3 August 2023

2QCY23 Results Update | Sector: Midcaps

Varun Beverages

Estimate change	⟷
TP change	⟷
Rating change	⟷

Bloomberg	VBL IN
Equity Shares (m)	1299
M.Cap.(INRb)/(USDb)	1068 / 12.9
52-Week Range (INR)	874 / 452
1, 6, 12 Rel. Per (%)	0/33/63
12M Avg Val (INR M)	2338

Financials & Valuations (INR b)

Y/E Dec	2023E	2024E	2025E
Sales	158.1	183.3	209.3
EBITDA	35.5	40.7	46.9
Adj. PAT	20.1	24.5	29.6
EBITDA (%)	22.4	22.2	22.4
EPS (INR)	15.4	18.9	22.7
EPS Gr. (%)	33.9	22.2	20.6
BV/Sh. (INR)	53.0	69.8	90.6
Ratios			
Net D/E	0.4	0.2	-0.0
RoE (%)	33.5	30.7	28.4
RoCE (%)	24.0	24.9	25.7
Payout (%)	11.3	10.6	8.8
Valuations			
P/E (x)	53.3	43.6	36.1
EV/EBITDA (x)	30.9	26.7	22.7
Div Yield (%)	0.2	0.2	0.2
FCF Yield (%)	1.0	1.3	2.3

Shareholding pattern (%)

	Jun-23	Mar-23	Jun-22
Promoter	63.6	63.9	63.9
DII	3.2	3.7	5.3
FII	26.7	26.0	23.9
Others	6.5	6.4	6.9

Note: FII includes depository receipts

CMP: INR822 TP: INR940 (+14%) Buy

Softening raw material prices drive operating profit

Earnings in line with our estimates

- Varun Beverages (VBL) reported a revenue growth of 13% YoY in 2QCY23, led by growth in volumes (up 4.7% YoY) and higher realization (up 8.2% YoY to INR179/case). Sales volume growth in India was adversely impacted by abnormally high unseasonal rains throughout the quarter.
- Softening of PET chips prices led to a 200bp YoY improvement in gross margins. Gross margin/unit case grew 12% YoY to INR93.8, while EBITDA/unit case improved 15% YoY to INR48.12, supported by favorable operating leverage.
- We maintain our CY23/CY24/CY25 estimates and reiterate our BUY rating on the stock with a TP of INR940.

Volume growth and higher realization drive sales

- VBL's revenue grew 13% YoY to INR56.1b (est. INR56.7b), on account of volume growth over the last year (up 4.7% YoY to 314m cases) and higher realization (up 8.2% YoY to INR179/case). Overall volumes increased to 314m unit cases, driven by strong growth in international markets.
- EBITDA margin expanded 170bp YoY to 26.9% (est. 26.2%), primarily driven by improvement in gross margins (up 200bp YoY to 52.5%, due to softening of PET chips prices). EBITDA grew 21% YoY to INR15.1b (est. INR14.8b).
- Adj. PAT grew 26% YoY to INR9.9b (est. INR9.7b), driven by higher sales growth and improvement in margins.
- Subsidiary (consolidated minus standalone) Revenue/EBITDA/PAT grew 59%/37%/2.1x YoY to INR9.4b/INR2b/INR1.3b in 2QCY23.
- CSD/water volumes grew 6%/7% YoY to 232m/59m unit cases, while NCB volumes declined 13% YoY to 23m unit cases.
- For 1HCY23, Revenue/EBITDA/PAT grew 22%/30%/37% to INR95b/INR23.1b /INR14.2b. Volumes grew 12% YoY to 538m cases.
- CFO stood at INR22.1b in 1HCY23, up 26% YoY. Net debt stood at ~INR31.7b as on 30th Jun'23 vs. INR34.1b as on 31st Dec'22.

Highlights from the management commentary

- **New growth drivers:** The management expects newer products such as energy drinks, juices, Sugar free drinks (Pepsi black), and sports drinks (Gatorade) to perform extremely well going ahead. It has launched Gatorade at INR20 price point and expects strong traction from the product in the next year.
- **Dairy-based beverages**: VBL is tripling its capacity in the dairy segment. It will capitalize on its robust distribution network and well-established supply chain of existing products for this segment. In fact, no other player in the dairy industry possesses such an extensive and far-reaching distribution network.
- **Capex:** The company has incurred a capex of ~INR19b in 1HCY23 for greenfield expansion (INR8.5b), brownfield expansion (INR6.5b), international subsidiaries (INR3b), and land acquisition (INR1b).

