Bank of Baroda (BOB IN)

Rating: BUY | CMP: Rs191 | TP: Rs235

August 6, 2023

Q1FY24 Result Update

☑ Change in Estimates | ■ Target | ■ Reco

Change in Estimates

	Current		Previous	
	FY24E	FY25E	FY24E	FY25E
Rating	BUY		BUY	
Target Price	235		235	
NII (Rs. m)	4,55,818	5,08,786	4,56,628	5,15,599
% Chng.	*(0.2)*	*(1.3)*		
Op. Profit (Rs. m)	2,83,194	3,26,224	2,96,856	3,39,250
% Chng.	*(4.6)*	*(3.8)*		
EPS (Rs.)	28.3	31.6	28.3	31.5
% Chng.	*(0.1)*	*0.3*		

Key Financials - Standalone

Y/e Mar	FY22	FY23	FY24E	FY25E
NII (Rs m)	3,26,213	4,13,560	4,55,818	5,08,786
Op. Profit (Rs m)	2,23,888	2,68,635	2,83,194	3,26,224
PAT (Rs m)	72,723	1,41,096	1,46,515	1,63,512
EPS (Rs.)	14.0	27.3	28.3	31.6
Gr. (%)	*777.3*	*94.0*	*3.8*	*11.6*
DPS (Rs.)	2.8	5.5	5.1	5.7
Yield (%)	*1.5*	*2.9*	*2.7*	*3.0*
NIM (%)	*2.8*	*3.2*	*3.1*	*3.1*
RoAE (%)	*9.6*	*16.5*	*14.7*	*14.5*
RoAA (%)	*0.6*	*1.0*	*1.0*	*0.9*
P/BV (x)	1.3	1.1	0.9	0.8
P/ABV (x)	1.5	1.2	1.0	0.9
PE (x)	13.6	7.0	6.8	6.1
CAR (%)	15.7	16.2	16.3	16.1

Key Data

Key Data	BOB.BO | BOB IN
52-W High / Low	Rs.211 / Rs.116
Sensex / Nifty	65,721 / 19,517
Market Cap	Rs.990bn/ $ 11,945m
Shares Outstanding	5,171m
3M Avg. Daily Value	Rs.3713.82m

Shareholding Pattern (%)

Promoter's	64.97
Foreign	11.92
Domestic Institution	18.00
Public & Others	5.11
Promoter Pledge (Rs bn)	-

Stock Performance (%)

	1M	6M	12M
Absolute	(5.4)	17.0	61.3
Relative	(5.8)	8.3	43.1

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NIM lower but provision buffers increased

Quick Pointers:

- Miss of 3% on core PAT driven by lower NIM and higher tax rate.
- Balance sheet stronger; loan growth for FY24E guided at 14-15%.

BOB saw a mixed quarter; while core PAT at Rs40.7bn missed PLe by 3% led by lower NII and higher tax rate, asset quality was stable with more buffers created. Loan growth guidance is maintained at 14-15%, while over medium term, share of retail might enhance to 53% (now 47%). Balance sheet further fortified, as PCR was shored up by Rs2bn while coverage on stressed airline was increased from 38% to 50%. OTR reduced QoQ from 1.7% to 1.3%. NIM decline of 20bps QoQ was highest compared to PSU peers, attributable to decline in reported yields as credit flow for the quarter was led by lower yielding segments. While bank would like to maintain NIM for FY24 at FY23 levels, we are factoring an 8bps decline in NIM to 3.08%. MCLR repricing would be a key to upgrade in NIM. Basis Q1'24 results, SBI delivered better NII/NIM and in near term SBI could outperform BOB on NIM given higher CASA and unsecured share. We slightly tweak our multiple from 1.15x to 1.11x but keep TP unchanged at Rs235. Retain 'BUY'.

