Cyient

Estimate change	↑
TP change	↓
Rating change	↔

Bloomberg	CYL IN
Equity Shares (m)	113
M.Cap.(INRb)/(USDb)	107.7 / 1.4
52-Week Range (INR)	1292 / 490
1, 6, 12 Rel. Per (%)	-5/-14/75
12M Avg Val (INR M)	440

Financials & Valuations (INR b)

Y/E Mar	2021	2022E	2023E
Sales	41.3	45.4	53.4
EBIT Margin (%)	10.1	13.9	14.1
PAT	3.7	5.1	6.1
EPS (INR)	33.8	46.6	56.0
EPS Gr. (%)	0.1	38.0	20.0
BV/Sh. (INR)	269.1	270.5	298.5
Ratios			
RoE (%)	13.5	17.2	19.7
RoCE (%)	9.9	14.0	15.8
Payout (%)	72.5	50.0	50.0
Valuations			
P/E (x)	28.9	20.9	17.4
P/BV (x)	3.6	3.6	3.3
EV/EBITDA (x)	15.7	11.0	9.0
Div Yield (%)	2.5	2.4	2.9

Shareholding pattern (%)

As On	Sep-21	Jun-21	Sep-20
Promoter	23.4	23.5	23.5
DII	22.9	21.3	23.5
FII	35.6	38.3	34.4
Others	18.1	16.9	18.7

FII Includes depository receipts

CMP: INR976 TP: INR1,310 (+34%) Buy

DLM impacted, but Services to drive performance

Valuations remain inexpensive

- Cyient (CYL)'s 3QFY22 revenue grew 5.2% QoQ in USD terms, above our estimate of 3.6% QoQ growth, led by beat on both Services (+4.4% QoQ CC) and DLM (+12.8% QoQ USD). Services growth was driven by Portfolio (10.0% QoQ), Aerospace (3.9% QoQ), and Communication (3.5% QoQ), while Rail Transportation (-9.5% QoQ) was weak.
- The 3Q EBIT margin saw a minor 14bps QoQ drop to 13.9% (above expectation), with improvement in Services (+14bp QoQ), compensated by weaker margins in DLM (-80bps QoQ). CYL has raised its margin guidance for FY22 to an at least 350bps YoY margin expansion (250–300bps earlier).
- The management retained its double-digit growth guidance in FY22 in the Services business, while DLM growth was cut sharply to the low single digits, from the earlier guidance of 15–20%, due to supply issues. Moreover, CYL's management expects supply-side issues in DLM to continue for the next 12–15 months. Although it sees an ongoing revenue impact, the company is confident about growing the DLM business by 15–20% YoY in FY23E, along with a margin uptick, as it prioritizes high-margin business, which would help keep absolute EBIT stable.
- We see the impact on the DLM business due to the global chip supply shortage as a negative, given the hit on near-term growth. Nonetheless, the continued outperformance in the larger Services business (82% of 3Q revenues and 90% of EBIT) should more than compensate for any impact on earnings.
- The management commentary on improving order intake (+16% YoY) and the deal pipeline (+25% YoY) further supports our view that the Services vertical should see strong revenue growth improvement in FY23E (MOFSLE of 17.8% YoY CC), and it remains on track for its best performance in many years. Despite factoring in a more prolonged recovery in DLM – we estimate growth in the low teens next year – CYL should deliver robust growth of 16.8% YoY in FY23E.
- We continue to see increasing spends in the ER&D industry and CYL's strategy to digest these spends as supportive in the near to medium term.
- We increase our EPS estimate for FY23 as we estimate better margin performance, led by the management's medium-term outlook. Although, near-term growth remains a concern. We maintain our **Buy** rating on attractive valuations. Our target multiple of 20x FY24E EPS takes our TP to INR1310/share, implying an upside of 34%**.**

Good 3Q performance; FY22 outlook mixed

- Revenue at USD158m grew 11.7% YoY (160 bps ahead of estimate), EBIT at INR1,641m grew 41% YoY (higher than our estimate of INR 1,517m), and PAT at INR 1,316m grew 38% YoY above our estimate of INR1,208.
- 9MFY22 USD revenue / INR EBIT/ INR PAT grew 11%/65%/41%.
- USD revenue grew 5.2% QoQ higher than our expectation of 3.6%. In CC terms, revenue grew 5.9% QoQ CC.
- Services revenue at USD129.1m grew 3.6% QoQ and 12.0% YoY.

