SCGJWD LOGISTICS (SJWD TB)

THAILAND / SET / TRANSPORTATION & LOGISTICS

12 November 2026

III's merger for further growth

- A y-y solid but seasonally weaker 3Q26 result was in line
- A 24.5% stake acquisition of III will strengthen freight forwarder unit
- Maintain BUY and a TP of THB13.0

A still strong 3Q26

3Q26 net profit (NP) jumped to THB412m, down 11% q-q but up 60% y-y, mainly due to the q-q low NPs from transportation and warehouse & yard (WY). EBITDA margin was 12.4% in 3Q26, down from 12.7% in 2Q26 but up from 11.7% in 3Q25. Interest expense declined to THB159m, down 7.6% q-q and 5.6% y-y on lower debts while share of profit dipped to THB167m in 3Q26, down 17% q-q but up 69% y-y.

Warehouse & yard softened in 3Q26

Warehouse and Yard (WY) revenue was THB1.2b (-2% q-q, +25% y-y), thanks to growing revenue from general goods warehouse of THB968m (+2% q-q, +26% y-y) despite a lower occupancy rate at 92% in 3Q26, down from 95% in 2Q26 and 94.9% in 3Q25. Revenue from cold chain storage dipped to THB323m (-1% q-q, +9% y-y) due to lower utilization rate to 74.6% as customers destocked their chicken and tuna. Revenue from dangerous goods inched up to THB174m (+3% q-q, +14% y-y) and revenue from automotive yard decreased to THB349m (-10% q-q, +60% y-y) on lower utilization rate at 89.2%, down from 92.9% in 2Q26 and 92.7% in 3Q25.

Transportation revenue dropped seasonally

Transportation and Distribution (TD) revenue dropped to THB3.1b (-8% q-q, +2% y-y), dragged by lower B2B logistics revenue to THB2.1b for cement and building materials. D2C logistics revenue flattened at THB618m (+0.2% q-q, +0.6% y-y) due to the higher demands for ceramics and agricultural products. Cross border revenue dropped 33% q-q to THB84m on the lower logistics to Myanmar and Cambodia while multimodal revenue declined to THB279m (-1% q-q, +17% y-y) on lower transportation volume.

SJWDF+III merger to strengthen SJWD's freight/DG businesses

On 12 Nov-26, SJWD announced the merger of its 100%-owned SJWDF (Freight Forwarder) with Triple I Logistics (III), acquiring 24.5% stake via the share swap of SJWDF and THB472m. SJWD indicated that this deal will enhance business growth with the combined sea freight and dangerous goods units of SJWDF with III's air freight/DG. We estimate that SJWD's paid THB6.75/share of III, a 37.7% premium to III's market price before the deal announced at THB4.9/share, will be justified by the combined NP over THB0.6b annually via the equity income (24.5% stake) from III, based on III's normalized NP of THB0.5b and SJWDF's THB0.1b annually.

Buy this leading logistics and warehouse play

Maintain BUY and our SoTP of THB13. We see SJWD's recent merger with III as a sound strategic move to further strengthen SJWD's growth strategy for the freight (air+ sea) and DG. The 38% price premium paid to III's 24.5% stake is justified by the deep undervalued III's share price.

Analyst

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ESG Rating : AAA

CG Rating : ▲▲▲▲▲

BUY

Target Price 12M (THB)	**13.0**
VS. BB Consensus TP (%)	+3.5%
Share Price (THB)	10.8
Upside/Downside	+20.4%

Share Data

Market Cap (THB m)	19,558.16
Par (THB)	0.50
Free Float (%)	24.31
Issued shares (m shares)	1,811