- **Slight miss on core PPoP due to lower NII; higher tax drags earnings:** NII was a miss at Rs110bn (PLe Rs113.3bn) led by lower NIM as loan growth was in-line. NIM was lower at 3.33% (PLe 3.41%) as yields/cost of funds were a bit lower/higher. Loan growth was 20.5% YoY (PLe 20.6%) while deposit growth was lower at 16.2% (PLe 19.5%). Other income was stronger at Rs33.2bn (PLe Rs24.2bn) on account of higher treasury and better fee income. Opex was lesser at Rs64.9bn (PLe Rs66.2n). PPoP was Rs78.2bn while core PPoP at Rs68.7bn was 1.2% below PLe. Asset quality was better; while GNPA was in-line at 3.52%, NNPA was lower at 0.78% due to increase in PCR by 1.3% to 78.5%. Provisions were at Rs19.5bn (PLe Rs15bn). PAT was Rs40.7bn (PLe Rs42.0); core PAT at Rs42bn missed PLe by 3% due to higher tax rate at 31%.

- **Credit growth QoQ was broad based:** Sequential loan growth at 2.4% was led by corporate (1.9%), retail (3.4%), overseas (2.5%) and agri (2.7%). Retail accretion was led by home and personal. Bank would continue focus on unsecured given its contribution is only 2.2% to credit. Bank guided for loan growth of 14-15% in FY24E; corporate could grow by 12-13%, retail accretion may be 18-20% and overseas may grow by 8-12%. Retail contribution is expected to enhance over medium term and bank targeting a corporate and non-corporate mix of 35:65 (vs 43:57 now). While deposit accretion was muted (-0.3% QoQ) domestic TD growth at 3.6% was largely driven by wholesale TD (+11.0%). Deposit formation over the last 1-yr has been led by wholesale since bank would like to benefit when repo rate starts to decline.

- **Stable asset quality; balance sheet strengthened:** Asset quality was stable as net slippages were controlled while provisions included (1) Rs2bn to shore up PCR and (2) Rs1.3bn on stressed airline account. Exposure to the stressed airline is Rs13bn against which provision has been increased from Rs5.0bn to Rs6.3bn. Bank expects no LGD on this account as 30% exposure is backed by ECLGS, 35% is guaranteed by consortium collateral and PCR is adequate at Rs6.3bn (~50%). OTR further dropped QoQ from 1.7% to 1.3% with sufficient provision cover. As balance sheet is fortified coupled with a benign asset quality environment, we reduce provisions for FY24/25E by 20/18bps.

NII declined sequentially by 4.6% and stood at Rs110bn led by lower NIM.

Other income grew sharply 181.1% YoY led by strong treasury income and fees.

Opex was lower at Rs64.9bn declining 6.1% QoQ although growing 18.2% YoY, led by higher staff expenses and other expenses.

Advances and deposits grew strong at 20.5% YoY/16.2% YoY respectively.

NIM deteriorated by 22bpsQoQ as CoF outpaced Yield on advances.

Asset quality saw significant improvement with GNPA/NNPA at 3.52%/0.78%.

CASA witnessed decline and stood at 40.3%

Exhibit 1: PAT beat led by higher treasury income and fees and lower opex.