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- DLM revenue at USD28.8m grew 12.9% QoQ and 10.8% YoY.
- Order intake for the quarter grew 16% YoY and stood at USD225.5m. CYL won seven large deals with TCV of USD68.8m (six in Services and one in DLM).
- Within the Services business, growth in Aerospace (3.9% QoQ) and Communication (3.5% QoQ) drove performance, partially offset by decline in Railways (-9.5% QoQ).
- The consolidated EBIT margin stood at 13.9%, down 14 bps QoQ, but 40bps above expectation.
- Services margins improved sequentially by 14bps and stood at 15.6% (multi-year highs). On the other hand, DLM margins were down to 6.0% (v/s 6.8% in 2QFY22).
- FCF/EBITDA stood at 71% and FCF/PAT came in at 121%.
- The management continues to expect double-digit growth in the Services business in FY22, while DLM is expected to be impacted by supply-side constraints v/s the 15–20% guidance in 2Q.
- Margins for FY22 are expected to improve 350 bps YoY (v/s 250–300bps earlier).

Key highlights from management commentary

- The Services business is expected to grow in the double digits. DLM would be impacted and is expected to grow in the single digits (v/s the 15–20% guidance for 2Q); the company would focus only on high-margin business. The EBIT margin is expected to increase by at least 350bps YoY in FY22 (v/s the 250–300bps improvement guided for earlier).
- The order intake grew 16% YoY during the quarter; as a result, the management is confident that demand is robust. 80–90% of the order intake is executable over the next 12 months.
- The semiconductor supply shortage continues to pose a challenge for the DLM business, and the management indicated that it would be significantly impacted in 4Q. The management has also lowered the guidance significantly from 15–20% to the low single digits. The lead time for some components is as high as two years.

Valuation and view – Maintain Buy

- We continue to see strong rebound in ER&D spending, led by increasing outsourcing and larger deal sizes. The management strategy to leverage these spends, led by a refreshed GTM strategy and increased focus on large deal wins, should bode well for its growth performance. We expect CYL to deliver a 15% USD revenue CAGR over FY22–24.
- The growth momentum in verticals such as Communications, Utilities, Semi-conductor, Automotive, Medical Devices, and Mining is expected to continue for the next 2–3 years. Aerospace is expected to bounce back to pre-COVID levels in FY23.
- Although near-term growth may be soft, better margins would compensate for the growth. We expect an 18% EPS CAGR over FY22–24.
- We increase our estimates as we expect better margin performance led by the management's medium-term outlook. We maintain our **Buy** rating on attractive valuations. Our target multiple of 20x FY24E EPS takes our TP to INR1310/share, implying an upside of 34%.

Quarterly Performance (INR M)

Y/E March	FY21				FY22				FY21	FY22E	Est.	Var.
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE			3QFY22	(% / bp)
Revenue (USD m)	**131**	**135**	**141**	**150**	**144**	**150**	**158**	**158**	**557**	**610**	**156**	**1.5**
QoQ (%)	-12.5	3.4	4.7	6.0	-4.3	4.6	5.2	0.2	-10.9	9.5	3.6	155bp
Revenue (INR m)	**9,917**	**10,033**	**10,443**	**10,932**	**10,582**	**11,116**	**11,834**	**11,866**	**41,325**	**45,398**	**11,761**	**0.6**
YoY (%)	-8.9	-13.4	-5.6	1.8	6.7	10.8	13.3	8.5	-6.7	9.9	12.6	70bp
GPM (%)	**30.5**	**35.7**	**34.6**	**36.0**	**35.9**	**38.4**	**36.3**	**37.2**	**34.3**	**37.0**	**37.6**	**-126bp**
SGA (%)	20.5	19.9	18.8	18.9	18.2	19.8	18.4	18.5	19.5	18.7	20.0	-164bp
EBITDA	**995**	**1,589**	**1,650**	**1,873**	**1,878**	**2,074**	**2,128**	**2,219**	**6,107**	**8,299**	**2,070**	**2.8**
EBITDA Margin (%)	**10.0**	**15.8**	**15.8**	**17.1**	**17.7**	**18.7**	**18.0**	**18.7**	**14.8**	**18.3**	**17.6**	**38bp**
EBIT	**511**	**1,105**	**1,165**	**1,382**	**1,388**	**1,557**	**1,641**	**1,732**	**4,163**	**6,318**	**1,517**	**8.2**
EBIT Margin (%)	**5.2**	**11.0**	**11.2**	**12.6**	**13.1**	**14.0**	**13.9**	**14.6**	**10.1**	**13.9**	**12.9**	**97bp**
Other income	575	-14	83	40	147	58	105	119	684	429	94	11.6
ETR (%)	25.0	23.1	23.6	22.2	25.1	25.0	24.6	24.6	23.4	24.8	25.0	
Adj. PAT	**814**	**839**	**954**	**1,107**	**1,150**	**1,212**	**1,316**	**1,395**	**3,714**	**5,073**	**1,208**	**8.9**
QoQ (%)	8.1	3.1	13.7	16.0	3.9	5.4	8.6	6.0			-0.3	887bp
YoY (%)	-9.9	-14.9	-11.9	47.0	41.3	44.4	37.9	26.1	-0.3	36.6	26.7	1127bp
EPS (INR)	**7.4**	**7.6**	**8.7**	**10.1**	**10.5**	**11.1**	**12.1**	**12.8**	**33.8**	**46.6**	**11.0**	9.7