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Valuation and view

- We expect VBL to maintain its earnings momentum, underpinned by: 1) increased penetration in newly acquired territories of South and West India, 2) higher acceptance of newly launched products, 3) constantly adding new capacities and expanding distribution reach, and 4) growing refrigeration in rural and semi-rural areas.
- We expect a revenue/EBITDA/PAT CAGR of 17%/19%/26% over CY22-25. We value the stock at 45x Jun'25EPS to arrive at our TP of INR940. We reiterate our BUY rating on the stock.

Consolidated - Quarterly Earnings Model **(INR m)**

Y/E December	CY22				CY23				CY22	CY23E	CY23E	Var
	1Q	2Q	3Q	4Q	1Q	2Q	3QE	4QE			2Q	%
Gross Sales	**28,275**	**49,548**	**31,766**	**22,142**	**38,930**	**56,114**	**37,179**	**25,915**	**131,731**	**158,138**	**56,708**	**-1**
YoY Change (%)	26.2	102.3	32.5	27.7	37.7	13.3	17.0	17.0	49.3	20.0	14.5	
Total Expenditure	22,965	37,042	24,776	19,067	30,949	41,004	28,656	22,043	103,850	122,652	41,868	
EBITDA	**5,310**	**12,506**	**6,990**	**3,075**	**7,980**	**15,110**	**8,523**	**3,873**	**27,881**	**35,486**	**14,840**	**2**
Margins (%)	18.8	25.2	22.0	13.9	20.5	26.9	22.9	14.9	21.2	22.4	26.2	
Depreciation	1,313	1,531	1,531	1,797	1,722	1,719	1,790	1,795	6,172	7,026	1,780	
Interest	470	464	453	475	626	694	660	600	1,861	2,579	530	
Other Income	85	105	106	92	101	416	122	106	388	746	120	
PBT before EO expense	**3,612**	**10,616**	**5,112**	**896**	**5,734**	**13,113**	**6,195**	**1,584**	**20,236**	**26,626**	**12,650**	
PBT	**3,612**	**10,616**	**5,112**	**896**	**5,734**	**13,113**	**6,195**	**1,584**	**20,236**	**26,626**	**12,650**	
Tax	901	2,596	1,157	81	1,348	3,057	1,363	348	4,735	6,116	2,783	
Rate (%)	25.0	24.5	22.6	9.0	23.5	23.3	22.0	22.0	23.4	23.0	22	
MI & Profit/Loss of Asso. Cos.	169	146	144	68	95	118	166	78	527	458	168	
Reported PAT	**2,542**	**7,874**	**3,810**	**748**	**4,291**	**9,938**	**4,666**	**1,158**	**14,974**	**20,053**	**9,700**	
Adj PAT	**2,542**	**7,874**	**3,810**	**748**	**4,291**	**9,938**	**4,666**	**1,158**	**14,974**	**20,053**	**9,700**	**2**
YoY Change (%)	96.7	155.5	58.7	353.3	68.8	26.2	22.5	54.9	115.8	33.9	23.2	
Margins (%)	9.0	15.9	12.0	3.4	11.0	17.7	12.6	4.5	11.4	12.7	17.1	

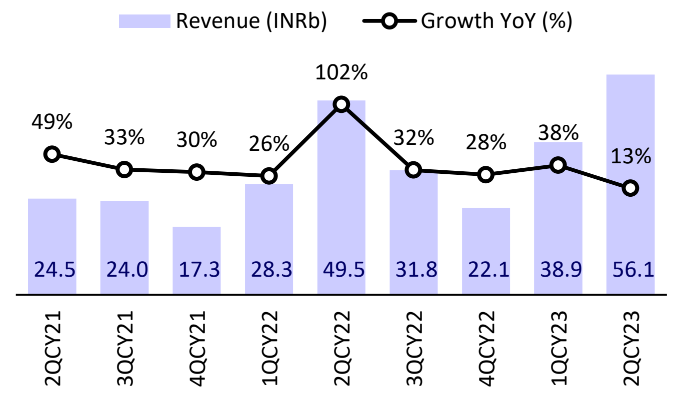
Exhibit 1: Key performance indicators

Y/E December	1QCY21	2QCY21	3QCY21	4QCY21	1QCY22	2QCY22	3QCY22	4QCY22	1QCY23	2QCY23
Segment Volume Gr.										
CSD	40	33	22	24	18	85	23	25	27	6
NCB	38	38	33	50	18	139	38	17	23	-13
Water	13	188	54	36	21	140	24	5	17	7
Cost Break-up										
RM Cost (% of sales)	44	46	47	45	48	49	46	44	48	48
Employee Cost (% of sales)	11	10	11	15	10	6	10	14	9	6
Other Cost (% of sales)	28	20	21	28	23	19	22	28	23	19
Gross Margins (%)	56	54	53	55	52	51	54	56	52	53
EBITDA Margins (%)	17	23	21	12	19	25	22	14	20	27
EBIT Margins (%)	11	18	15	5	14	22	17	6	16	24

