CSN & CMIN

2Q23 Preview: Absence of a messiah

LatAm Metals & Mining

Main takeaways for CMIN:

(i) Volume rising, after the best month in the Company's history in this indicator; **(ii)** Reference curve offers resistance in price realization; **(iii)** Revenue weakening q/q; **(iv)** COGS/t still suffers from the effect of inventory in transit, but should cool slightly; **(v)** EBITDA should decelerate q/q due to commodity pricing effect; **(vi)** Net income in free fall; **(vi)** with a **Neutral Rating**, we **readjusted some macroeconomic assumptions**, such as the USD/BRL exchange rate in our model, which led to a **cut of 12M Target Price to R$5.00** vs. R$5.50 previously, implying an **upside** of **+15.21%**

Main takeaways for CSN:

(i) Volume rising for steel, with different dynamics for DM and FM; **(ii)** Domestic prices to remain stable, given difficult scenario; **(iii)** Cement with aggressive commercial strategy; **(iv)** Revenue weakening slightly q/q; **(v)** Steel with negative outlook for COGS/t in the short term; **(vi)** Cement continues to suffer in costs, synergies are being pushed forward; **(vii)** We project EBITDA to fall sharply; **(viii)** Income Loss should be maintained in the P&L; **(ix)** The situation remains quite challenging, but **some points still prevent us from downgrading the Company's rating**. We list the points in the chapter containing our take. We reinforce our **Neutral rating**, with a **12M Target Price** of **R$15.00**, which provides an **upside** of **+9.49%**.

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Companies

CSNA3 BZ Equity
Neutral

Price: R$ 13,46 (27-July-2023)
Target Price 12M: R$ 15,00

CMIN3 BZ Equity
Neutral

Price: R$ 4,29 (27-July-2023)
Target Price 12M: R$ 5,00

CSN and CMIN will release their results on 02nd of august, after market close. Our projections indicates that **both are expected to decline q/q**, with **CMIN slowing down after the end of its price hedge**, despite increasing volume, while **CSN should continue to struggle to pass on prices,** even with high costs, which constitute barriers to profitability gain.

2Q23 Preview

CMIN: Volume up, following the best month in the Company's history for this indicator. In view of the resolution of logistical setbacks on MRS rail lines, which hindered CMIN's result last quarter, the Company realized the highest monthly volume in its history in May (considering seasonality factors) and should deliver sales of 10.8Mt Genial Est., which would represent a strong sequential increase of +26.2% q/q, in pursuit of exceeding the annual guidance of 39-41Mt. However, we highlight that a portion of this increase also occurs due to the higher volume of purchases from third parties, despite the greater representativeness of own production.

CMIN: Reference curve offers resistance in price realization. With the decline in the benchmark curve for 62% Fe i.o, which averaged US$111/t in 2Q23 (vs. US$125/t 1Q23), we believe CMIN's realized price should show a similar nominal retreat, reaching in our estimates US$67/t (vs. US$92/t 1Q23), backwinded by -26.4% q/q, being also negatively influenced by lower provisioned prices.

Table 1. Production and Shipments CMIN (2Q23 Genial Est.)

CMIN	2Q23E	1Q23		2Q22	
(Million tonnes)	**Genial Est.**	**Reported**	**% q/q**	**Reported**	**% y/y**
Production + Third party purchases	**10,93**	**8,94**	**22,2%**	**9,61**	**13,7%**
Total Shipments	**10,88**	**8,62**	**26,3%**	**9,10**	**19,7%**
Internal	0,87	1,11	-22,0%	1,12	-22,7%
External	10,02	7,51	33,4%	7,97	25,6%

Soure: CMIN, Genial Investimentos

CSN Holding: Volume rising for steel division, with different dynamics for DM and FM. We expect that with the normalization of production in the Domestic Market (DM) having occurred only in June, after an apathetic 1Q23 due to locomotion obstacles within the Presidente Vargas (RJ) plant, we expect volumes in the domestic market to rise to 715kt Genial Est. in 2Q23 (+6.8% q/q; -1.3% y/y), with the last month of the quarter consolidating a state where adversity had already been controlled, added to a (still slow) volume improvement, in the face of the typical seasonal effect of the steel industry, making up sequential demand gains between 1Qs and 3Qs.