Financial Statement (Rs m)	Q1FY24	Q1FY23	YoY gr. (%)	Q4FY23	QoQ gr. (%)
Interest Income	265,558	189,375	*40.2*	258,567	*2.7*
Interest Expense	155,591	100,991	*54.1*	143,318	*8.6*
Net Interest Income (NII)	**109,967**	**88,384**	***24.4***	**115,249**	***(4.6)***
- Treasury income	9,560	(7,730)	*(223.7)*	1,220	*683.6*
Other income	33,223	11,820	*181.1*	34,661	*(4.1)*
Total income	**143,189**	**100,204**	***42.9***	**149,909**	***(4.5)***
Operating expenses	64,946	54,929	*18.2*	69,180	*(6.1)*
-Staff expenses	37,544	30,433	*23.4*	37,790	*(0.7)*
-Other expenses	27,402	24,497	*11.9*	31,390	*(12.7)*
Operating profit	**78,243**	**45,275**	***72.8***	**80,729**	***(3.1)***
Core operating profit	68,683	53,005	*29.6*	79,509	*(13.6)*
Total provisions	19,468	16,848	*15.5*	14,207	*37.0*
Profit before tax	**58,775**	**28,427**	***106.8***	**66,522**	***(11.6)***
Tax	18,075	6,746	*167.9*	18,768	*(3.7)*
Profit after tax	**40,701**	**21,681**	***87.7***	**47,753**	***(14.8)***
Balance sheet (Rs m)					
Deposits	11,999,084	10,327,140	*16.2*	12,036,878	*(0.3)*
Advances	9,634,909	7,996,157	*20.5*	9,409,983	*2.4*
Profitability ratios					
RoaA	1.2	0.7	*46*	1.4	*(22)*
NIM	**3.3**	**3.0**	***29***	**3.5**	***(22)***
Yield on Advances	9.0	7.1	*188*	8.9	*10*
Cost of Deposits	5.0	3.8	*128*	4.7	*37*
Asset Quality					
Gross NPA (Rs m)	348,322	525,908	*(33.8)*	367,637	*(5.3)*
Net NPA (Rs m)	74,825	126,527	*(40.9)*	83,843	*(10.8)*
Gross NPL ratio	**3.5**	**6.3**	***(275)***	**3.8**	***(28)***
Net NPL ratio	**0.8**	**1.6**	***(81)***	**0.9**	***(11)***
Coverage ratio	78.5	75.9	*258*	77.2	*132*
Business & Other Ratios					
Low-cost deposit mix	40.3	44.2	*(385)*	42.3	*(192)*
Cost-income ratio	45.4	54.8	*(946)*	46.1	*(79)*
Non int. inc / total income	23.2	11.8	*1,141*	23.1	*8*
Credit deposit ratio	80.3	77.4	*287*	78.2	*212*
CAR	15.8	15.5	*38*	16.2	*(40)*
Tier-I	13.6	13.0	*67*	14.0	*(35)*

Source: Company, PL

Q1FY24 Analyst Meet Highlights

Assets/Liabilities Outlook & Commentary:

- **Management guided loan growth in the range of 14-15% in FY24**. Corporate growth to be in the range of 12-13%, retail growth to be in the range of 18-20% and international book to grow at 8-12%. Strategy going ahead would be - to grow retail book significantly to achieve Corporate: Non-corporate mix to the tune of 35:65 by FY26. RoA is expected to be in the range of 1%.

- **Domestic advances grew 17% YoY v/s International at 23% YoY**. Yield on advances stood at 8.41%. Management guided there is significant part of MCLR book yet to get repriced.

- **For Q1FY24, retail growth stood at 25% YoY**. Management expects retail segment to be sustainable as growth is broad based from home loan, auto loans, education and personal loans. Scope exists to further grow the personal loan portfolio.

- **For Q1FY24 deposit growth stood at 16% YoY,** led by domestic growing at 16% and international, CASA growth remained subdued at 5.5% YoY whereas TD growth was strong at 23.5%. Management suggested efforts would be taken to grow CASA.

NIMs/Opex

- **NIM stood at 3.33% in Q1FY24.** Management expects to maintain margins in +3.3% range in FY24, as the entire MCLR book has not been reprised which would provide cushion to margins clubbed with expected rate reversal cycle in Q3. It would benefit the bank as they provide high cost deposit for short tenure.

- **In Q1FY24, operating cost increased to 18.2% YoY** led by staff cost to the tune of Rs37.54bn growing 23.4% YoY as there was significant jump in provisions growing 12.5% YoY. Digital penetration has been witnessing higher traction and with process automation, management believes opex growth would be offset by higher margins.

- On corporate side, management has introduced new initiatives of wallet share and introduced relationship management vertical and account planning for mid-corporate and MSME segments.