Source: Company, MOFSL

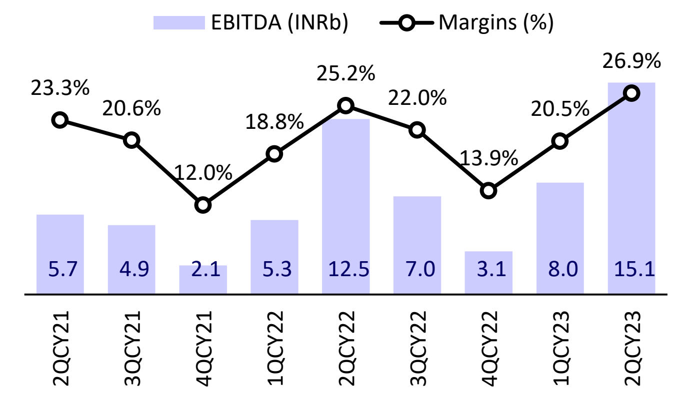
Key exhibits

Exhibit 2: Trend in consolidated revenue



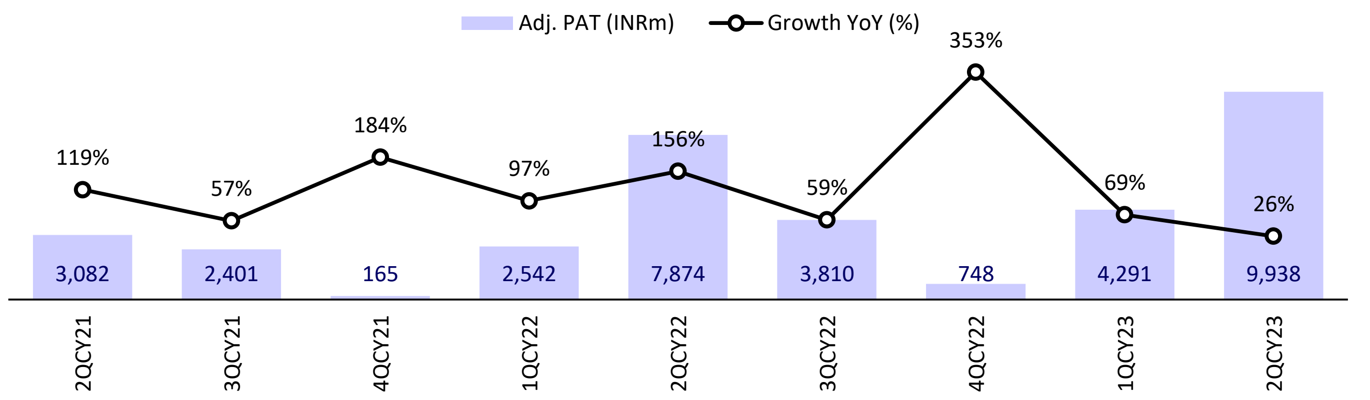
Source: Company, MOFSL

Exhibit 3: Trend in consolidated EBITDA



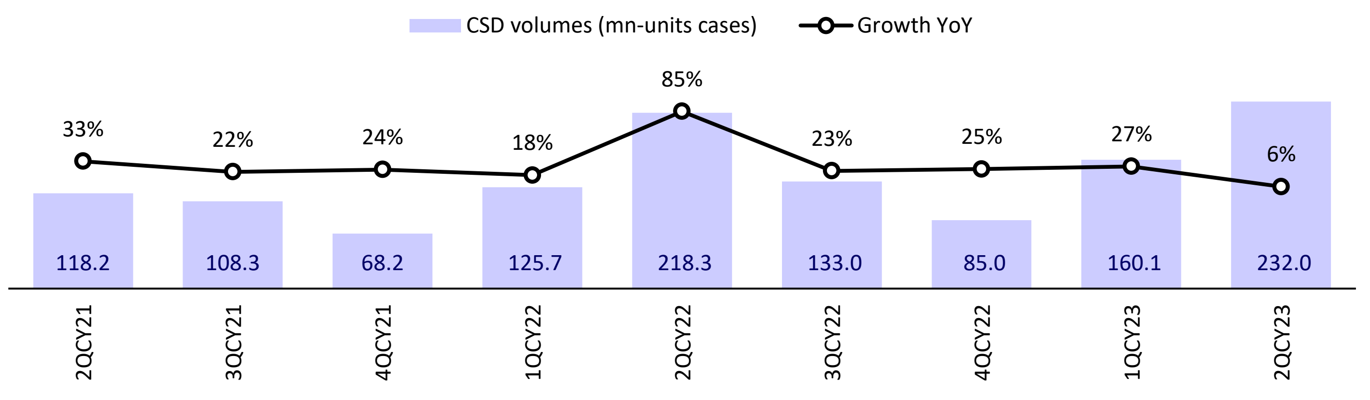
Source: Company, MOFSL

Exhibit 4: Trend in consolidated adjusted PAT



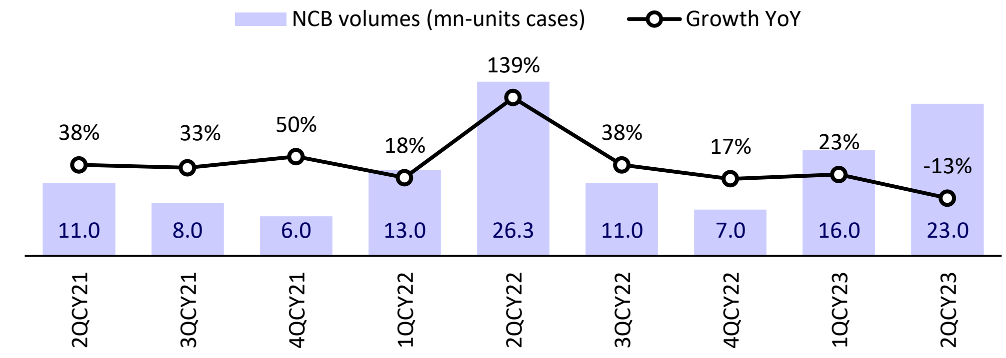
Source: Company, MOFSL

Exhibit 5: CSD sales volumes trend



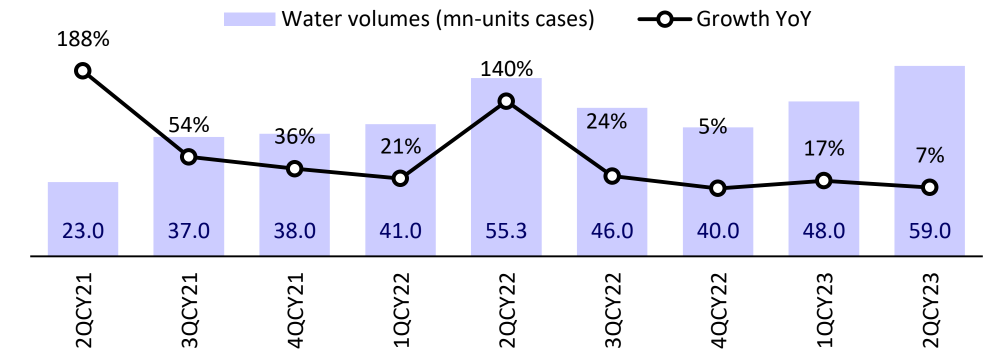
Source: Company, MOFSL

Exhibit 6: NCB sales volume trend



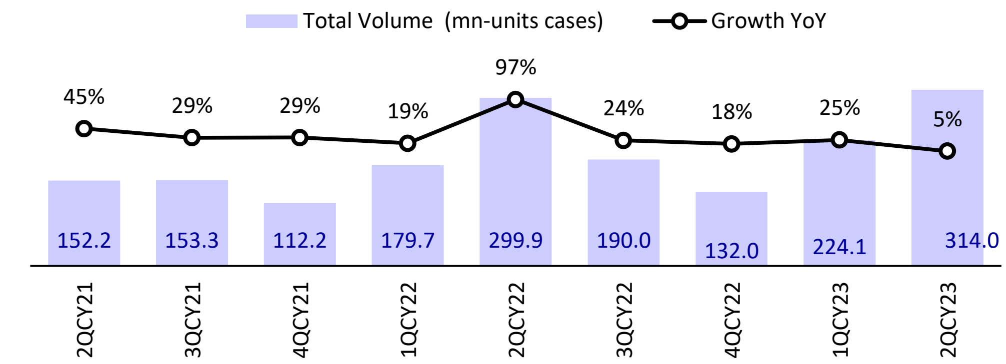
Source: Company, MOFSL

Exhibit 7: Water sales volumes trend



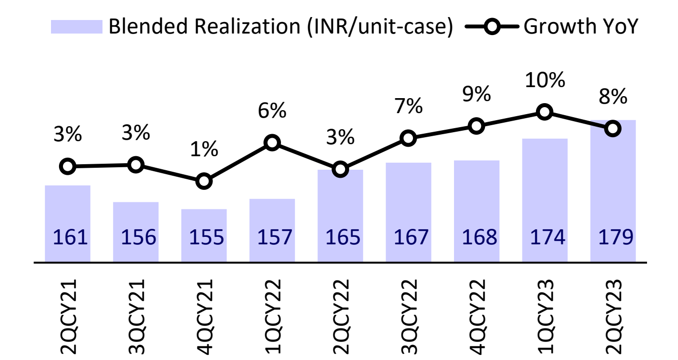
Source: Company, MOFSL

Exhibit 8: Strong Total Volume growth trend



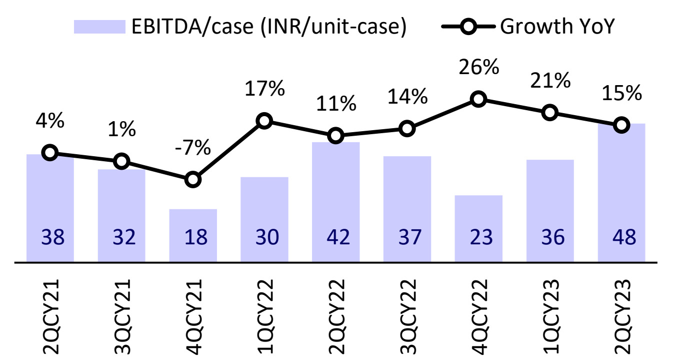
Source: Company, MOFSL

Exhibit 9: Trend in blended realization



Source: Company, MOFSL

Exhibit 10: Trend in EBITDA/case



Source: Company, MOFSL

CONFERENCE CALL

Highlights from the management interaction

Operating performance

- The company witnessed resilient performance in the quarter, despite facing a soft demand environment in India due to abnormally high unseasonal rains.