Despite this, its exposure to the Foreign Market (FM) in the US and Europe has been suffering more strongly, losing volume in our projections to 337kt Genial Est. (-7.2% q/q; -1.6% y/y). On a consolidated basis, we estimate a slight increase of +1.9% q/q, as the sum is a total volume (DM + FM) of 1,052kt Genial Est.

CSN Holding: Domestic prices to remain stable in the face of difficult scenario. Despite the high premium for flat steel vs. imported product (around ~20-25%), we still expect a slight upside to the realized price, given the +4% adjustment made in April. However, we believe that the new discounts for the following months should dampen the gain, reaching a domestic price of R$6,000/t Genial Est. (+2.3% q/q; -16.8% y/y), basically stable q/q.

As for the foreign market, our view is that both volume and price will be hit, given the scenario of large Chinese exports to global markets, due to the increased penetration of imported steel within apparent steel use (ASU), not only in Brazil, but in other markets, reflected in an expectation of a drop in prices realized by CSN to R$4,750/t Genial Est. (-5.8% q/q; -33.8% y/y). Therefore, we arrive at a consolidated realized price of R$5,600/t Genial Est., up a timid +0.5% q/q and falling -6.4% y/y.

CSN Holding: Cement with aggressive commercial strategy. Even with tepid demand for cement, causing the sector to end up moving sideways as a whole, we expect CSN's more aggressive commercial strategy against peers in the quest to gain more and more market share to raise cement division sales to 3.4Mt Genial Est. (+9.8% q/q; +169.2% y/y). Reflecting the volume growth, we project a declining price, at R$356/t Genial Est, decelerating smoothly at -0.9% y/y. In addition, price adjustments (around ~+5%) were made during the quarter, which hit sales effectively only from June onwards. Although not enough to bring prices up in the quarter, it should help for 2H23, especially as we see other competitors following a similar movement.

CSN Holding & CMIN: Revenue weakening slightly q/q. We expect CSN Holding's net revenue to show a slight sequential decline, with a marginal increase y/y, reaching R$10.9bn Genial Est. (-3.8% y/y; +3.0% y/y). The Top line should be influenced by the stronger contraction in the mining division (CMIN), which although has an estimate for volume upside, the retraction in realized price should be more than enough to result in R$3.4bn Genial Est. (-16.1% q/q; +33.3% y/y).

In addition, for Steel, the most representative unit in consolidated revenue, we have a projection practically with a very soft growth q/q, reaching R$5.9bn Genial Est. (+2.3% q/q; -23.3% y/y), given the expectation of timid advances in both price and volume. As we explained above, logistics and internal mobility impasses still affected a significant portion of the quarter. So, even considering that usually the 2Qs represent a progression of demand towards the 3Qs (best seasonal quarter for steel), CSN suffered both from the **(i)** mobility restriction at the Presidente Vargas mill (RJ), as well as from the general context that shakes the entire steel market in Brazil, which is the **(ii)** growth in the representativeness of imported steel within ASU, as we have already explained in a sector report, which is attached (Metals & Mining: A sign of relief for steel industry?).

We also highlight CSN Cimentos which is expected to increase its revenue with improved sales, to R$1.2bn Genial Est (+7.9% q/q; +154.1% y/y), despite the aggressive commercial strategy on prices, while the logistics division is likely to improve due to the normalization of activities in MRS rail lines, with projections of R$591mn, up +13.8% q/q.

Table 2. Net Revenue CSN (1Q23 Genial Est.)