- **Management also introduced new strategic initiative of Fees & Flows**, to grow fee income and capture flows like CMS and on-board customers for CMS and have more cash flows into the system, in order to be able to customize products for customers.

Asset Quality

- **Slippages were bit higher at Rs.27.6bn in Q1FY24**, slippages ratio stood at 1.05 In Q1FY24 vs 1.71 in Q1FY23. Credit cost stood at 70bps led by floating provisions to the tune of Rs2bn to strengthen PCR. Management reiterated guidance of credit cost in the range of 1%-1.25%.

- **O/s restructured book stood at Rs130bn Jun-23 vs Rs160bn in Q4FY23** against which provisions stood at Rs11.54bn, standard asset provisions stood Rs59.81bn and also provided few account specific provisions to the tune of Rs2.4bn. SMA 1 & 2 is decreased further at 0.29% in Q1FY24 vs 0.32% in Q1FY23 and stood 150bn, driven by better collection efficiency at 97%.

- **In Q1FY24, management created floating provisions to the tune of Rs2bn.** Standard asset provisions stood at Rs72bn. Management guided credit cost to be in the range of ~1%. In terms of ECL norms, management is comfortable to shift to new regime.

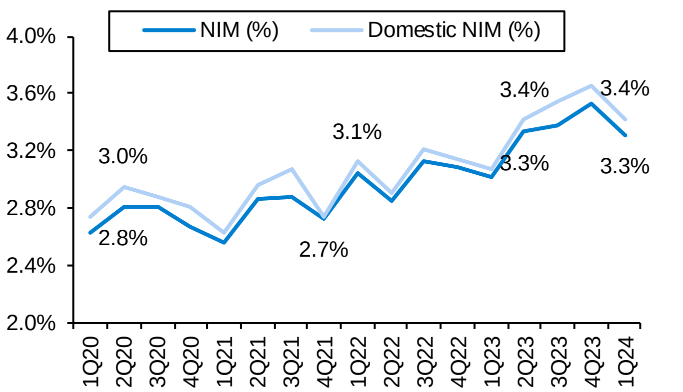
- **With respect to the airline account, outstanding stood at Rs13bn,** bank has created provisions of Rs6.3bn as on June 30th 2023. 30% of the exposure is backed by ECLGS further 35% has been backed by consortium collateral. Management guided provisions are exceeding the outstanding, and expects recoveries to the full extent.

Exhibit 2: Sequential loan growth led by retail (+3.4%) and Agri (2.7%)

Loan break up (Rs mn)	Q1FY24	Q1FY24	*YoY gr. (%)*	Q4FY23	*QoQ gr. (%)*
Domestic Advances	**8,126,260**	**6,954,930**	***16.8***	**7,955,600**	***2.1***
Corporate	3,468,220	3,026,770	*14.6*	3,404,080	*1.9*
SME	1,092,200	969,540	*12.7*	1,081,960	*0.9*
Retail	1,840,910	1,475,350	*24.8*	1,780,370	*3.4*
Agri	1,275,830	1,108,540	*15.1*	1,242,470	*2.7*
Other/Misc	449,100	374,730	*19.8*	446,720	*0.5*
Advances Mix					
Domestic Advances	82	83	*(1)*	82	*(0)*
Corporate	*35*	*36*	*(3)*	*35*	*(0)*
SME	*11*	*12*	*(5)*	*11*	*(1)*
Retail	*19*	*18*	*6*	*18*	*1*
Agri	*13*	*13*	*(2)*	*13*	*0*
Other/Misc	*5*	*4*	*2*	*5*	*(2)*