- Despite weak demand from the North region in India, the company managed to achieve modest growth compared to the previous year, owing to improved performance in other regions.
- The growth during the quarter was attributable to strong performance from international territories.
- VBL witnessed notable improvement in Net realization due to continued increasing share of smaller SKUs.
- Gross margins improved ~200bp because of softening PET chips prices.
- PAT growth was driven by growth in revenue from operations and improvement in margins.
- The company continues to remain optimistic regarding full-year CY23 performance, factoring the lower seasonality in the business, following the integration of West and South territories.

Juices and Value-added dairy

- NCB volume declined on a YoY basis as demand in North India was adversely impacted by unseasonal rainfalls.
- VBL exclusively caters juices to northern markets, as its manufacturing facilities for juices are located only in North India. Additionally, the company refrains from transporting these products to other regions due to the high freight costs involved.
- However, as plants for this product category are being established in other parts of India, it is expected that the current situation will not repeat in the future.
- VBL is tripling its capacity in the dairy-based beverages category. It will utilize distribution (~1m visi-coolers) and supply chain of existing products for its dairy-based beverages. No other player in the dairy industry has such a large scale distribution network.
- Realization in dairy is ~15-20% higher than other products.

New and upcoming plants

- The company has operationalized its newly established greenfield plants and brownfield manufacturing lines during the quarter.
- In line with its commitment to meet the increasing demand especially for juices and value-added dairy products, VBL is currently in the process of establishing greenfield facilities in the States of Uttar Pradesh, Maharashtra, and Odisha.
- These new facilities, along with the upcoming facility in DRC, are expected to be fully operational before the peak season of next year.

International business

- All the international territories for VBL are performing well.
- Morocco and Zimbabwe has witnessed strong growth.
- The company has incorporated a new subsidiary in South Africa to explore the business of manufacturing and distribution of beverages.

- The South African market is expected to be a billion case market with high per capita consumption.