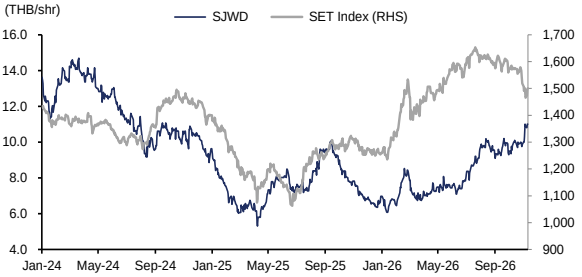
Financial forecast

YE Dec (THB m)	2025	2026E	2027E	2028E
Revenue	25,158	26,462	27,492	28,595
Net profit	1,172	1,301	1,359	1,476
Core net profit	1,172	1,301	1,359	1,476
vs Consensus (%)		(2.2)	(1.0)	(1.7)
Net profit growth (%)	4.7	11.0	4.5	8.6
Core net profit growth (%)	4.7	11.0	4.5	8.6
EPS (THB)	0.65	0.72	0.75	0.82
Core EPS (THB)	0.65	0.72	0.75	0.82
Chg in core EPS (%)		0.00	0.00	0.00
DPS (THB)	0.28	0.36	0.38	0.41
P/E (x)	11.43	15.03	14.39	13.25
P/BV (x)	0.59	0.83	0.80	0.78
ROE (%)	5.13	5.60	5.67	5.97
Dividend yield (%)	3.78	3.33	3.47	3.77

Source: Financial Statement and Globlex securities

Share Price Performance (%)

	1M	3M	6M	YTD
Stock	11.22	10.10	44.37	47.30
Market	16.82	18.20	43.14	23.52
12M High/Low (THB)				11.20 / 6.40



Major Shareholders (%) as of 05 May 2026

SCG Cement-Building Materials	29.70
SCG Distribution Co., Ltd	13.20
Mr. Charvanin Bunditkitsada	11.32

Company Profile

The Company is one of ASEAN top specialized logistics and supply chain solutions service provider which can be classified into 2 core business units:1. Logistics and Supply Chain Services such as warehouse and automotive yard management, goods transportation and distribution (B2B, D2C, Cross Border, Multimodal Transport 2. Other businesses.

Source: SETSMART, SET

Exhibit 1: Summary of 3Q26/9M26 operations

	3Q25	2Q26	3Q26			9M25	9M26	chg.	2026E
	(THB m)	(THB m)	(THB m)	(q-q%)	(y-y%)	(THB m)	(THB m)	(y-y%)	(THB m)
Revenue	**6,187**	**6,940**	**6,796**	**(2.1)**	**9.9**	**18,941**	**20,005**	**5.6**	**26,462**
Operating costs	(5,463)	(6,061)	(5,955)	(1.8)	9.0	(16,695)	(17,527)	5.0	(20,771)
EBITDA	**724**	**879**	**842**	**(4.3)**	**16.2**	**2,245**	**2,478**	**10.4**	**3,177**
EBITDA margin (%)	11.7	12.7	12.4	n.m.	n.m.	11.9	12.4	n.m.	12.0
Depn & amort.	(391)	(422)	(383)	(9.2)	(1.9)	(1,131)	(1,193)	5.5	(1,870)
EBIT	333	457	458	0.3	37.5	1,114	1,286	15.4	1,307
Interest expense	(168)	(172)	(159)	(7.6)	(5.6)	(502)	(490)	(2.5)	(687)
Interest & invt inc	11	13	32	152.1	199.0	36	56	58.6	33
Other income	7	15	24	60.7	249.4	78	61	(21.9)	148
Associates' contrib	98	201	167	(17.2)	69.2	377	479	26.8	694
Exceptionals	42	92	(17)	(118.7)	(140.8)	46	85	84.1	0
Pretax profit	**323**	**606**	**505**	**(16.7)**	**56.1**	**1,149**	**1,476**	**28.5**	**1,495**
Tax	(38)	(106)	(68)	(35.5)	76.9	(159)	(230)	44.9	(99)
Tax rate (%)	11.9	17.4	13.5	n.m.	n.m.	13.8	15.6	n.m.	6.6
Minority interests	(27)	(37)	(25)	(34.3)	(9.7)	(84)	(94)	11.2	(95)
Net profit	**258**	**463**	**412**	**(11.0)**	**60.0**	**906**	**1,152**	**27.2**	**1,301**
Non-recurring	42	92	0	(100.0)	(99.9)	46	102	121.6	0
Core net profit	**216**	**371**	**412**	**11.2**	**91.3**	**860**	**1,050**	**22.2**	**1,301**
EPS (THB)	0.14	0.26	0.23	(11.0)	60.0	0.50	0.64	27.2	0.72
Core EPS (THB)	0.12	0.20	0.23	11.2	91.3	0.47	0.58	22.2	0.72