CSN (R$ Millions)	2Q23E **Genial Est.**	1Q23 **Reported**	**% q/q**	2Q22 **Reported**	**% y/y**
Net Revenue	**10.884**	**11.319**	**-3,8%**	**10.566**	**3,0%**
Steel	5.912	5.777	2,3%	7.706	-23,3%
Mining	3.475	4.141	-16,1%	2.608	33,3%
Porto	76	70	8,4%	77	-2,0%
Railway	591	519	13,8%	592	-0,3%
Energy	142	139	2,0%	47	200,6%
Cement	1.207	1.119	7,9%	475	154,1%
Eliminations	(519)	(447)	16,0%	(940)	-44,8%

Soure: CSN, Genial Investimentos

CMIN: COGS/t still suffering from stock-in-transit effect, but should cool slightly. Despite the resolution of the issues involving the detour of routes on MRS's rail lines, which affected CMIN last quarter, the **(i)** effect of inventory in transit (the same that affected Vale to a greater extent) should cause costs to still be at a higher level, considering that the previous quarter dynamics should spill over into the current one. In addition, we see a **(ii)** rising freight cost, given the SSY curve (Tubarão-Qingdao) rising +US$3/t, and **(iii)** higher purchases of i.o from third parties. Even with these three dynamics playing against, we believe that **(iv)** the volume increase should be enough to bring more dilution capability, partially helping to offset the effect. We then expect COGS/t at R$209/t Genial Est., falling -8.7% q/q. Therefore, COGS at its nominal value should reach R$2.2bn Genial Est. (+14.0% q/q; +42.8% y/y), up due to the consequence of the volume increase.

CSN Holding: Steel with a negative outlook for COGS/t in the near term. We believe that the Company should continue to feel the effect of a low fixed cost dilution capacity due to (i) lower-than-normal sales in the steelmaking division, as a result of the restriction of locomotion capacity within the plant. In addition to this factor, the (ii) increase in iron ore prices, driven by the commodity rally experienced in the first three months of the year, should be reflected in cost accounting for 2Q23, due to the common time difference for the steel business. Both factors have led us to project a COGS/t of R$5,080/t Genial Est. (+4.5% t/t; -6.4% y/y). Our consolidated COGS expectation is R$5.0b Genial Est. (+6.7% q/q; -8.4% y/y).

CSN Holding: Cements continue to suffer on costs, synergies get pushed forward. Facing more expensive raw material costs, especially in relation to pet coke, we expect the unit's COGS/t to rise in 2Q23, reaching R$264/t Genial Est. vs. R$259/t in the previous quarter. We expect nominal cost to be reported at R$895mn (+11.8% q/q; +267.0% y/y). From a synergy's perspective, progress remains slow. Due to an aggressive commercial pricing strategy, and rising cost dynamics for the sector, the gain we expected to see in terms of profitability from the LaFarge Holcim acquisition is still falling short. We expect 2H23 to bring positive news on this topic.

Table 3. COGS CSN (2Q23 Genial Est.)

CSN (R$ Millions)	2Q23E **Genial Est.**	1Q23 **Reported**	**% q/q**	2Q22 **Reported**	**% y/y**
CPV (COGS)	**(7.988)**	**(7.292)**	**9,5%**	**(6.917)**	**15,5%**
Steel	(5.027)	(4.710)	6,7%	(5.488)	-8,4%
Mining	(2.269)	(1.990)	14,0%	(1.589)	42,8%
Porto	(53)	(49)	8,4%	(45)	17,1%
Railway	(262)	(242)	8,1%	(260)	0,5%
Energy	(100)	(99)	1,0%	(45)	121,0%
Cement	(895)	(801)	11,8%	(244)	267,0%
Eliminations	618	599	3,3%	755	-18,1%

Soure: CSN, Genial Investimentos

CMIN: EBITDA expected to decelerate q/q due to commodity pricing effect. Although volumes are growing rapidly, with preliminary expectations of exceeding guidance for 2023, CMIN should see a sharp retraction in the price realized in 2Q23. In our view, this fact, coupled with a still relatively high COGS/t, should be catalysts for a sequential double-digit decline in EBTIDA. Therefore, we project an EBITDA of R$1.0bn Genial Est. (-47.5% q/q; +16.8% y/y). Within the holding, we have the results of other smaller mining companies, and that should slightly interfere with the result for the mining division.