Capex

- In 1HCY23, the net capex amounted to INR19b, which includes INR8.5b for setting up of new greenfield production facilities in Rajasthan and MP, INR6.5b for brownfield expansion at six of the existing facilities in India, INR3b for capex in international subsidiaries, and INR1b for land acquisition.
- The net capex includes capitalization of CWIP and capital advances amounting to ~INR12b paid during CY22. Further, as on 30th Jun'23, the company has CWIP and Capital advances of ~INR9b, primarily toward greenfield expansion in Maharashtra, UP, and Odisha
- The management expects a total capex of ~INR24-25b in India for full-year CY23.

Others

- The management expects new products such as energy drinks, Tropicana, Sugar free drinks (Pepsi black), and Gatorade to perform well going ahead.
- The company has reduced the prices of Gatorade to INR20 and expects to receive significant traction from this product going ahead.

Valuation and view

- We expect VBL to maintain its earnings momentum, underpinned by: 1) increased penetration in newly acquired territories of South and West India, 2) higher acceptance of newly launched products, 3) constantly adding new capacities and expanding distribution reach, and 4) growing refrigeration in rural and semi-rural areas.
- We expect a revenue/EBITDA/PAT CAGR of 17%/19%/26% over CY22-25. We value the stock at 45x Jun'25EPS to arrive at our TP of INR940. We reiterate our BUY rating on the stock.

Exhibit 11: Revision in our estimates

Earnings change	Old			New			Change		
(INR m)	CY23E	CY24E	CY25E	CY23E	CY24E	CY25E	CY23E	CY24E	CY25E
Revenue	1,58,732	1,83,993	2,10,087	1,58,138	1,83,288	2,09,260	0%	0%	0%
EBITDA	35,216	40,847	47,059	35,486	40,690	46,874	1%	0%	0%
Adj. PAT	20,025	24,608	29,860	20,052	24,557	29,604	0%	0%	-1%

Financials and valuations

Consolidated - Income Statement (INR m)

Y/E December	CY17	CY18	CY19	CY20	CY21	CY22	CY23E	CY24E	CY25E
Total Income from Operations	**40,035**	**51,053**	**71,296**	**64,501**	**88,232**	**1,31,731**	**1,58,138**	**1,83,288**	**2,09,260**
Change (%)	3.7	27.5	39.7	-9.5	36.8	49.3	20.0	15.9	14.2
RM Cost	18,101	22,441	32,194	27,639	40,347	62,612	73,112	85,962	98,143
Employees Cost	4,628	5,830	8,108	8,897	10,077	12,166	14,010	15,396	17,159
Other Expenses	8,947	12,716	16,517	15,946	21,262	29,072	35,529	41,240	47,084
Total Expenditure	**31,676**	**40,987**	**56,819**	**52,483**	**71,686**	**1,03,850**	**1,22,652**	**1,42,598**	**1,62,386**
% of Sales	79.1	80.3	79.7	81.4	81.2	78.8	77.6	77.8	77.6
EBITDA	**8,359**	**10,066**	**14,477**	**12,019**	**16,546**	**27,881**	**35,486**	**40,690**	**46,874**
Margin (%)	20.9	19.7	20.3	18.6	18.8	21.2	22.4	22.2	22.4
Depreciation	3,466	3,851	4,886	5,287	5,313	6,172	7,026	7,723	8,499
EBIT	**4,893**	**6,215**	**9,590**	**6,732**	**11,234**	**21,709**	**28,460**	**32,967**	**38,375**
Int. and Finance Charges	2,122	2,126	3,096	2,811	1,847	1,861	2,579	1,904	1,037
Other Income	125	218	425	370	679	388	746	990	1,256
PBT bef. EO Exp.	**2,896**	**4,308**	**6,919**	**4,290**	**10,066**	**20,236**	**26,626**	**32,053**	**38,594**
EO Items	0	0	0	-665	0	0	0	0	0
PBT after EO Exp.	**2,896**	**4,308**	**6,919**	**3,625**	**10,066**	**20,236**	**26,626**	**32,053**	**38,594**
Total Tax	769	1,339	2,241	52	2,606	4,735	6,116	7,052	8,491
Tax Rate (%)	26.6	31.1	32.4	1.4	25.9	23.4	23.0	22.0	22.0
Share of profit from associates	14	30	44	0	0	0	-3	0	0
Minority Interest	39	70	32	283	520	527	455	501	551
Reported PAT	**2,102**	**2,928**	**4,690**	**3,290**	**6,941**	**14,974**	**20,052**	**24,501**	**29,553**
Adjusted PAT	**2,102**	**2,928**	**4,690**	**3,251**	**6,941**	**14,974**	**20,052**	**24,501**	**29,553**
Change (%)	395.9	39.3	60.1	-30.7	113.5	115.8	33.9	22.2	20.6
Margin (%)	5.2	5.7	6.6	5.0	7.9	11.4	12.7	13.4	14.1

