B.GRIMM POWER (BGRIM TB)

THAILAND / SET / ENERGY & UTILITIES

Globlex Securities Co., Ltd.

13 August 2026

Gas cost risk in more control in 2Q26

- 2Q26 NP of THB676m reflected BGRIM's earnings resiliency
- 2H26-2027 outlook remains promising on capacity growths
- Maintain BUY and a SoTP of THB20

Gas Costs Take the Toll

BGRIM reported 2Q26 net profit (NP) of THB676m, down 6% q-q but sharply up from THB7m in 2Q25, while core NP came in at THB478m, down 6% q-q but broadly flat y-y. The q-q decline mainly reflected 1) lower electricity tariffs (-2% q-q) and steam tariffs (-10% y-y); 2) higher natural gas costs of THB363/mmbtu (vs THB288/mmbtu in 1Q26); 3) weaker service income; 4) lower NP contribution from Malacha due to weaker water inflows; 5) unrealized FX losses; and 6) higher SG&A, potentially due to additional ECL provisions for trade receivables. These factors were partly offset by 1) higher electricity sales volumes (+2.7% y-y to 4,003 GWh), driven by stronger EGAT (+2% y-y), Thai IU (+4% y-y), and EVN (+4% y-y) sales, alongside stronger renewable generation; 2) lower tax expenses from deferred tax asset recognition; and 3) THB0.1b of equity income from Nakwol 1.

Margins Take a Hit

EBITDA fell to THB3.5b (-8% q-q, -6% y-y), with EBITDA margin declining to 23% in 2Q26, from 30% in 1Q26 and 25% in 2Q25, mainly due to lower service income from development fees, unrealised FX loss, and higher ECL provisions on trade receivables.

Gradual reduction in gas price risk underway

We highlight that in 2Q26, BGRIM still suffered from the negative impact of the changes in electricity tariff-gas cost mismatch, reflecting in the smaller rises in tariffs for EGAT to THB3.84/kWh (-1.0% q-q, +17.1% y-y), IUs in Thailand at THB3.6/kWh (-1.9% q-q, +3.2% y-y), and steam price to THB1,083/t (-9.4% q-q, +16.9% y-y), than the hike in gas cost to THB362.55/mmbtu (-2.1% q-q, +25.9% y-y). However, looking forward, we think BGRIM will gradually reduce the margin risk on the price-cost mismatch via the changes in the grid-linked to gas-linked tariff structure.

Lower risk, higher growth ahead

We remain positive on BGRIM's recovery outlook through 2026, supported by lower risk on gas costs via gradual shifts for IU's tariff structure to gas-linked (50% in 2Q26), and renewable expansion. Near-term growth will come from additional IU synchronization of 50–60MW in 2026 alongside ongoing renewable project CODs. While near-term earnings could still face pressure from lower Ft adjustments and volatile LNG prices, we think stronger IU demand, new renewable capacity, should sustain and strengthen earnings resiliency.

Maintain BUY at SoTP TP of THB20

Maintain BUY and a SoTP TP of THB20. We believe the worst is now fully priced in and BGRIM's net profit outlook is now at least improving meaningfully, or likely at best growing subsequently as BGRIM implements strategies to strengthen growths and improve margins.

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ESG Rating : AAA

CG Rating :

BUY

Target Price 12M (THB)	**20.00**
VS. BB Consensus TP (%)	+2.4%
Share Price (THB)	17.70
Upside/Downside	+13.0%

Share Data

Market Cap (THB m)	46,142.13
Par (THB)	2.00
Free Float (%)	31.57
Issued shares (m shares)	2,607