Key Perfor. Indicators

Y/E March	FY21				FY22E				FY21	FY22E
	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4QE		
Margins (%)										
Gross Margin	30.5	35.7	34.6	36.0	35.9	38.4	36.3	37.2	34.3	37.0
EBIT Margin	5.2	11.0	11.2	12.6	13.1	14.0	13.9	14.6	10.1	13.9
Net Margin	8.2	8.4	9.1	10.1	10.9	10.9	11.1	11.8	9.0	11.2
Operating metrics										
Headcount	12,820	12,267	12,187	12,032	12,433	12,707	12,845		12,032	
Attrition (%)	13.6	9.2	13.2	21.2	23.5	24.3	29.3		21.2	
Key Verticals (YoY %)										
Aero & Defence	-22%	-35%	-15%	-9%	-3%	13%	19%		-21%	
Transportation	-24%	-10%	4%	8%	23%	0%	-12%		-6%	
Communications	0%	6%	-1%	4%	18%	5%	4%		2%	
Key Geographies (YoY %)										
North America	-21%	-26%	-21%	-15%	1%	9%	12%		-21%	
Europe	-29%	-10%	-8%	-4%	30%	-5%	11%		-13%	

CONFERENCE CALL

Key highlights from management commentary

Quarter performance

- CYL reported 5.9% QoQ CC growth, led by 4.4% QoQ CC growth in the Services business, and DLM posted 12.9% QoQ growth.
- The order intake grew 16% YoY during the quarter; as a result, the management is confident that demand is robust. 80–90% of the order intake is executable over the next 12 months.
- EBIT margins for the quarter stood at ~14%, led by tailwinds such as offshoring, pyramid rationalization, and SG&A leverage and offset by headwinds such as higher-than-average wage hikes (to control attrition).
- The management increased the margin guidance to a 350bps improvement from 250–300bps earlier.
- The number of large deal wins is increasing; the company had seven large deals with TCV of ~USD69m.
- The pipeline has increased by 25–27% from 3QFY21, which provides sound confidence in the demand environment.

Commentary on verticals

- In the Aerospace business, domestic travel is back at 90% of pre-COVID levels, but travel remains patchy globally. The company has started to see some early green shoots and hopes for continued traction in the coming quarters. The management further highlighted that digital adoption is improving, and there is opportunity in the After-market business.
- The Railways business was soft yet again due to increased offshoring and industry consolidation. Although margins may improve a bit, revenue would return only in the second half of FY23E.
- The semiconductor supply shortage continues to pose a challenge for the DLM business, and the management indicated that it would be significantly impacted in 4Q. The management has also lowered the guidance significantly from 15–20% to the low single digits. The lead time for some components is as high as two years.
- Although revenue in the DLM business would be impacted materially, margins as a percentage would improve, leading to absolute margin numbers staying intact for DLM – as the management would prioritize high-margin business (EBIT at 8–10% or higher). The management plans to drop lower margin business in DLM going ahead and sees the supply issue as an opportunity to implement this.
- The semiconductor issue would take another 12–18M to ease. The management is confident of 15–20% growth for the DLM vertical in FY23E, with supply slowly easing as demand remains intact.
- New-age technology, which contributes ~25% to revenue, is now growing at twice the company average.