Sources: SJWD; Globlex Research

Exhibit 2: 3Q26 Revenue and Gross profit breakdown

(THB m)	3Q25	2Q26	3Q26	q-q	y-y
Revenue	**6,187**	**6,940**	**6,796**	***(2.1)***	***9.9***
Logistic & Supply Chain					
Warehouse	991.3	1,273.1	1,242.7	*(2.4)*	*25.4*
Transportation	3,063.1	3,385.5	3,129.3	*(7.6)*	*2.2*
Other logistics	603.1	573.5	670.4	*16.9*	*11.2*
Overseas business	1,036.5	1,249.5	1,267.9	*1.5*	*22.3*
Other businesses	492.8	458.8	486.1	*6.0*	*(1.4)*
Gross profit					
Logistic & Supply Chain					
Warehouse	283.1	366.5	335.4	*(8.5)*	*18.5*
Transportation	276.2	352.9	300.5	*(14.8)*	*8.8*
Other logistics	123	136	156	*14.7*	*26.4*
Overseas business	133	153	145	*(5.0)*	*9.2*
Other businesses	3	12	7	*(46.3)*	*97.0*

Sources: SJWD; Globlex Research

Exhibit 3: 3Q26 Warehouse key performance

Warehouse and yard management	3Q25	2Q26	3Q26	q-q	y-y
Revenue					
General goods	324	388	396	*2.1*	*22.2*
Dangerous goods	152	170	174	*2.5*	*14.0*
Automotive	218	388	349	*(10.0)*	*60.2*
Cold chain storage	296	327	323	*(1.2)*	*9.0*
General Goods					
Area ('000 Sq.m.)	283	331	328	*(0.8)*	*15.8*
Occupancy Rate (%)	94.5	94.8	92.0	*(3.0)*	*(2.6)*
Dangerous Goods					
Yard (TEU*)	45,181	50,963	49,387	*(3.1)*	*9.3*
Dangerous Warehouse (Revenue Ton)	6,730	6,967	6,765	*(2.9)*	*0.5*
Automotive					
Occupancy Rate (%)	92.7	92.9	89.2	*(4.0)*	*(3.8)*
Cold Chain Storage					
Occupancy Rate (%)	66.1	81.2	74.6	*(8.1)*	*12.9*
Transportation and distribution service					
Revenue					
Businesss to business	2,089	2,360	2,148	*(9.0)*	*2.8*
Direct to customer	614	617	618	*0.2*	*0.6*
Cross border	121	126	84	*(33.2)*	*(30.1)*
Multimodal	239	283	279	*(1.3)*	*16.8*
Other Logistics Service					
Revenue					
Relocation service	139	52	122	*133.7*	*(12.2)*
Self storage, safe dopesit, art space and wine bank	29	42	32	*(23.0)*	*9.9*
Record and information management	41	40	42	*4.0*	*3.5*
Logistics infrastructure	122	139	127	*(8.4)*	*3.7*
Freight	272	301	348	*15.6*	*27.8*
Self storage, safe dopesit, art space and wine bank					
Area ('000 Sq.m.)	23,532	11,648	12,104	*3.9*	*(48.6)*
Occupancy Rate (%)	67	66	65	*(2.1)*	*(3.9)*
Document storage					
Boxes (Average)	1,565,193	1,615,481	1,637,073	*1.3*	*4.6*
Files (Average)	14,950,262	15,208,934	14,872,673	*(2.2)*	*(0.5)*
Scan (Total)	1,262,837	1,233,994	2,295,381	*86.0*	*81.8*

Sources: SJWD; Globlex Research

Balance sheet (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Current assets					
Cash & ST investment	2,414	1,634	16	(1,302)	1,008
Account receivable	3,332	3,625	3,933	4,253	4,586
Inventories	84	37	38	39	39
Others	772	761	800	832	865
Non-current assets					
Net fixed assets	8,898	8,882	11,289	13,138	14,430
Others	28,536	28,730	28,730	28,730	28,730
Total Assets	**44,036**	**43,669**	**44,806**	**45,690**	**49,659**
Current liabilities					
Account payable	3,176	3,109	3,310	3,345	3,374
ST borrowing	1,935	5,295	5,295	5,295	5,295
Others	1,323	919	966	1,004	1,044
Long-term liabilities					
Long-term debts	10,480	7,393	7,393	7,393	10,393
Others	3,211	3,038	3,038	3,038	3,038
Total liabilities	**20,124**	**19,755**	**20,003**	**20,075**	**23,145**
Paid-up capital	905	905	905	905	905
Retained earnings	1,702	2,130	2,924	3,632	4,429
Others	20,268	19,801	19,801	19,801	19,801
Minority interest	1,037	1,078	1,173	1,276	1,379
Shareholders' equity	**23,912**	**23,914**	**24,803**	**25,615**	**26,514**