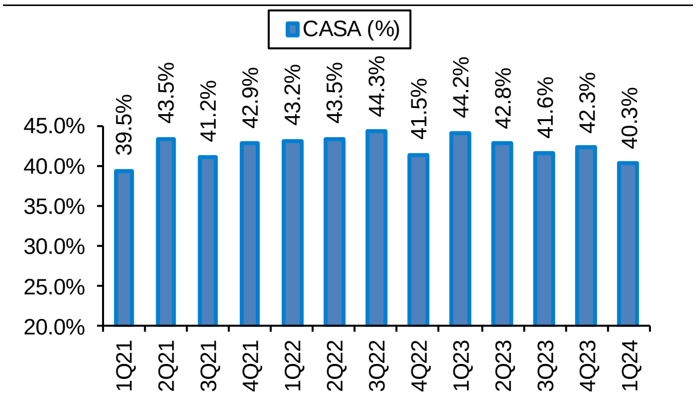
Source: Company, PL

Exhibit 3: Domestic NIM declines to 3.4%



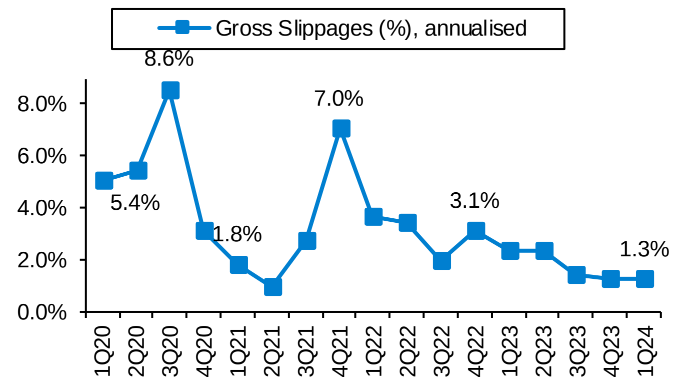
Source: Company, PL

Exhibit 4: CASA ratio declined by 2% QoQ to 40.3%



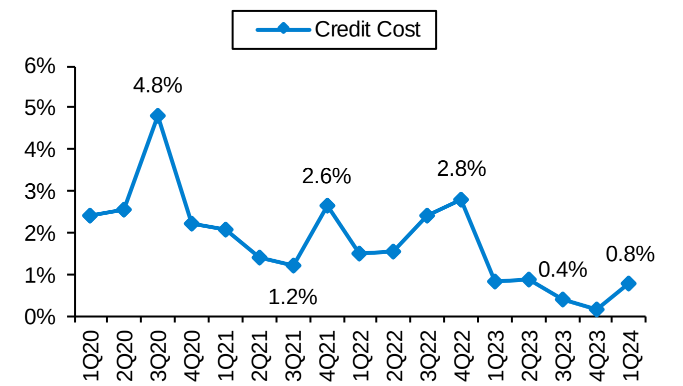
Source: Company, PL

Exhibit 5: Gross slippages continued to trend down at 1.3%



Source: Company, PL

Exhibit 6: Credit cost inches to 0.8% led by higher provisions



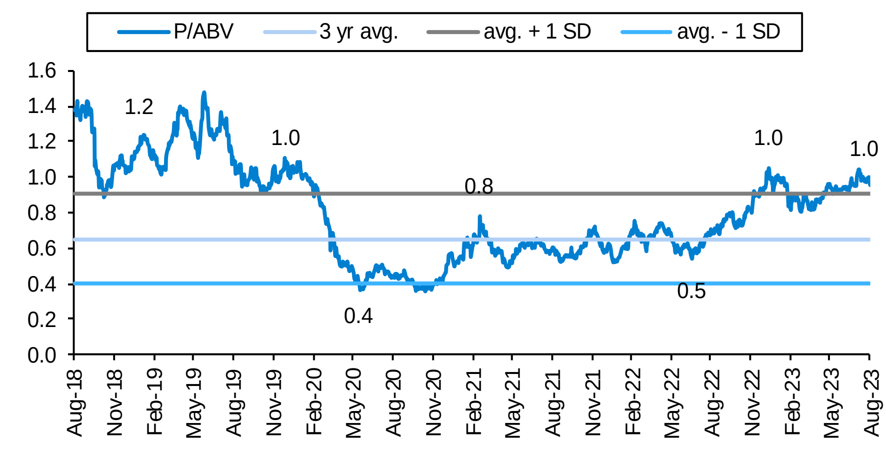
Source: Company, PL

Exhibit 7: Return ratios to improve to +14% on normalized basis

ROAE decomposition	2018	2019	2020	2021	2022	2023	2024E	2025E
NII/Assets	2.2	2.5	2.8	2.5	2.7	3.0	3.0	2.9
Other Income/Assets	0.9	0.8	1.1	1.1	0.9	0.7	0.8	0.8
Net revenues/Assets	3.1	3.3	3.9	3.6	3.6	3.8	3.7	3.7
Opex/Assets	1.4	1.5	1.9	1.8	1.8	1.8	1.9	1.8
Provisions/Assets	2.1	1.7	2.2	1.4	1.1	0.5	0.5	0.6
Taxes/Assets	-0.1	0.0	-0.2	0.4	0.2	0.4	0.4	0.4
ROAA	-0.3	0.1	0.1	0.1	0.6	1.0	1.0	0.9
ROAE	-6.3	1.0	1.0	1.2	9.6	16.5	14.7	14.5

Source: Company, PL   *Note – FY20 represents merged numbers*

Exhibit 8: One-year forward P/ABV trades at 1x



Source: Company, PL

Income Statement (Rs. m)

Y/e Mar	FY22	FY23	FY24E	FY25E
Int. Earned from Adv.	4,92,785	6,40,735	8,61,326	9,05,743
Int. Earned from invt.	1,76,172	2,21,560	2,55,055	2,66,643
Others	19,699	19,216	13,466	14,987
Total Interest Income	6,98,808	8,95,885	11,46,743	12,03,841
Interest Expenses	3,72,594	4,82,325	6,90,926	6,95,055
Net Interest Income	**3,26,213**	**4,13,560**	**4,55,818**	**5,08,786**
Growth(%)	*13.2*	*26.8*	*10.2*	*11.6*