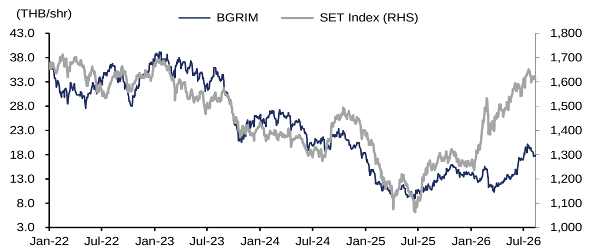
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	55,388	60,088	67,703	68,387
Net profit	1,675	2,086	2,881	2,915
Core net profit	2,143	2,086	2,881	2,915
vs Consensus (%)		3.8	16.2	2.2
Net profit growth (%)	7.6	24.5	38.1	1.2
Core net profit growth (%)	(3.8)	(2.6)	38.1	1.2
EPS (THB)	0.64	0.80	1.11	1.12
Core EPS (THB)	0.82	0.80	1.11	1.12
Chg from previous (%)		0.00	0.00	0.00
DPS (THB)	0.41	0.32	0.44	0.45
P/E (x)	19.92	22.12	16.02	15.83
P/BV (x)	1.00	1.36	1.29	1.23
ROE (%)	6.16	6.19	8.26	7.94
Dividend yield (%)	3.22	1.81	2.50	2.53

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	(9.69)	28.26	28.26	25.53
Market	(9.19)	18.45	12.28	(1.94)
12M High/Low (THB)				20.30 / 10.30



Major Shareholders (%) as of 11 Mar 2026

B.Grimm Power (Singapore) Pte.Ltd.	31.49
Mr. Harald Link	23.84
B. Grimm Joint Venture Holding Company Limited	7.80

Company Profile

A holding company holding shares in other companies of which the core business is generation and sale of electricity and steam and related business in Thailand and other countries.

Source: SETSMART, SET

Exhibit 1: Summary of 2Q26/6M26 operations

(THB m)	2Q25	1Q26	---------------------------- 2Q26 -------------------------			6M25	6M26	chg.	2026E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	**15,068**	**12,726**	**15,123**	***18.8***	***0.4***	**28,773**	**27,848**	***(3.2)***	**60,088**
Operating costs	(11,336)	(8,931)	(11,614)	*(30.0)*	*(2.4)*	(21,316)	(20,544)	*3.6*	(46,137)
EBITDA	**3,732**	**3,795**	**3,509**	***(7.5)***	***(6.0)***	**7,457**	**7,304**	***(2.1)***	**13,951**
EBITDA margin (%)	*24.8*	*29.8*	*23.2*	*na*	*na*	*25.9*	*26.2*	*na*	*23.2*
Depn & amort.	(1,454)	(1,424)	(1,449)	*(1.8)*	*0.4*	(2,852)	(2,873)	*(0.7)*	(5,585)
EBIT	2,278	2,371	2,060	***(13.1)***	***(9.6)***	4,605	4,431	***(3.8)***	8,366
Interest expense	(825)	(1,630)	(1,452)	*10.9*	*(75.9)*	(2,141)	(3,082)	*(44.0)*	(6,119)
Interest & invt inc	-	-	-	*nm*	*nm*	-	-	*nm*	-
Other income	325	236	305	*29.0*	*(6.1)*	572	541	*(5.4)*	863
Associates' contrib	276	144	98	*(32.1)*	*(64.5)*	438	242	*(44.7)*	2,347
Exceptionals	(1,412)	152	(19)	*(112.5)*	*98.7*	(1,708)	133	*107.8*	-
Pretax profit	**641**	**1,274**	**992**	***(22.1)***	***54.9***	**1,766**	**2,266**	***28.3***	**5,456**
Tax	(225)	(284)	120	*142.1*	*153.2*	(314)	(165)	*47.6*	(285)
Tax rate (%)	*35.1*	*22.3*	*(12.0)*	*na*	*na*	*17.8*	*7.3*	*na*	*5.2*
Minority interests	(409)	(268)	(436)	*(62.5)*	*(6.6)*	(791)	(704)	*11.0*	(3,085)
Net profit	**7**	**721**	**676**	***(6.3)***	***9,774.0***	**661**	**1,397**	***111.4***	**2,086**
Non-recurring	(468)	214	198	*(7.6)*	*142.3*	(563)	412	*173.2*	-
Core net profit	**475**	**507**	**478**	***(5.7)***	***0.6***	**1,224**	**985**	***(19.5)***	**2,086**
EPS (THB)	0.00	0.28	0.26	*(6.3)*	*9,774.0*	0.25	0.54	*111.4*	0.80
Core EPS (THB)	0.18	0.19	0.18	*(5.7)*	*0.6*	0.47	0.38	*(19.5)*	0.80

