,356</b>
Other incomes	588	1,901	1,598	1,598	1,598
Other non-op income	3,146	59,104	2,637	2,448	3,758
<b>Non-operating expense</b>	<b>(11,888)</b>	<b>(9,429)</b>	<b>(7,814)</b>	<b>(7,666)</b>	<b>(8,258)</b>
Interest expense	(11,213)	(9,940)	(8,514)	(8,366)	(8,958)
Other non-op expense	(676)	511	700	700	700
<b>Equity income/(loss)</b>	<b>15,891</b>	<b>18,130</b>	<b>13,036</b>	<b>13,662</b>	<b>15,149</b>
<b>Pre-tax Profit</b>	<b>27,275</b>	<b>85,675</b>	<b>42,750</b>	<b>48,968</b>	<b>60,934</b>
Extraordinary items	0	0	0	0	0
Current taxation	(682)	(1,294)	(1,486)	(1,765)	(2,289)
Minorities	(5,210)	(4,383)	(4,546)	(5,033)	(5,642)
<b>Net Profit</b>	<b>21,383</b>	<b>79,998</b>	<b>36,719</b>	<b>42,170</b>	<b>53,003</b>
<b>Core net profit</b>	<b>21,383</b>	<b>79,998</b>	<b>36,719</b>	<b>42,170</b>	<b>53,003</b>
<b>EPS (THB)</b>	<b>1.43</b>	<b>5.35</b>	<b>2.46</b>	<b>2.82</b>	<b>3.55</b>
<b>Core EPS (THB)</b>	<b>1.43</b>	<b>5.35</b>	<b>2.46</b>	<b>2.82</b>	<b>3.55</b>

Cash flow (THB m)					
Year ending Dec	2024	2025	2026E	2027E	2028E
<b>Operating cash flow</b>	<b>33,918</b>	<b>95,168</b>	<b>57,328</b>	<b>62,923</b>	<b>74,633</b>
Net profit	21,383	79,998	36,719	42,170	53,003
Depre. & amortization	4,575	3,940	6,851	6,851	6,851
Change in working capital	(7,931)	(6,900)	723	240	(370)
Others	15,891	18,130	13,036	13,662	15,149
<b>Investment cash flow</b>	<b>(85,482)</b>	<b>(78,597)</b>	<b>10,022</b>	<b>(2,351)</b>	<b>(264)</b>
Net CAPEX	(35,577)	(41,649)	(3,364)	(16,363)	(15,763)
Change in LT investment	(8,518)	(35,375)	13,386	14,012	15,499
Change in other assets	(41,387)	(1,572)	0	0	0
<b>Free cash flow</b>	<b>(51,564)</b>	<b>16,572</b>	<b>67,350</b>	<b>60,572</b>	<b>74,369</b>
<b>Financing cash flow</b>	<b>48,570</b>	<b>(4,763)</b>	<b>(71,143)</b>	<b>(34,357)</b>	<b>(38,357)</b>
Change in share capital	0	0	0	0	0
Net change in debt	32,162	46,725	(35,421)	0	0
Dividend paid	(13,147)	(13,147)	(13,147)	(11,016)	(12,651)
Others	29,554	(38,341)	(22,575)	(23,341)	(25,706)
<b>Net cash flow</b>	<b>(2,995)</b>	<b>11,809</b>	<b>(3,794)</b>	<b>26,215</b>	<b>36,013</b>
<b>Per share (THB)</b>					
EPS	1.43	5.35	2.46	2.82	3.55
Core EPS	1.43	5.35	2.46	2.82	3.55
CFPS	2.09	5.91	3.22	3.62	4.38
BVPS	22.22	22.47	24.05	26.13	28.83
Sales/share	8.09	6.62	9.09	9.81	10.52
EBITDA/share	1.61	1.33	2.69	3.06	3.72
DPS	0.88	0.88	0.74	0.85	1.06
<b>Valuation</b>					
P/E (x)	40.31	10.96	24.92	21.70	17.26
P/BV (x)	2.60	2.61	2.55	2.34	2.12
Dividend yield (%)	1.53	1.50	1.20	1.38	1.74
Dividend payout ratio (%)	61.48	16.43	30.00	30.00	30.00

## GENERAL DISCLAIMER

### Analyst Certification

Suwat Sinsadok, Register No. 020799, 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.