Non Interest Income	1,14,840	1,00,258	1,18,275	1,35,494
Net Total Income	4,41,053	5,13,818	5,74,093	6,44,280
Growth(%)	*(2.5)*	*22.4*	*27.0*	*5.9*
Employee Expenses	1,19,787	1,33,527	1,65,959	1,81,459
Other Expenses	97,377	1,11,657	1,24,940	1,36,597
Operating Expenses	2,17,164	2,45,183	2,90,899	3,18,056
Operating Profit	**2,23,888**	**2,68,635**	**2,83,194**	**3,26,224**
Growth(%)	*5.6*	*20.0*	*5.4*	*15.2*
NPA Provision	1,21,473	44,548	64,189	81,326
Total Provisions	1,30,024	71,369	79,468	99,124
PBT	**93,864**	**1,97,266**	**2,03,726**	**2,27,100**
Tax Provision	21,142	56,170	57,211	63,588
Effective tax rate (%)	*22.5*	*28.5*	*28.1*	*28.0*
PAT	**72,723**	**1,41,096**	**1,46,515**	**1,63,512**
Growth(%)	*777.3*	*94.0*	*3.8*	*11.6*

Balance Sheet (Rs. m)

Y/e Mar	FY22	FY23	FY24E	FY25E
Face value	2	2	2	2
No. of equity shares	5,178	5,178	5,178	5,178
Equity	10,355	10,355	10,355	10,355
Networth	8,59,097	9,82,229	11,29,879	12,36,451
Growth(%)	*11.5*	*14.3*	*15.0*	*9.4*
Adj. Networth to NNPAs	1,33,646	83,843	67,677	79,665
Deposits	1,04,59,386	1,20,36,878	1,32,88,487	1,51,20,686
Growth(%)	*8.2*	*15.1*	*10.4*	*13.8*
CASA Deposits	43,36,052	47,50,968	51,15,318	59,00,410
% of total deposits	*41.5*	*39.5*	*38.5*	*39.0*
Total Liabilities	**1,27,79,998**	**1,45,85,615**	**1,62,28,987**	**1,83,60,779**
Net Advances	77,71,552	94,09,983	1,06,30,790	1,20,12,792
Growth(%)	*10.0*	*21.1*	*13.0*	*13.0*
Investments	31,57,954	36,24,854	39,86,546	46,14,833
Total Assets	**1,27,79,998**	**1,45,85,615**	**1,62,28,987**	**1,83,60,779**
Growth (%)	*10.6*	*14.1*	*11.3*	*13.1*

