

## A Firmer Base, Growth Still to Prove

- Share buyback supports sentiment, but growth remains unproven.
- Trend responsiveness supports stabilization.
- We revised to HOLD and lowered TP to THB 7.80.

### Buyback supports sentiment; recovery remains unproven

On 5-Oct-26, KAMART's board approved a share buyback of up to 30m shares, equivalent to 2.34% of issued shares, through the SET between 6-Oct-26 and 5-Apr-27. Shares rose 10% to THB7.35 following the announcement. We view the programme positively as a capital-management measure that could support EPS and investor confidence. However, the rally does not establish an operating recovery. Sustained upside still requires stronger revenue and earnings momentum.

### Slower growth has reset market expectations

Revenue growth moderated from +20–30% y-y in 2023–24 to high-single-digit growth in 2025, followed by broadly flat revenue in 1Q26 and +4% y-y in 2Q26. In our view, this slowdown explains much of the P/E compression from above 20x to approximately 13x. KAMART's investment appeal has increasingly shifted towards dividends and earnings resilience, while the market awaits evidence that stronger growth can return.

### Trend responsiveness helps establish a firmer base

KAMART's ability to adapt to consumer trends remains a strength, illustrated by recent collaborations across Cathy Doll and Baby Bright. These initiatives help maintain brand relevance and engagement in a competitive beauty market. We believe this responsiveness can support the revenue base and stabilisation. Nevertheless, speed to market alone is insufficient: campaigns must generate sustained sales, repeat purchases and resilient margins before we conclude that high growth is returning.

### Capital returns complement the stabilisation thesis

An 6% dividend yield provides income support, while 13x P/E implies a 7.7% earnings yield. Repurchasing undervalued shares could improve capital efficiency, provided liquidity remains adequate. Full execution would mechanically lift EPS by 2.4%, assuming unchanged net profit. Actual accretion depends on execution timing and interest income forgone. The programme supports shareholder returns, but its earnings contribution is modest.

### Revised to HOLD and lowered TP to THB 7.80

We revised our recommendation to HOLD and TP to THB7.80, implying 6% price upside from THB7.35. KAMART appears to be establishing a firmer operating base, although a recovery to high growth remains unproven. Sustained sales acceleration, healthy margins and cash conversion would strengthen the recovery case. Key risks include weak consumer spending, stronger competition and promotional campaigns that generate engagement without sufficient incremental profit.

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ESG Rating : -

CG Rating : -

## HOLD

|                               |             |
|-------------------------------|-------------|
| <b>Target Price 12M (THB)</b> | <b>7.80</b> |
| VS. BB Consensus TP (%)       | +21.1%      |
| Share Price (THB)             | 7.35        |
| Upside/Downside               | +6.1%       |

#### Share Data

|                          |          |
|--------------------------|----------|
| Market Cap (THB m)       | 8,534.15 |
| Par (THB)                | 0.60     |
| Free Float (%)           | 49.61    |
| Issued shares (m shares) | 1,283    |

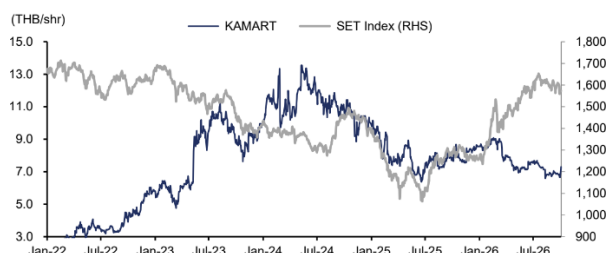
#### Financial forecast

| YE Dec (THB m)             | 2025    | 2026E   | 2027E   | 2028E   |
|----------------------------|---------|---------|---------|---------|
| Revenue                    | 3,484   | 3,503   | 3,697   | 3,944   |
| Net profit                 | 707     | 673     | 734     | 786     |
| Core net profit            | 691     | 673     | 734     | 786     |
| vs Consensus (%)           | -       | 10.6    | 13.6    | 13.4    |
| Net profit growth (%)      | 4.2     | (4.8)   | 9.1     | 7.1     |
| Core net profit growth (%) | (4.4)   | (2.6)   | 9.1     | 7.1     |
| EPS (THB)                  | 0.55    | 0.52    | 0.57    | 0.61    |
| Core EPS (THB)             | 0.54    | 0.52    | 0.57    | 0.61    |
| Chg in core EPS (%)        | (15.94) | (31.04) | (32.09) | (27.35) |
| DPS (THB)                  | 0.44    | 0.42    | 0.46    | 0.49    |
| P/E (x)                    | 16.25   | 14.02   | 12.86   | 12.03   |
| P/BV (x)                   | 3.31    | 2.44    | 2.32    | 2.21    |
| ROE (%)                    | 20.01   | 18.33   | 18.52   | 18.88   |
| Dividend yield (%)         | 4.93    | 5.70    | 6.22    | 6.65    |