Consolidated - Balance Sheet (INR m)

Y/E December	CY17	CY18	CY19	CY20	CY21	CY22	CY23E	CY24E	CY25E
Equity Share Capital	1,826	1,826	2,887	2,887	4,330	6,496	6,496	6,496	6,496
Eq. Share Warrants & App. Money	0	0	0	0	0	0	0	0	0
Preference Capital	0	0	0	0	0	0	0	0	0
Total Reserves	15,866	18,158	30,397	32,353	36,469	44,528	62,307	84,210	1,11,164
Net Worth	**17,692**	**19,985**	**33,284**	**35,240**	**40,799**	**51,024**	**68,803**	**90,705**	**1,17,660**
Minority Interest	-14	78	307	648	1,168	1,131	1,586	2,087	2,638
Total Loans	23,560	27,649	34,172	32,059	33,418	36,948	30,448	22,448	9,448
Deferred Tax Liabilities	1,422	1,588	2,697	2,149	3,087	3,368	3,368	3,368	3,368
Capital Employed	**42,659**	**49,299**	**70,459**	**70,096**	**78,473**	**92,471**	**1,04,206**	**1,18,609**	**1,33,114**
Gross Block	56,326	61,697	87,203	90,086	94,420	1,06,807	1,25,807	1,42,807	1,52,807
Less: Accum. Deprn.	16,540	17,847	22,655	26,242	31,555	37,727	44,753	52,476	60,974
Net Fixed Assets	**39,786**	**43,850**	**64,548**	**63,844**	**62,865**	**69,080**	**81,054**	**90,331**	**91,832**
Goodwill on Consolidation	19	19	242	242	242	242	242	242	242
Capital WIP	1,454	3,524	638	668	4,966	6,066	6,066	6,066	6,066
Total Investments	**82**	**112**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Current Investments	0	0	0	0	0	0	0	0	0
Curr. Assets, Loans&Adv.	**11,494**	**12,808**	**18,327**	**19,719**	**27,721**	**40,794**	**45,565**	**54,010**	**70,475**
Inventory	4,389	5,784	8,815	9,288	14,481	19,939	23,522	27,348	31,143
Account Receivables	1,503	1,280	1,726	2,418	2,212	2,993	3,899	4,519	5,160
Cash and Bank Balance	945	935	1,711	1,901	3,366	2,853	2,330	4,731	14,293
Loans and Advances	4,658	4,809	6,076	6,113	7,661	15,009	15,814	17,412	19,880
Curr. Liability & Prov.	**10,177**	**11,015**	**13,297**	**14,378**	**17,322**	**23,711**	**28,721**	**32,041**	**35,502**
Account Payables	1,909	3,168	4,777	5,114	7,118	8,243	9,745	11,330	12,902
Other Current Liabilities	7,392	6,435	6,517	6,893	7,622	13,135	15,814	17,412	18,833
Provisions	875	1,412	2,003	2,371	2,583	2,333	3,163	3,299	3,767
Net Current Assets	**1,317**	**1,793**	**5,031**	**5,342**	**10,399**	**17,083**	**16,843**	**21,969**	**34,973**
Appl. of Funds	**42,659**	**49,299**	**70,459**	**70,096**	**78,473**	**92,471**	**1,04,206**	**1,18,609**	**1,33,114**