Asset Quality

Y/e Mar	FY22	FY23	FY24E	FY25E
Gross NPAs (Rs m)	5,40,594	3,67,637	3,08,317	3,62,630
Net NPAs (Rs m)	1,33,646	83,843	67,677	79,665
Gr. NPAs to Gross Adv.(%)	*6.6*	*3.8*	*2.8*	*2.9*
Net NPAs to Net Adv. (%)	*1.7*	*0.9*	*0.6*	*0.7*
NPA Coverage %	*75.3*	*77.2*	*78.0*	*78.0*

Profitability (%)

Y/e Mar	FY22	FY23	FY24E	FY25E
NIM	2.8	3.2	3.1	3.1
RoAA	0.6	1.0	1.0	0.9
RoAE	9.6	16.5	14.7	14.5
Tier I	13.2	14.0	14.2	13.9
CRAR	15.7	16.2	16.3	16.1

Source: Company Data, PL Research

Quarterly Financials (Rs. m)

Y/e Mar	Q2FY23	Q3FY23	Q4FY23	Q1FY24
Interest Income	2,12,542	2,35,401	2,58,567	2,65,558
Interest Expenses	1,10,798	1,27,218	1,43,318	1,55,591
Net Interest Income	**1,01,745**	**1,08,182**	**1,15,249**	**1,09,967**
YoY growth (%)	*34.5*	*26.5*	*33.8*	*24.4*
CEB	15,150	15,390	17,140	15,070
Treasury	-	-	-	-
Non Interest Income	18,258	35,520	34,661	33,223
Total Income	**2,30,800**	**2,70,920**	**2,93,227**	**2,98,781**
Employee Expenses	31,834	33,470	37,790	37,544
Other expenses	27,859	27,911	31,390	27,402
Operating Expenses	59,693	61,381	69,180	64,946
Operating Profit	**60,310**	**82,321**	**80,729**	**78,243**
YoY growth (%)	*6.4*	*50.1*	*43.3*	*72.8*
Core Operating Profits	62,700	72,691	79,509	68,683
NPA Provision	16,540	8,170	3,200	16,930
Others Provisions	16,275	24,039	14,207	19,468
Total Provisions	16,275	24,039	14,207	19,468
Profit Before Tax	**44,035**	**58,282**	**66,522**	**58,775**
Tax	10,901	19,755	18,768	18,075
PAT	**33,134**	**38,527**	**47,753**	**40,701**
YoY growth (%)	*58.7*	*75.4*	*168.5*	*87.7*
Deposits	**1,09,01,716**	**1,14,95,070**	**1,20,36,878**	**1,19,99,084**
YoY growth (%)	*13.6*	*17.5*	*15.1*	*16.2*
Advances	**83,65,914**	**89,06,823**	**94,09,983**	**96,34,909**
YoY growth (%)	*20.6*	*21.7*	*21.1*	*20.5*

Key Ratios

Y/e Mar	FY22	FY23	FY24E	FY25E
CMP (Rs)	191	191	191	191
EPS (Rs)	14.0	27.3	28.3	31.6
Book Value (Rs)	152	178	207	227
Adj. BV (Rs)	126	162	194	212
P/E (x)	13.6	7.0	6.8	6.1
P/BV (x)	1.3	1.1	0.9	0.8
P/ABV (x)	1.5	1.2	1.0	0.9
DPS (Rs)	2.8	5.5	5.1	5.7
Dividend Payout Ratio (%)	*20.3*	*20.2*	*18.0*	*18.0*
Dividend Yield (%)	*1.5*	*2.9*	*2.7*	*3.0*