Supply-side challenges

- As supply-side challenges persist, the company expects to continue to hire aggressively. The management is also looking to add more freshers to rationalize the pyramid.
- Attrition remains very high at 24.3% and continues to pose a near-term challenge.

Outlook

- The Services business is expected to grow in the double digits. DLM would be impacted and is expected to grow in the single digits (v/s the 15–20% guidance for 2Q); the company would focus only on high-margin business.
- The EBIT margin is expected to increase by at least 350bps YoY in FY22 (v/s the 250–300bps improvement guided for earlier).
- ETR for FY22 is expected to be around 25%.

Exhibit 1: Aerospace and Portfolio see strong growth

Verticals	Contribution to revenue (%)	QoQ growth (%)	YoY growth (%)
Aerospace and Defense	34.6	13.4	18.5
Communications	22.4	3.8	3.8
Energy and Utilities	9.1	(12.2)	(11.6)
Portfolio	27.5	4.4	11.7
Semiconductor, IoT, and Analytics	6.4	2.0	66.2

Source: Company, MOFSL

Exhibit 2: Growth across geographies

Geographies	Contribution to revenue (%)	QoQ growth (%)	YoY growth (%)
Americas	49.2	6.1	11.9
Europe	25.1	6.5	10.8
Asia Pacific	25.7	2.4	12.1

Source: Company, MOFSL

Valuations and view – maintain Buy

- We continue to see strong rebound in ER&D spending, led by increasing outsourcing and larger deal sizes. The management strategy to leverage these spends, led by a refreshed GTM strategy and increased focus on large deal wins, should bode well with its growth performance. We expect CYL to deliver a 15% USD revenue CAGR over FY22–24.
- The growth momentum in verticals such as Communications, Utilities, Semi-conductor, Automotive, Medical Devices, and Mining is expected to continue for the next 2–3 years. Aerospace is expected to bounce back to pre-COVID levels in FY23.
- Although near-term growth may be soft, better margins would compensate for the growth. We expect an 18% EPS CAGR over FY22–24.
- We increase our estimates as we expect better margin performance led by the management's medium-term outlook. We maintain our **Buy** rating on attractive valuations. Our target multiple of 20x FY24E EPS takes our TP to INR1310/share, implying an upside of 34%.

Exhibit 3: Revisions to our estimates

	Revised			Earlier			Change		
	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
INR/USD	74.4	75.0	75.0	74.6	75.0	75.0	-0.2%	0.0%	0.0%
USD Revenue – m	610	712	810	615	717	820	-0.8%	-0.7%	-1.2%
Growth (%)	9.5	16.8	13.8	10.4	16.6	14.3	-90bps	10bps	-50bps
EBIT margin(%)	13.9	14.1	14.5	13.4	13.9	14.0	60bps	20bps	50bps
PAT (INR M)	5,073	6,090	7,100	4,912	6,022	6,918	3.3%	1.1%	2.6%
EPS	46.6	56.0	65.3	44.8	55.0	63.1	4.0%	1.9%	3.4%