CSN Holding: We project EBITDA to fall sharply. Due to a substantial worsening for the two main units (mining and steel), CSN Holding should report a weaker result both q/q and y/y. Our expectations are for an Adjusted EBITDA of R$1.7bn Genial Est. (-47.2% q/q; -48.0% y/y). With pressure on costs, while still experiencing difficulties to pass on prices to its clients, the steel industry should continue to show further declines, reaching R$577mn Genial Est. (-23.4% q/q; 69.7% y/y). In an aggressive attempt to increase its market relevance, Cement division should also come in with marginally lower EBITDA in 2Q23, at R$208mn Genial Est. (-6.4% q/q; +28.0% y/y).

It is worth highlighting the positive performance that MRS should have in 2Q23, in the opposite direction of the holding's other businesses, as the adversities faced in last quarter's operation were resolved, with the rail lines fully functioning. This led us to project an EBITDA of R$288mn Genial Est., up +22.8% q/q. That is not enough to compensate the declines in other divisions though.

Table 4. EBITDA CSN (2Q23 Genial Est.)

CSN	2Q23E	1Q23		2Q22	
(R$ Millions)	**Genial Est.**	**Reported**	**% q/q**	**Reported**	**% y/y**
EBITDA Ajust	**1.962**	**3.213**	**-39,0%**	**3.263**	**-39,9%**
Steel	577	754	-23,4%	1.905	-69,7%
Mining	959	2.025	-52,7%	931	2,9%
Porto	20	19	8,4%	24	-16,1%
Railway	288	234	22,8%	298	-3,4%
Energy	34	28	21,7%	(6)	-648,2%
Cement	208	222	-6,4%	163	28,0%
Eliminations	(132)	(79)	67,9%	(52)	153,3%

Soure: CSN, Genial Investimentos

CMIN: Net income in free fall. Keeping with the trend seen in EBITDA, we expect CMIN to report net income falling sharply to R$274mn Genial Est. (-46.8% q/q; -66.8% y/y). Therefore implying a projected net margin of 7.4% in 2Q23 (-3.98p.p q/q).

Table 5. Income Statement CMIN (2Q23 Genial Est.)

CMIN	2Q23E	1Q23		2Q22	
(R$ Millions)	**Genial Est.**	**Reported**	**% q/q**	**Reported**	**% y/y**
Net Revenue	**3.684**	**4.514**	**-18,4%**	**2.679**	**37,5%**
Domestic Market	127	260	-51,1%	390	-67,4%
External Market	3.557	4.254	-16,4%	2.289	55,4%
COGS	(2.257)	(1.978)	14,1%	(1.598)	41,2%
Adjusted EBITDA	**1.060**	**2.018**	**-47,5%**	**907**	**16,8%**
EBITDA Margin (%)	28,8%	44,7%	-15,93p.p	33,9%	-5,09p.p
EBIT	**498**	**1.149**	**-56,7%**	**664**	**-25,0%**
EBIT Margin (%)	13,5%	25,4%	-11,93p.p	24,8%	-11,26p.p
D&A	(393)	(250)	57,3%	(237)	65,9%
Financial Result	(93)	(381)	-75,6%	568	-
Net Income	**274**	**516**	**-46,8%**	**826**	**-66,8%**
Net Margin (%)	7,4%	11,4%	-3,98p.p	30,8%	-23,37p.p

Soure: CMIN, Genial Investimentos

CSN Holding: Income Loss to be maintained. We still expect CSN's final profitability to remain weak, as its main businesses are expected to report worse numbers q/q. Our estimate is for a lighter financial result in 2Q23, resulting in income loss of -R$361mn, showing a nominal evolution q/q only due to some non-recurring expenses that passed through in the last quarter result.