Source: Financial Statement and Globlex securities

#### Share Price Performance (%)

|                    | 1M     | 3M      | 6M      | YTD         |
|--------------------|--------|---------|---------|-------------|
| Stock              | (1.48) | (13.07) | (20.83) | (25.70)     |
| vs SET             | (1.27) | (11.86) | (26.17) | (40.45)     |
| 12M High/Low (THB) |        |         |         | 9.95 / 6.60 |



#### Major Shareholders (%) as of 26 Aug 2026

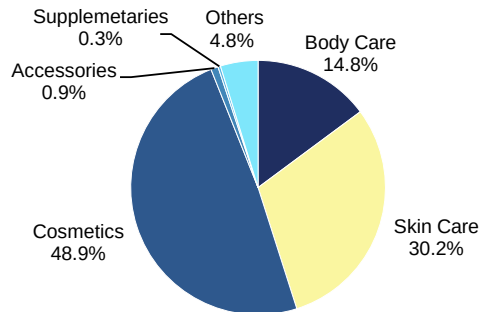
|                           |       |
|---------------------------|-------|
| WELLSIAM COMPANY LIMITED  | 28.00 |
| MR. WIWAT THEEKHAKHIRIKUL | 18.19 |
| UBS AG SINGAPORE BRANCH   | 4.60  |

#### Company Profile

The Company is enterprising and distributing imported cosmetics, skin care products, toiletries, dietary supplement etc under the brands "Cathy Doll", "Baby Bright", "Brow it", "Lipit", "Skynlab" and etc.

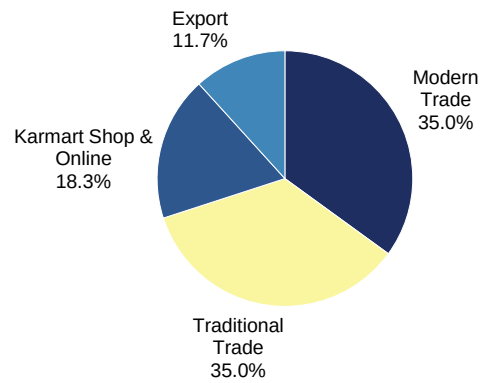
Source: SET, Bloomberg. Quote: 5 Oct 2026, 18:02.  
Statistics/performance: 2 Oct 2026; free float: 13 Mar 2026.  
1M/3M/6M: 20/60/120 trading days; vs SET: relative return.  
Bloomberg chart through 5 Oct 2026.