Profit & loss (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Revenue	**24,504**	**25,158**	**26,462**	**27,492**	**28,595**
Cost of goods sold	(19,679)	(20,162)	(20,771)	(21,127)	(21,451)
Gross profit	**4,825**	**4,996**	**5,691**	**6,364**	**7,143**
Operating expenses	(2,474)	(2,089)	(2,514)	(2,529)	(2,602)
Operating profit	**2,350**	**2,906**	**3,177**	**3,835**	**4,541**
EBIT	**827**	**1,386**	**1,307**	**1,408**	**1,556**
Depreciation	(1,523)	(1,521)	(1,870)	(2,427)	(2,985)
EBITDA	**2,350**	**2,906**	**3,177**	**3,835**	**4,541**
Non-operating income	**192**	**191**	**181**	**151**	**128**
Other incomes	142	174	148	151	154
Other non-op income	49	18	33	0	(26)
Non-operating expense	**(660)**	**(670)**	**(687)**	**(701)**	**(715)**
Interest expense	(660)	(670)	(687)	(701)	(715)
Other non-op expense	0	0	0	0	0
Equity income/(loss)	923	509	694	707	722
Pre-tax Profit	**1,282**	**1,416**	**1,495**	**1,566**	**1,691**
Extraordinary items					
Current taxation	(85)	(152)	(99)	(104)	(112)
Minorities	(78)	(92)	(95)	(103)	(103)
Net Profit	**1,119**	**1,172**	**1,301**	**1,359**	**1,476**
Core net profit	**1,119**	**1,172**	**1,301**	**1,359**	**1,476**
EPS (THB)	**0.62**	**0.65**	**0.72**	**0.75**	**0.82**
Core EPS (THB)	**0.62**	**0.65**	**0.72**	**0.75**	**0.82**

Key ratios Year ending Dec	2024	2025	2026E	2027E	2028E
Growth (y-y%)					
Sales	3.3	2.7	5.2	3.9	4.0
Operating profit	(10.2)	23.6	9.3	20.7	18.4
EBITDA	(10.2)	23.6	9.3	20.7	18.4
Net profit	47.0	4.7	11.0	4.5	8.6
Core net profit	47.0	4.7	11.0	4.5	8.6
EPS	47.0	4.7	11.0	4.5	8.6
Core EPS	47.0	4.7	11.0	4.5	8.6
Profitability (%)					
Gross margin	19.7	19.9	21.5	23.1	25.0
Operation margin	9.6	11.6	12.0	13.9	15.9
EBITDA margin	9.6	11.6	12.0	13.9	15.9
Net margin	4.6	4.7	4.9	4.9	5.2
ROE	5.0	5.1	5.6	5.7	6.0
ROA	2.7	2.7	2.9	3.0	3.1
Stability					
Interest bearing debt/equity (x)	0.5	0.5	0.5	0.5	0.6
Net debt/equity (x)	0.4	0.5	0.5	0.5	0.6
Interest coverage (x)	1.3	2.1	1.9	2.0	2.2
Interest & ST debt coverage (x)	0.3	0.2	0.2	0.2	0.3
Cash flow interest coverage (x)	0.2	0.1	0.1	0.2	0.2
Current ratio (x)	1.0	0.6	0.5	0.4	0.7
Quick ratio (x)	0.9	0.6	0.4	0.3	0.6
Net debt (THB m)	10,001	11,055	12,673	13,990	14,680
Activity					
Asset turnover (X)	0.6	0.6	0.6	0.6	0.6
Days receivables	47.0	50.5	52.1	54.3	56.4
Days inventory	2.0	1.1	0.7	0.7	0.7
Days payable	58.0	56.9	56.4	57.5	57.2
Cash cycle days	(9.0)	(5.3)	(3.6)	(2.5)	(0.1)