Sources: BGRIM; Globlex Research

Exhibit 2: 2Q26/6M26 key performance

	2Q25	1Q26	-------------------- 2Q26 -------------------			6M25	6M26	*Chg.*
				(q-q %)	*(y-y %)*			*(y-y %)*
Electricity sales volume to EGAT (GWh)	**2,580**	**2,434**	**2,628**	***8.0***	***1.9***	**5,026**	**5,062**	***0.7***
Electricity sales volume to IUs – Thailand (GWh)	843	860	876	***1.9***	***3.9***	1,650	1,740	***5.5***
Amata City Chonburi Industrial Estate (GWh)	339	341	336	*(1.5)*	*(0.9)*	668	677	*1.3*
Amata City Rayong Industrial Estate (GWh)	200	190	188	*(1.1)*	*(6.0)*	396	378	*(4.5)*
Laemchabang Industrial Estate (GWh)	175	173	162	*(6.4)*	*(7.4)*	346	336	*(2.9)*
WHA Chonburi 1 Industrial Estate (GWh)	38	57	59	*3.5*	*55.3*	73	116	*58.9*
Bangkadi Industrial Park (GWh)	47	47	49	*4.3*	*4.3*	89	96	*7.9*
WHA Eastern Industrial Estate (Map Ta Phut) (GWh)	42	50	73	*46.0*	*73.8*	73	124	*69.9*
Angthong Industrial Estate	1	2	8	*300.0*	*700.0*	4	14	*250.0*
Electricity sales volume to IUs – Vietnam (GWh)	**148**	**139**	**154**	***10.8***	***4.1***	**282**	**293**	***3.9***
Steam sales volume to IUs – Thailand (tonnes)	**244,966**	**243,223**	**249,672**	***2.7***	***1.9***	**49,895**	**500,016**	***902.1***
Amata City Chonburi Industrial Estate (tonnes)	28,206	30,812	32,931	*6.9*	*16.8*	58,464	63,742	*9.0*
Amata City Rayong Industrial Estate (tonnes)	47,387	51,039	49,354	*(3.3)*	*4.2*	104,894	100,393	*(4.3)*
Laemchabang Industrial Estate (tonnes)	50,643	47,794	47,617	*(0.4)*	*(6.0)*	101,350	95,411	*(5.9)*
WHA Chonburi 1 Industrial Estate (tonnes)	118,730	113,578	119,770	*5.5*	*0.9*	235,308	233,348	*(0.8)*

Sources: BGRIM; Globlex Research

Exhibit 3: 2Q26/6M26 Key prices of electricity, steam, and gas

	2Q25	1Q26	--------------------- 2Q26 --------------------			6M25	6M26	*Chg.*
				(q-q %)	*(y-y %)*			*(y-y %)*
Electricity to EGAT (THB/kWh)	3.88	3.28	3.84	*17.1*	*(1.0)*	3.78	3.57	*(5.6)*
Electricity to IU – Thailand (THB/kWh)	3.67	3.51	3.60	*2.6*	*(1.9)*	3.73	3.55	*(4.8)*
Electricity to IU – Vietnam (THB/kWh)	2.64	2.49	2.60	*4.4*	*(1.5)*	2.63	2.55	*(3.0)*
Steam to IU - Thailand (THB/tonne)	1,196	926	1,083	*16.9*	*(9.4)*	1,111	1,006	*(9.5)*
Gas cost per unit (THB/mmbtu)	370	288	363	*25.9*	*(2.1)*	353	326	*(7.5)*

Sources: BGRIM; Globlex Research

Globlex
Securities Co., Ltd.