**Exhibit 1: Revenue breakdown by product**



Sources: KAMART

**Exhibit 2: Revenue breakdown by channels**



Sources: Globlex Research estimates

**Exhibit 3: Cathy Doll x Psi Scott**



Sources: Cathy Doll

**Exhibit 4: Baby Bright x Nene Royal**



Sources: Baby Bright

| Balance sheet (THB m)            |              |              |              |              |              | Profit & loss (THB m)        |              |              |              |              |              |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|------------------------------|--------------|--------------|--------------|--------------|--------------|
| Year ending Dec                  | 2024         | 2025         | 2026E        | 2027E        | 2028E        | Year ending Dec              | 2024         | 2025         | 2026E        | 2027E        | 2028E        |
| <b>Current assets</b>            |              |              |              |              |              | <b>Revenue</b>               |              |              |              |              |              |
| Cash & ST investment             | 558          | 229          | 88           | 71           | 26           | Cost of goods sold           | (1,963)      | (2,215)      | (2,273)      | (2,392)      | (2,552)      |
| Account receivable               | 622          | 695          | 809          | 930          | 1,059        | <b>Gross profit</b>          | <b>1,241</b> | <b>1,269</b> | <b>1,231</b> | <b>1,306</b> | <b>1,392</b> |
| Inventories                      | 840          | 983          | 973          | 1,023        | 1,092        | Operating expenses           | (314)        | (345)        | (350)        | (370)        | (394)        |
| Others                           | 1,063        | 781          | 1,162        | 1,227        | 1,308        | <b>Operating profit</b>      | <b>927</b>   | <b>924</b>   | <b>880</b>   | <b>936</b>   | <b>998</b>   |
| <b>Non-current assets</b>        |              |              |              |              |              | <b>EBIT</b>                  | <b>870</b>   | <b>867</b>   | <b>823</b>   | <b>895</b>   | <b>954</b>   |
| Net fixed assets                 | 689          | 763          | 773          | 782          | 789          | Depreciation                 | (57)         | (57)         | (57)         | (41)         | (43)         |
| Others                           | 952          | 1,592        | 1,592        | 1,592        | 1,592        | <b>EBITDA</b>                | <b>927</b>   | <b>924</b>   | <b>880</b>   | <b>936</b>   | <b>998</b>   |
| <b>Total Assets</b>              | <b>4,723</b> | <b>5,041</b> | <b>5,397</b> | <b>5,625</b> | <b>5,866</b> | <b>Non-operating income</b>  |              |              |              |              |              |
| <b>Current liabilities</b>       |              |              |              |              |              | Other incomes                | 19           | 0            | 0            | 0            | 0            |
| Account payable                  | 368          | 452          | 427          | 449          | 479          | Other non-op income          | (10)         | 9            | 18           | 18           | 18           |
| ST borrowing                     | 624          | 800          | 800          | 800          | 800          | <b>Non-operating expense</b> | <b>(19)</b>  | <b>(22)</b>  | <b>(25)</b>  | <b>(25)</b>  | <b>(25)</b>  |
| Others                           | 151          | 174          | 165          | 174          | 186          | Interest expense             | (19)         | (22)         | (25)         | (25)         | (25)         |
| <b>Long-term liabilities</b>     |              |              |              |              |              | Other non-op expense         | 0            | 0            | 0            | 0            | 0            |
| Long-term debts                  | 5            | 15           | 15           | 15           | 15           | <b>Equity income/(loss)</b>  | <b>(6)</b>   | <b>25</b>    | <b>25</b>    | <b>30</b>    | <b>35</b>    |
| Others                           | 77           | 59           | 59           | 59           | 59           | <b>Pre-tax Profit</b>        | <b>854</b>   | <b>879</b>   | <b>841</b>   | <b>917</b>   | <b>982</b>   |
| <b>Total liabilities</b>         | <b>1,226</b> | <b>1,500</b> | <b>1,466</b> | <b>1,497</b> | <b>1,539</b> | Extraordinary items          | (172)        | (172)        | (168)        | (183)        | (196)        |
| Paid-up capital                  | 770          | 770          | 770          | 770          | 770          | Current taxation             | (4)          | 1            | 0            | 0            | 0            |
| Retained earnings                | 989          | 1,056        | 1,447        | 1,643        | 1,842        | <b>Net Profit</b>            | <b>678</b>   | <b>707</b>   | <b>673</b>   | <b>734</b>   | <b>786</b>   |
| Others                           | 1,671        | 1,648        | 1,648        | 1,648        | 1,648        | <b>Core net profit</b>       | <b>723</b>   | <b>691</b>   | <b>673</b>   | <b>734</b>   | <b>786</b>   |
| Minority interest                | 68           | 67           | 67           | 67           | 67           | <b>EPS (THB)</b>             | <b>0.53</b>  | <b>0.55</b>  | <b>0.52</b>  | <b>0.57</b>  | <b>0.61</b>  |
| <b>Shareholders' equity</b>      | <b>3,498</b> | <b>3,541</b> | <b>3,932</b> | <b>4,128</b> | <b>4,327</b> | <b>Core EPS (THB)</b>        | <b>0.56</b>  | <b>0.54</b>  | <b>0.52</b>  | <b>0.57</b>  | <b>0.61</b>  |
| <b>Key ratios</b>                |              |              |              |              |              | <b>Cash flow (THB m)</b>     |              |              |              |              |              |
| Year ending Dec                  | 2024         | 2025         | 2026E        | 2027E        | 2028E        | Year ending Dec              | 2024         | 2025         | 2026E        | 2027E        | 2028E        |
| <b>Growth (%YoY)</b>             |              |              |              |              |              | <b>Operating cash flow</b>   |              |              |              |              |              |