Source: MOFSL

Operating metrics

Exhibit 4: Operating metrics

	3QFY20	4QFY20	1QFY21	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	3QFY22
Geographic Mix - %									
Americas	56.8	55.7	52.3	49.9	49.1	47.4	47.9	48.8	49.2
Europe	25.1	25.7	24.0	28.9	25.3	24.6	28.4	24.8	25.1
Asia Pacific	18.1	18.6	23.7	21.2	25.6	28.0	23.7	26.4	25.7
Vertical Mix - %									
Aerospace & Defense	34.8	37.8	36.5	31.6	32.6	34.1	32.1	32.1	34.6
Transportation	10.1	10.2	10.3	12.1	11.5	11.0	11.5	10.9	9.1
Semiconductor	4.4	3.6	4.7	4.5	4.3	5.0	5.4	6.6	6.4
Medical & electronics	4.5	4.2	5.7	8.2	7.1	6.5	0.0	0.0	0.0
Communications	22.2	22.6	23.0	24.0	24.1	23.3	24.8	22.7	22.4
Utilization - %									
Overall	78.0	74.5	74.2	78.8	80.9	83.7	83.1	85.0	86.2
Client contribution - %									
Top 5	36.6	31.4	30.2	29.5	28.8	33.5	31.9	31.7	28.1
Top 10	49.3	43.6	40.1	38.4	38.4	44.1	43.3	43.2	41.7
No. of Million Dollar Clients									
USD1m+	90	95	92	95	94	90	89	92	93
USD5m+	27	26	30	32	32	30	30	32	36
USD10m+	11	11	9	7	7	8	10	10	10
USD20m+	4	4	3	3	3	3	3	3	3
Attrition - Voluntary %	19.7	18.9	13.6	9.2	13.2	21.2	23.5	24.3	29.3

Source: Company, MOFSL

Financials and valuations

Income Statement								(INR m)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E
Sales	**36,066**	**39,176**	**46,175**	**44,275**	**41,325**	**45,398**	**53,404**	**60,782**
Change (%)	16.5	8.6	17.9	(4.1)	(6.7)	9.9	17.6	13.8
Cost of Services	23,647	25,387	30,125	28,964	27,162	28,612	33,460	37,685
SG&A Expenses	7,569	8,296	9,606	9,352	8,056	8,487	10,207	11,792
EBITDA	**4,850**	**5,493**	**6,444**	**5,959**	**6,107**	**8,299**	**9,737**	**11,305**
% of Net Sales	13.4	14.0	14.0	13.5	14.8	18.3	18.2	18.6
Depreciation	953	1,051	1,692	1,878	1,944	1,981	2,190	2,492
Other Income	684	1,207	864	734	684	429	534	608
PBT	**4,581**	**5,649**	**5,616**	**4,815**	**4,847**	**6,747**	**8,082**	**9,421**
Tax	1,047	1,381	2,327	1,076	1,133	1,674	1,992	2,322
Rate (%)	22.9	24.4	41.4	22.3	23.4	24.8	24.6	24.6
Net Income	**3,534**	**4,268**	**3,307**	**3,726**	**3,714**	**5,073**	**6,090**	**7,100**
Change (%)	9.3	20.8	-22.5	12.7	-0.3	36.6	20.0	16.6

Balance Sheet								(INR m)
Y/E March	FY17	FY18	FY19	FY20	FY21	FY22E	FY23E	FY24E
Share Capital	563	563	552	550	550	550	550	550
Reserves	20,610	22,876	25,089	25,059	29,023	28,868	31,913	35,463
Net Worth	**21,173**	**23,439**	**25,641**	**25,609**	**29,573**	**29,418**	**32,463**	**36,013**
Other liabilities	1,408	1,636	2,240	4,194	3,812	4,191	4,936	5,622
Loan	1,651	2,410	3,253	3,738	2,755	2,755	2,755	2,755
Capital Employed	**24,232**	**27,485**	**31,134**	**33,541**	**36,140**	**36,363**	**40,153**	**44,390**
Applications								
Gross Block	11,107	12,217	13,289	17,388	18,088	18,838	19,588	20,338
Less : Depreciation	6,875	7,791	8,766	9,712	11,656	13,637	15,826	18,318
Net Block	**3,017**	**3,220**	**3,530**	**6,909**	**7,181**	**5,201**	**3,762**	**2,020**
CWIP	92	213	300	800	113	113	113	113
Intangibles	4,666	5,057	6,990	6,800	7,191	7,191	7,191	7,191
Other assets	2,876	2,380	2,219	2,638	1,925	2,002	2,152	2,291
Curr. Assets	**20,713**	**23,456**	**25,853**	**24,650**	**28,518**	**32,521**	**38,704**	**45,675**
Debtors	6,496	6,913	8,137	7,262	8,026	8,335	9,659	10,993
Cash & Bank Balance	8,571	9,604	9,073	8,995	14,408	17,504	21,185	25,736
Other Current Assets	4,721	5,809	8,365	8,393	6,084	6,684	7,862	8,949
Current Liab. & Prov	**7,132**	**6,841**	**7,758**	**8,256**	**8,788**	**10,666**	**11,770**	**12,902**
Trade payables	4,021	3,813	3,712	3,729	4,532	6,343	7,316	8,326
Other liabilities	2,876	2,799	3,757	4,150	3,872	3,901	3,959	4,011
Provisions	235	229	289	377	384	422	496	565
Net Current Assets	**13,581**	**16,615**	**18,095**	**16,394**	**19,730**	**21,854**	**26,933**	**32,773**
Application of Funds	**24,232**	**27,485**	**31,134**	**33,541**	**36,140**	**36,363**	**40,153**	**44,390**