Financials and valuations

Ratios

Y/E December	CY17	CY18	CY19	CY20	CY21	CY22	CY23E	CY24E	CY25E
Basic (INR)									
EPS	**1.6**	**2.3**	**3.6**	**2.5**	**5.3**	**11.5**	**15.4**	**18.9**	**22.7**
Cash EPS	4.3	5.2	7.4	6.6	9.4	16.3	20.8	24.8	29.3
BV/Share	13.6	15.4	25.6	27.1	31.4	39.3	53.0	69.8	90.6
DPS	0.4	0.4	0.5	0.6	0.8	1.7	1.8	2.0	2.0
Payout (%)	26.1	17.5	16.7	21.9	15.6	15.2	11.3	10.6	8.8
Valuation (x)									
P/E	508.1	364.7	227.7	328.5	153.9	71.3	53.3	43.6	36.1
Cash P/E	191.8	157.5	111.5	125.1	87.1	50.5	39.4	33.1	28.1
P/BV	60.4	53.4	32.1	30.3	26.2	20.9	15.5	11.8	9.1
EV/Sales	27.2	21.4	15.4	17.0	12.5	8.4	6.9	5.9	5.1
EV/EBITDA	130.5	108.7	76.0	91.4	66.4	39.6	30.9	26.7	22.7
Dividend Yield (%)	0.0	0.0	0.1	0.1	0.1	0.2	0.2	0.2	0.2
FCF per share	0.8	1.5	4.4	5.5	2.8	3.4	8.1	11.1	19.2
Return Ratios (%)									
RoE	12.1	15.5	17.6	9.5	18.3	32.6	33.5	30.7	28.4
RoCE	9.2	10.0	11.8	10.4	12.5	20.9	24.0	24.9	25.7
RoIC	9.1	10.1	11.5	9.8	12.1	21.6	24.4	25.3	27.1
Working Capital Ratios									
Fixed Asset Turnover (x)	0.7	0.8	0.8	0.7	0.9	1.2	1.3	1.3	1.4
Asset Turnover (x)	0.9	1.0	1.0	0.9	1.1	1.4	1.5	1.5	1.6
Inventory (Days)	40	41	45	53	60	55	54	54	54
Debtor (Days)	14	9	9	14	9	8	9	9	9
Creditor (Days)	17	23	24	29	29	23	22	23	23
Leverage Ratio (x)									
Current Ratio	1.1	1.2	1.4	1.4	1.6	1.7	1.6	1.7	2.0
Interest Cover Ratio	2.3	2.9	3.1	2.4	6.1	11.7	11.0	17.3	37.0
Net Debt/Equity	1.3	1.3	1.0	0.9	0.7	0.7	0.4	0.2	0.0

Consolidated - Cash Flow Statement **(INR m)**

Y/E December	CY17	CY18	CY19	CY20	CY21	CY22	CY23E	CY24E	CY25E
OP/(Loss) before Tax	2,896	4,308	6,919	3,625	10,066	20,236	26,626	32,053	38,594
Depreciation	3,466	3,851	4,826	5,287	5,313	6,172	7,026	7,723	8,499
Interest & Finance Charges	1,972	1,986	2,948	2,441	1,168	1,473	1,834	915	-219
Direct Taxes Paid	-571	-733	-1,201	-52	-2,606	-4,735	-6,116	-7,052	-8,491
(Inc)/Dec in WC	-1,965	-501	-827	-1,181	-1,627	-5,246	-284	-2,724	-3,442
CF from Operations	**5,798**	**8,911**	**12,665**	**10,120**	**12,314**	**17,900**	**29,087**	**30,914**	**34,942**
Others	400	1,087	411	0	0	0	455	501	0
CF from Operating incl EO	**6,198**	**9,998**	**13,076**	**10,120**	**12,314**	**17,900**	**29,542**	**31,415**	**34,942**
(Inc)/Dec in FA	-5,165	-8,088	-7,331	-2,913	-8,632	-13,487	-19,000	-17,000	-10,000
Free Cash Flow	**1,033**	**1,910**	**5,745**	**7,207**	**3,682**	**4,414**	**10,542**	**14,415**	**24,942**
Others	-2,332	-647	-15,862	-1,798	-1,474	-3,559	746	990	1,256
CF from Investments	**-7,496**	**-8,734**	**-23,192**	**-4,711**	**-10,106**	**-17,046**	**-18,254**	**-16,010**	**-8,744**
Issue of Shares	3,041	7	9,002	0	0	0	0	0	0
Inc/(Dec) in Debt	-572	4,566	6,487	-2,113	1,359	3,530	-6,500	-8,000	-13,000
Interest Paid	-1,557	-1,886	-3,011	-2,811	-1,847	-1,861	-2,579	-1,904	-1,037
Dividend Paid	-456	-456	-690	-722	-1,083	-2,274	-2,273	-2,598	-2,598
Others	1,130	-3,505	-895	427	829	-763	-458	-501	0
CF from Fin. Activity	**1,586**	**-1,273**	**10,893**	**-5,219**	**-742**	**-1,368**	**-11,811**	**-13,003**	**-16,635**
Inc/Dec of Cash	**288**	**-10**	**776**	**190**	**1,466**	**-514**	**-523**	**2,401**	**9,562**
Opening Balance	657	945	935	1,711	1,901	3,367	2,853	2,330	4,731
Closing Balance	**945**	**935**	**1,711**	**1,901**	**3,367**	**2,853**	**2,330**	**4,731**	**14,293**

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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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