| Sales                            | 30.5         | 8.7          | 0.6          | 5.5          | 6.7          | Net profit                   | 678          | 707          | 673          | 734          | 786          |
| Operating profit                 | 26.4         | (0.3)        | (4.8)        | 6.3          | 6.6          | Depre.& amortization         | 57           | 57           | 57           | 41           | 43           |
| EBITDA                           | 26.4         | (0.3)        | (4.8)        | 6.3          | 6.6          | Change in working capital    | (430)        | 173          | (520)        | (205)        | (238)        |
| Net profit                       | 2.6          | 4.3          | (4.9)        | 9.1          | 7.1          | Others                       | (347)        | (351)        | (344)        | (374)        | (400)        |
| Core net profit                  | 38.7         | (4.4)        | (2.6)        | 9.1          | 7.1          | <b>Investment cash flow</b>  | <b>(164)</b> | <b>(455)</b> | <b>277</b>   | <b>324</b>   | <b>350</b>   |
| EPS                              | (25.3)       | 4.2          | (4.8)        | 9.0          | 7.0          | Net CAPEX                    | (261)        | 50           | 50           | 50           | 50           |
| Core EPS                         | 1.1          | (4.4)        | (2.6)        | 9.0          | 7.0          | Change in LT investment      | (401)        | 618          | 142          | 521          | 541          |
| <b>Profitability (%)</b>         |              |              |              |              |              | Change in other assets       | 498          | (1,123)      | 84           | (246)        | (241)        |
| Gross margin                     | 38.7         | 36.4         | 35.1         | 35.3         | 35.3         | <b>Free cash flow</b>        | <b>(206)</b> | <b>131</b>   | <b>142</b>   | <b>521</b>   | <b>541</b>   |
| Operation margin                 | 28.9         | 26.5         | 25.1         | 25.3         | 25.3         | <b>Financing cash flow</b>   | <b>(79)</b>  | <b>(460)</b> | <b>(282)</b> | <b>(537)</b> | <b>(586)</b> |
| EBITDA margin                    | 28.9         | 26.5         | 25.1         | 25.3         | 25.3         | Change in share capital      | 110          | 16           | 0            | 0            | 0            |
| Net margin                       | 21.2         | 20.3         | 19.2         | 19.8         | 19.9         | Net change in debt           | 4            | (1)          | 0            | 0            | 0            |
| ROE                              | 21.7         | 20.0         | 18.3         | 18.5         | 18.9         | Dividend paid                | (192)        | (475)        | (282)        | (537)        | (586)        |
| ROA                              | 16.1         | 14.2         | 12.9         | 13.3         | 13.7         | Others                       |              |              |              |              |              |
| <b>Stability</b>                 |              |              |              |              |              | <b>Net cash flow</b>         | <b>(284)</b> | <b>(329)</b> | <b>(140)</b> | <b>(17)</b>  | <b>(45)</b>  |
| Interest bearing debt/equity (x) | 0.2          | 0.2          | 0.2          | 0.2          | 0.2          | <b>Per share (THB)</b>       |              |              |              |              |              |
| Net debt/equity (x)              | 0.0          | 0.2          | 0.2          | 0.2          | 0.2          | EPS                          | 0.53         | 0.55         | 0.52         | 0.57         | 0.61         |
| Interest coverage (x)            | 45.3         | 39.4         | 33.1         | 36.0         | 38.4         | Core EPS                     | 0.56         | 0.54         | 0.52         | 0.57         | 0.61         |
| Interest & ST debt coverage (x)  | 1.4          | 1.1          | 1.0          | 1.1          | 1.2          | CFPS                         | 0.79         | 0.59         | 0.57         | 0.60         | 0.65         |
| Cash flow interest coverage (x)  | (0.0)        | 0.4          | (0.1)        | 0.1          | 0.1          | BVPS                         | 3.67         | 2.71         | 3.01         | 3.16         | 3.32         |
| Current ratio (x)                | 2.7          | 1.9          | 2.2          | 2.3          | 2.4          | Sales/share                  | 3.43         | 2.71         | 2.73         | 2.88         | 3.07         |
| Quick ratio (x)                  | 1.0          | 0.6          | 0.6          | 0.7          | 0.7          | EBITDA/share                 | 0.99         | 0.72         | 0.69         | 0.73         | 0.78         |
| Net debt (THB m)                 | 71           | 587          | 727          | 744          | 789          | DPS                          | 0.26         | 0.44         | 0.42         | 0.46         | 0.49         |
| <b>Activity</b>                  |              |              |              |              |              | <b>Valuation</b>             |              |              |              |              |              |
| Asset turnover (X)               | 0.7          | 0.6          | 0.6          | 1.0          | 1.9          | P/E (x)                      | 20.8         | 16.3         | 14.0         | 12.9         | 12.0         |
| Days receivables                 | 70.8         | 72.8         | 84.3         | 91.8         | 98.0         | P/BV (x)                     | 4.12         | 3.31         | 2.44         | 2.32         | 2.21         |
| Days inventory                   | 156.2        | 156.2        | 156.2        | 156.2        | 156.2        | Dividend yield (%)           | 2.36         | 4.93         | 5.70         | 6.22         | 6.65         |
| Days payable                     | 68.5         | 68.5         | 68.5         | 68.5         | 68.5         | Dividend payout ratio (%)    | 49.22        | 80.16        | 79.90        | 79.96        | 80.03        |
| Cash cycle days                  | 158.5        | 160.4        | 172.0        | 179.5        | 185.7        |                              |              |              |              |              |              |