Balance sheet (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Current assets					
Cash & ST investment	18,785	23,080	38,004	33,592	26,946
Account receivable	14,851	12,110	9,136	9,813	10,497
Inventories	2,121	1,120	1,242	1,429	1,430
Others	10,669	4,910	5,231	5,751	5,798
Non-current assets					
Net fixed assets	92,118	88,665	101,080	113,314	125,432
Others	42,357	53,161	53,161	53,161	53,161
Total Assets	**180,901**	**183,046**	**207,854**	**217,060**	**223,263**
Current liabilities					
Account payable	7,744	8,791	9,746	11,211	11,217
ST borrowing	22,981	14,143	33,000	36,000	36,000
Others	790	980	2,400	2,535	2,547
Long-term liabilities					
Long-term debts	92,650	103,911	103,911	103,911	103,911
Others	5,065	5,860	5,860	5,860	5,860
Total liabilities	**129,229**	**133,686**	**154,916**	**159,517**	**159,534**
Paid-up capital	5,214	5,214	5,214	5,214	5,214
Retained earnings	5,765	5,222	6,287	8,174	9,930
Others	25,108	23,000	22,428	22,428	22,428
Minority interest	15,585	15,924	19,009	21,727	26,157
Shareholders' equity	**51,672**	**49,360**	**52,937**	**57,543**	**63,728**

Profit & loss (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Revenue	**55,853**	**55,388**	**60,088**	**67,703**	**68,387**
Cost of goods sold	(39,589)	(39,342)	(43,613)	(50,171)	(50,196)
Gross profit	**16,264**	**16,046**	**16,474**	**17,532**	**18,191**
Operating expenses	(2,557)	(2,776)	(2,524)	(2,708)	(2,735)
Operating profit	**13,707**	**13,269**	**13,951**	**14,824**	**15,456**
EBIT	**8,049**	**7,483**	**8,366**	**9,058**	**9,573**
Depreciation	(5,658)	(5,786)	(5,585)	(5,766)	(5,882)
EBITDA	**13,707**	**13,269**	**13,951**	**14,824**	**15,456**
Non-operating income	**1,170**	**1,296**	**863**	**653**	**653**
Other incomes	1,170	1,296	863	653	653
Other non-op income	0	0	0	0	0
Non-operating expense	**(5,693)**	**(5,194)**	**(6,119)**	**(6,228)**	**(6,296)**
Interest expense	(5,554)	(4,621)	(6,119)	(6,228)	(6,296)
Other non-op expense	(139)	(572)	0	0	0
Equity income/(loss)	40	388	2,347	2,488	3,811
Pre-tax Profit	**3,567**	**3,974**	**5,456**	**5,971**	**7,741**
Extraordinary items					
Current taxation	(396)	(722)	(285)	(371)	(397)
Minorities	(1,614)	(1,576)	(3,085)	(2,718)	(4,429)
Net Profit	**1,557**	**1,675**	**2,086**	**2,881**	**2,915**
Core net profit	**2,227**	**2,143**	**2,086**	**2,881**	**2,915**
EPS (THB)	**0.60**	**0.64**	**0.80**	**1.11**	**1.12**
Core EPS (THB)	**0.85**	**0.82**	**0.80**	**1.11**	**1.12**

Key ratios					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Growth (%YoY)					
Sales	(2.2)	(0.8)	8.5	12.7	1.0
Operating profit	2.9	(3.2)	5.1	6.3	4.3
EBITDA	2.9	(3.2)	5.1	6.3	4.3
Net profit	(17.4)	7.6	24.5	38.1	1.2
Core net profit	8.2	(3.8)	(2.6)	38.1	1.2
EPS	(17.4)	7.6	24.5	38.1	1.2
Core EPS	8.2	(3.8)	(2.6)	38.1	1.2
Profitability (%)					
Gross margin	29.1	29.0	27.4	25.9	26.6
Operation margin	24.5	24.0	23.2	21.9	22.6
EBITDA margin	24.5	24.0	23.2	21.9	22.6
Net margin	2.8	3.0	3.5	4.3	4.3
ROE	6.0	6.2	6.2	8.3	7.9
ROA	4.7	1.5	2.0	2.0	2.8
Stability					
Interest bearing debt/equity (x)	2.2	2.4	2.6	2.4	2.2
Net debt/equity (x)	1.9	1.9	1.9	1.8	1.8
Interest coverage (x)	1.4	1.6	1.4	1.5	1.5
Interest & ST debt coverage (x)	0.3	0.4	0.2	0.2	0.2
Cash flow interest coverage (x)	0.0	0.1	0.1	0.1	0.1
Current ratio (x)	1.5	1.7	1.2	1.0	0.9
Quick ratio (x)	1.1	1.5	1.0	0.9	0.8
Net debt (THB m)	96,846	94,974	98,907	106,319	112,965
Activity					
Asset turnover (X)	0.3	0.3	0.3	0.3	0.3
Days receivables	81.2	88.8	64.5	51.1	54.2
Days inventory	14.1	15.0	9.9	9.7	10.4
Days payable	72.8	76.7	77.6	76.2	81.5
Cash cycle days	22.5	27.2	(3.2)	(15.4)	(17.0)