Financials and valuations

Ratios								
Y/E March	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22E**	**FY23E**	**FY24E**
Basic (INR)								
EPS	**31.5**	**38.0**	**30.0**	**33.8**	**33.8**	**46.6**	**56.0**	**65.3**
Cash EPS	40.0	47.4	45.3	50.8	51.5	64.9	76.1	88.2
Book Value	189.5	209.8	232.3	232.0	269.1	270.5	298.5	331.1
DPS	10.5	13.0	13.0	27.0	24.5	23.3	28.0	32.6
Payout %	33.3	34.2	43.4	80.0	72.5	50.0	50.0	50.0
Valuation (x)								
P/E	31.0	25.7	32.6	28.9	28.9	20.9	17.4	15.0
Cash P/E	24.4	20.6	21.6	19.2	19.0	15.1	12.8	11.1
EV/EBITDA	20.9	18.3	15.8	17.2	15.7	11.0	9.0	7.4
EV/Sales	2.8	2.6	2.2	2.3	2.3	2.0	1.6	1.4
Price/Book Value	5.2	4.7	4.2	4.2	3.6	3.6	3.3	2.9
Dividend Yield (%)	1.1	1.3	1.3	2.8	2.5	2.4	2.9	3.3
Profitability Ratios (%)								
RoE	17.9	19.1	13.5	14.6	13.5	17.2	19.7	20.8
RoCE	13.8	13.8	10.2	10.6	9.9	14.0	15.8	16.6
Turnover Ratios								
Debtors (Days)	84	64	64	88	88	88	66	66

Cash Flow Statement								(INR m)
Y/E March	**FY17**	**FY18**	**FY19**	**FY20**	**FY21**	**FY22E**	**FY23E**	**FY24E**
CF from Operations	3,833	4,622	5,411	5,496	5,872	7,801	8,280	9,592
Cash for Working Capital	366	-1,659	-1,710	328	2,686	1,274	-804	-741
Net Operating CF	**4,199**	**2,963**	**3,701**	**5,824**	**8,558**	**9,075**	**7,476**	**8,851**
Net Purchase of FA	-1,038	-1,469	-1,440	-2,138	-949	-750	-750	-750
Free Cash Flow	**3,161**	**1,494**	**2,261**	**3,686**	**7,609**	**8,325**	**6,726**	**8,101**
Net Purchase of Invest.	-765	600	-767	568	-58	0	0	0
Net Cash from Invest.	**-1,803**	**-869**	**-2,207**	**-1,570**	**-1,007**	**-750**	**-750**	**-750**
Proc. from equity issues	16	9	22	17	37	0	0	0
Proceeds from LTB/STB	-203	526	549	-916	-2,134	0	0	0
Dividend Payments	-746	-1,894	-2,892	-3,564	-10	-5,229	-3,045	-3,550
Cash Flow from Fin.	**-933**	**-1,359**	**-2,321**	**-4,463**	**-2,107**	**-5,229**	**-3,045**	**-3,550**
Exchange difference	277	298	296	131	-31	0	0	0
Net Cash Flow	**1,740**	**1,033**	**-531**	**-78**	**5,413**	**3,096**	**3,681**	**4,551**
Opening Cash Bal.	**6,831**	**8,571**	**9,604**	**9,073**	**8,995**	**14,408**	**17,504**	**21,185**
Add: Net Cash	1,740	1,033	-531	-78	5,413	3,096	3,681	4,551
Closing Cash Bal.	**8,571**	**9,604**	**9,073**	**8,995**	**14,408**	**17,504**	**21,185**	**25,736**

Explanation of Investment Rating	
Investment Rating	**Expected return (over 12-month)**
BUY	>=15%
SELL	< - 10%
NEUTRAL	< - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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