**Karmarts PCL (KAMART TB) | THAILAND / SET / COMMERCE**
**ESG Analysis**

| ESG Assessment                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | SET ESG          | Bloomberg |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-----------|
| <b>Environment</b><br>Packaging waste, outsourced manufacturing and distribution energy are KAMART's main environmental exposures. In 2025, electricity consumption reached 1,900,579 kWh (+2.63% y-y), while vehicle fuel consumption increased to 519,376 litres (+10.09% y-y). LED lighting, electric forklifts and sustainable-packaging initiatives support efficiency, but the company has not established quantified energy or GHG reduction targets. Unverified emissions data and limited disclosure on packaging recovery constrain assessment of its wider supply-chain footprint.                                                                                                                                        | -                | 3.85      |
| <b>Social</b><br>Product safety, accurate advertising and supplier oversight are critical to maintaining trust in KAMART's cosmetics brands. The company reports zero significant customer complaints in 2025 and maintains product-quality, labelling and consumer-protection controls. However, new suppliers are not screened against sustainability criteria, and key suppliers are not required to acknowledge its supplier code of conduct. Workforce execution also warrants attention: KAMART employed 1,183 people, reported 48.94% voluntary turnover, and recorded 7 work-related injuries resulting in work stoppage. These figures indicate retention and occupational-safety risks despite established labor policies. |                  | 5.52      |
| <b>Governance</b><br>The board comprised 11 directors, including 5 independent directors (45.45%), while the 2025 AGM assessment scored 93/100. Separate Chairman and CEO roles, Audit Committee oversight and interested-director voting restrictions support minority-shareholder protection. Nevertheless, the Chairman is not independent and shares a family relationship with the highest-ranking executive, making related-party oversight particularly important. The company reports no participation or declaration of intent to join an anti-corruption network; formal external certification remains a governance gap.                                                                                                  |                  | 3.89      |
| <b>Overall — CG Score: Not disclosed in the supplied reports. CAC: No anti-corruption network participation or declaration reported in FY2025</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | No rating listed | 4.39      |

SET ESG Rating as of 9 January 2026: KAMART does not appear in the rating list reproduced in the supplied samples. A 2025 Thai IOD CG rating could not be verified from the supplied documents.