Cash flow (THB m) Year ending Dec	2024	2025	2026E	2027E	2028E
Operating cash flow	**3,959**	**1,702**	**2,833**	**3,256**	**3,898**
Net profit	1,119	1,172	1,301	1,359	1,476
Depre.& amortization	1,523	1,521	1,870	2,427	2,985
Change in working capital	1,533	(705)	(100)	(280)	(297)
Others	(216)	(286)	(238)	(251)	(266)
Investment cash flow	**(993)**	**(1,398)**	**(4,791)**	**(4,830)**	**(4,864)**
Net CAPEX	(2,238)	(1,505)	(4,277)	(4,277)	(4,277)
Change in LT investment	1,612	832	0	0	0
Change in other assets	(367)	(724)	(515)	(553)	(587)
Free cash flow	**2,966**	**305**	**(1,959)**	**(1,574)**	**(966)**
Financing cash flow	**(2,044)**	**(1,085)**	**341**	**256**	**3,276**
Change in share capital	61	41	95	103	103
Net change in debt	(179)	(499)	0	0	0
Divident paid	(507)	(507)	(507)	(650)	(680)
Others	(1,419)	(120)	753	804	3,853
Net cash flow	**922**	**(780)**	**(1,618)**	**(1,317)**	**2,310**

Per share (THB)					
EPS	0.62	0.65	0.72	0.75	0.82
Core EPS	0.62	0.65	0.72	0.75	0.82
CFPS	1.50	1.54	1.80	2.15	2.52
BVPS	12.63	12.61	13.05	13.44	13.88
Sales/share	13.53	13.89	14.61	15.18	15.79
EBITDA/share	1.30	1.60	1.75	2.12	2.51
DPS	0.28	0.28	0.36	0.38	0.41
Valuation					
P/E (x)	26.5	11.4	15.0	14.4	13.2
P/BV (x)	1.30	0.59	0.83	0.80	0.78
Dividend yield (%)	1.71	3.78	3.33	3.47	3.77
Divdend payout ratio (%)	45.31	43.26	50.00	50.00	50.00

SJWD LOGISTICS (SJWD TB) | THAILAND / SET / TRANSPORTATION & LOGISTICS

ESG Analysis

ESG Assessment	SET ESG	Bloomberg
Environment SJWD's largest exposure is Scope 3 emissions from road transport/fleet operations: 332,955 tCO2e in 2025, 88% of total GHG emissions of 377,497 tCO2e (Scope 1: 21,949; Scope 2: 22,593). Targets are a 20% cut in Scope 1-3 by 2028 and 78% by 2040 (2024 baseline), net zero by 2050. Fleet electrification is underway — 10 fuel tankers converted to EV trucks in 2024, plus EV forklifts and B100 biodiesel trials. Renewable electricity reached 10.8m of 58.4m kWh total consumption in 2025 (18.5%, up from 17.5% in 2023).		3.52
Social Headcounts grew to 4,553 in 2025 (from 4,166). Warehouse/office safety was strong: zero fatalities and zero LTIFR in 2025 (vs. 3 lost-time injuries in 2024), though road-transport risk stays material given the driver-heavy fleet (fatal-accident rate <0.0035 in 2025, targeted <0.0029 in 2026). Training spend rose 23% y-y to Baht 18.1m; voluntary turnover ticked up to 915 (from 898). Data security is relevant given SJWD's WMS/TMS platforms: zero cybersecurity incidents and zero data breaches in 2025, under ISO/IEC 27001 and PDPA compliance.	AAA	6.93
Governance M&A/JV complexity is elevated: following the 2023 SCGL merger, SCG Group holds 42.89% shares (as of Dec 2025), a concentration the Company itself flags as a securities-holder risk given its ability to control votes needing a 75% supermajority. The Board has 12 directors, 5 independent (41.7%, above SET's one-third minimum) and 3 female (25%). CAC-certified (2025) with active whistleblowing channels, though cases rose to 2 in 2025 (from 0 in 2023-24), both resulting in disciplinary action. Scored 100/100 on the Thai Investors Association's 2025 AGM checklist.		5.31
Overall | CG Score: Excellent (5-star, 2025 Thai IOD) | CAC: Certified	**AAA**	**5.02**

Bloomberg ESG scores reflect FY2025 data (latest available). SET ESG Rating: AAA for 2025 (Stock Exchange of Thailand). CG rating reflects 2025 Thai IOD survey (Excellent, 5-star).
Sources: SJWD 56-1 One Report 2025 (SCGJWD Logistics Public Company Limited), Bloomberg, Thai IOD, CAC, SET ESG Ratings.

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.