Efficiency

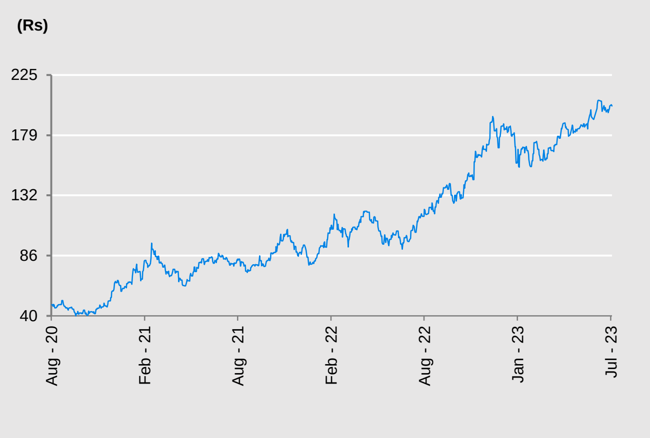
Y/e Mar	FY22	FY23	FY24E	FY25E
Cost-Income Ratio (%)	*49.2*	*47.7*	*50.7*	*49.4*
C-D Ratio (%)	*74.3*	*78.2*	*80.0*	*79.4*
Business per Emp. (Rs m)	228	275	297	332
Profit per Emp. (Rs lacs)	9	18	18	20
Business per Branch (Rs m)	2,221	2,603	2,894	3,273
Profit per Branch (Rs m)	9	17	18	20

Du-Pont

Y/e Mar	FY22	FY23	FY24E	FY25E
NII	2.68	3.02	2.96	2.94
Total Income	3.63	3.76	3.73	3.73
Operating Expenses	1.78	1.79	1.89	1.84
PPoP	1.84	1.96	1.84	1.89
Total provisions	1.07	0.52	0.52	0.57
RoAA	0.60	1.03	0.95	0.95
RoAE	7.02	16.30	14.57	14.09

Source: Company Data, PL Research

Price Chart



Recommendation History

No.	Date	Rating	TP (Rs.)	Share Price (Rs.)
1	06-Jul-23	BUY	235	205
2	17-May-23	BUY	235	187
3	11-Apr-23	BUY	220	166
4	05-Feb-23	BUY	220	164
5	11-Jan-23	BUY	220	181
6	05-Jan-23	BUY	220	184
7	06-Nov-22	BUY	190	145
8	05-Oct-22	Accumulate	130	133

Analyst Coverage Universe

Sr. No.	Company Name	Rating	TP (Rs)	Share Price (Rs)
1	AAVAS Financiers	Hold	1,560	1,538
2	Axis Bank	BUY	1,170	977
3	Bank of Baroda	BUY	235	205
4	Can Fin Homes	BUY	950	831
5	City Union Bank	Accumulate	160	131
6	DCB Bank	BUY	150	129
7	Federal Bank	BUY	175	127
8	HDFC	BUY	3,200	2,862
9	HDFC Asset Management Company	BUY	2,800	2,502
10	HDFC Bank	BUY	2,025	1,679
11	ICICI Bank	BUY	1,180	997
12	IDFC First Bank	UR	-	54
13	IndusInd Bank	BUY	1,530	1,390
14	Kotak Mahindra Bank	BUY	2,250	1,970
15	LIC Housing Finance	Hold	430	427
16	Punjab National Bank	UR	-	47
17	State Bank of India	BUY	770	593
18	UTI Asset Management Company	BUY	900	814

PL's Recommendation Nomenclature (Absolute Performance)

Buy	:	> 15%
Accumulate	:	5% to 15%
Hold	:	+5% to -5%
Reduce	:	-5% to -15%
Sell	:	< -15%
Not Rated (NR)	:	No specific call on the stock
Under Review (UR)	:	Rating likely to change shortly

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