Sources: KAMART FY2025 One Report; KAMART ESG Performance 2025, Globlex Securities Research

**Ratings: AAA (90-100)**

|        |       |        |        |        |              |       |        |
|--------|-------|--------|--------|--------|--------------|-------|--------|
| AAV    | ACE   | ADVANC | AJ     | AMATA  | AMATAV       | ASW   | AWC    |
| BAM    | BANPU | BAY    | BBGI   | BBL    | BDMS         | BEM   | BGC    |
| BGRIM  | BJC   | BKIH   | BPP    | BTG    | CENTEL       | CKP   | CPALL  |
| CPF    | CPAXT | CPN    | CRC    | DITTO  | EASTW        | FPI   | FPT    |
| GLOBAL | GPSC  | GUNKUL | HANA   | HENG   | HMPRO        | III   | ILM    |
| IVL    | KBANK | KCG    | KJL    | KKP    | KTB          | KTC   | LH     |
| LOXLEY | MAJOR | MBK    | MC     | M-CHAI | MFEC         | MTI   | NER    |
| NOBLE  | OR    | ORI    | OSP    | PB     | <b>PLANB</b> | PR9   | PSH    |
| PTG    | PTT   | PTTEP  | PTTGC  | RATCH  | S            | S&J   | SABINA |
| SAT    | SC    | SCB    | SCC    | SCG    | SCGP         | SIRI  | SJWD   |
| SKY    | SNP   | STA    | STECON | STGT   | SVOA         | TEAMG | TEGH   |
| TFMAMA | THCOM | TISCO  | TMT    | TOA    | TOP          | TPBI  | TTA    |
| TTB    | TTW   | TVO    | VNG    | WHA    | WHAUP        |       |        |

**Ratings: AA (80-89)**

|      |       |        |       |       |       |       |        |
|------|-------|--------|-------|-------|-------|-------|--------|
| ADB  | AKP   | AOT    | AP    | ASK   | ASP   | AURA  | BCH    |
| BLA  | BRI   | BTS    | CBG   | CIVIL | CK    | CMAN  | COLOR  |
| COM7 | DMT   | DRT    | EGCO  | EPG   | ETC   | GFPT  | GULF   |
| HTC  | ICHI  | ILINK  | IT    | ITTHI | JMART | KCE   | KUMWEL |
| LHFG | MINT  | MODERN | MOSHI | MSC   | MTC   | NVD   | NYT    |
| PCC  | PRM   | PSL    | QTC   | RBF   | SA    | SAWAD | SCCC   |
| SCGD | SELIC | SFLEX  | SHR   | SMPC  | SNNP  | SPALI | SPI    |
| SSP  | SUTHA | SYNEX  | TASCO | TCAP  | TCMC  | TGH   | THANI  |
| TIPH | TKS   | TLI    | TOG   | TPAC  | TPIPP | TSC   | TU     |
| UAC  | UBE   | VIH    | WICE  | XO    | ZEN   |       |        |

**Ratings: A (65-100)**

|        |        |        |        |            |        |      |        |
|--------|--------|--------|--------|------------|--------|------|--------|
| AEONTS | ALLA   | ALT    | ALUCON | BA         | BH     | BLC  | CFRESH |
| CHAO   | CHASE  | CHG    | CM     | CPL        | CREDIT | ERW  | GABLE  |
| HARN   | HUMAN  | INSET  | IRC    | <b>ITC</b> | JMT    | KSL  | M      |
| MALEE  | MGC    | MOONG  | NEO    | PHOL       | PLUS   | PM   | PPS    |
| PQS    | PROUD  | PRTR   | PSP    | Q-CON      | QLT    | SAK  | SAPPE  |
| SCAP   | SEAFCO | SEAOIL | SENA   | SENX       | SGC    | SICT | SITHAI |
| SKR    | SNC    | SPC    | SSSC   | SYMC       | TAN    | TBN  | TGE    |
| THANA  | THIP   | THREL  | TPA    | TPCS       | TQM    | TRU  | TWPC   |
| UPF    | UPOIC  | VIBHA  | WPH    |            |        |      |        |

**Ratings: BBB (50-64)**

|     |        |      |     |       |      |    |       |
|-----|--------|------|-----|-------|------|----|-------|
| AKR | ASIMAR | CSC  | J   | LEO   | MEGA | NL | PRIN  |
| SE  | SO     | SPRC | SUN | TMILL | TSTH | WP | YUASA |

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Source: SET ESG Ratings, Stock Exchange of Thailand (setsustainability.com). Ratings as of 9 January 2026. Only companies scoring 50 and above are assigned a rating. Covered company are Bold in letter.

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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.