Cash flow (THB m)					
Year ending Dec	**2024**	**2025**	**2026E**	**2027E**	**2028E**
Operating cash flow	**3,759**	**18,819**	**13,587**	**11,351**	**11,895**
Net profit	1,557	1,675	2,086	2,881	2,915
Depre.& amortization	5,658	5,786	5,585	5,766	5,882
Change in working capital	(3,496)	10,970	3,569	216	(714)
Others	40	388	2,347	2,488	3,811
Investment cash flow	**(11,716)**	**(7,941)**	**(15,653)**	**(15,512)**	**(14,189)**
Net CAPEX	(3,867)	(2,333)	(18,000)	(18,000)	(18,000)
Change in LT investment	(9,856)	(7,057)	2,347	2,488	3,811
Change in other assets	2,008	1,449	0	0	0
Free cash flow	**(7,957)**	**10,878**	**(2,066)**	**(4,161)**	**(2,294)**
Financing cash flow	**(2,010)**	**(6,352)**	**16,990**	**(251)**	**(4,352)**
Change in share capital	0	0	0	0	0
Net change in debt	6,199	2,423	18,857	3,000	0
Dividend paid	(1,121)	(1,074)	(1,022)	(993)	(1,159)
Others	(7,087)	(7,702)	(845)	(2,257)	(3,193)
Net cash flow	**(9,967)**	**4,526**	**14,924**	**(4,412)**	**(6,646)**

Per share (THB)					
EPS	0.60	0.64	0.80	1.11	1.12
Core EPS	0.85	0.82	0.80	1.11	1.12
CFPS	3.39	3.47	4.13	4.36	5.07
BVPS	13.84	12.83	13.01	13.74	14.41
Sales/share	21.43	21.25	23.05	25.97	26.23
EBITDA/share	5.26	5.09	5.35	5.69	5.93
DPS	0.43	0.41	0.32	0.44	0.45
Valuation					
P/E (x)	32.65	19.92	22.12	16.02	15.83
P/BV (x)	1.41	1.00	1.36	1.29	1.23
Dividend yield (%)	2.21	3.22	1.81	2.50	2.53
Divdend payout ratio (%)	72.00	64.10	40.00	40.00	40.00

B.GRIMM POWER (BGRIM TB) | THAILAND / SET / ENERGY & UTILITIES

ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment BGRIM is progressing toward its Net Zero Carbon Emissions 2050 target by expanding renewable energy capacity, improving energy efficiency, and reducing greenhouse gas emissions across its operations. The company also promotes responsible water management, biodiversity conservation, and environmental stewardship throughout its project lifecycle.	AAA	1.74
Social BGRIM focuses on employee well-being, occupational safety, and capability development while supporting education, STEM learning, community development, and biodiversity conservation initiatives. The company continues to create shared value under its "Empowering the World Compassionately" philosophy.		4.66
Governance BGRIM upholds high corporate governance standards through an independent board, enterprise risk management, anti-corruption policies, and transparent ESG disclosure. Sustainability is integrated into strategic decision-making, reinforcing long-term resilience and responsible business growth.		4.76
Overall | CG Score: Excellent (5-star) | CAC: Certified		**3.26**

Bloomberg ESG scores reflect FY2025 data (latest available). SET ESG Rating as of April 2026 (Globlex Research). CG rating reflects 2025 Thai IOD survey. SET ESG Rating as of 9 January 2026.
Sources: SET, Thai IOD, CAC, Bloomberg, Globlex Securities Research

Globlex Securities Co., Ltd.

SET ESG Ratings 2025 | Thai Listed Companies

As of 9 January 2026

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	PLANB	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	ITC	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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Analyst Certification

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RECOMMENDATION STRUCTURE

Stock Recommendations

Stock ratings are based on absolute upside or downside, which we define as (target price* - current price) / 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.