Table 6. Income Statement CSN (2Q23 Genial Est.)

CSN	2Q23E	1Q23		2Q22	
(R$ Millions)	**Genial Est.**	**Reported**	**% q/q**	**Reported**	**% y/y**
Net Revenue	**10.884**	**11.319**	**-3,8%**	**10.566**	**3,0%**
COGS	(7.988)	(7.292)	9,5%	(6.917)	15,5%
Adjusted EBITDA	**1.962**	**3.213**	**-39,0%**	**3.263**	**-39,9%**
EBITDA Margin (%0	18,0%	28,4%	-10,37p.p	30,9%	-12,85p.p
EBIT	**499**	**581**	**-14,1%**	**1.771**	**-71,8%**
EBIT Margin (%)	4,6%	5,1%	-0,55p.p	16,8%	-12,18p.p
D&A	(992)	(781)	27,0%	(643)	54,3%
Financial Result	(859)	(1.190)	-27,8%	(890)	-3,5%
Net Income	**(361)**	**(823)**	**-56,2%**	**369**	**-**
Net Margin (%)	-3,3%	-7,3%	3,95p.p	3,5%	-6,81p.p

Soure: CSN, Genial Investimentos

Our take on CSN and CMIN

CMIN: Focusing on the micro side aspects, we see that CMIN is doing a good job in ramping up production. Although it is too early to say, we have reason to suspect that the company's strong performance at the start of the year should result in CMIN exceeding guidance of 39-41Mt in 2023. Still, we believe the Company continues to be affected by mining sector macro dynamics. Considering the **(i)** seasonality, even with the **(ii)** best month in its history in terms of volume, the **(iii)** cooling of benchmark curves of 62% Fe i.o, and the **(iv)** end of its hedge position, should create a **(v)** depressive movement in the realized price at ~US$30/t, solidifying a scenario for a weaker result sequentially.

Still, our view is that by fitting into a growth investment thesis, the value generation that CMIN provides to investors seems to us to be more related to its expansion projects, both phase 1 and phase 2, which have already been postponed a few times since its IPO in 2021. This strong link to the long term also ends up generating uncertainties about the scenario for the ferrous commodity, especially given our projection of a downward curve until 2028, reaching ~US$75/t in the long term. Therefore, as a reflection of its recent past storyline, **we see CMIN still in the process of regaining credibility with institutional investors**. That reason motivates us to remain conservative until some confirmation of the start-up as planned in its schedule. **We readjusted some macroeconomic assumptions**, such as the USD/BRL exchange rate in our model, which led to a **cut of the 12M Target Price to R$5.00** vs. R$5.50 previously, which implies an **upside** of **+15.21%**. Trading at an **EV/EBITDA 23E** of **4.3x**, we reiterate our **NEUTRAL rating**.

CSN Holding: Without reaping the rewards of its holding position, where most of its diversified businesses continue to operate in challenging environments, our perception is that the macro scenario may continue to impose difficulties ahead for CSN's consolidated results, especially in the steel division, which even after consecutive negative price adjustments, trades at a ~20% premium to flat steel imported from China.

In our sector report published last month, we put on the agenda that there would be a possibility of reducing the spread at parity with imported steel, given that the Chinese government is expected to continue to calibrate interest rates. Inflation data, released ~15 days ago, reinforces China's near deflationary scenario, paving the way for further interest rate cuts. In our assessment, **these interest rate cuts should promote the gradual warming of downstream steel demand**. Importantly, unlike the consensus position earlier this year, we believe **this growth will be slow, but it will occur**. In the face of more positive signals in this regard, Chinese steel mills, which were operating very close to the breakeven line, should promote gradual and sequential price adjustments, since **the situation was reaching an unsustainable point in relation to the sector's profitability**. Given this dynamic, **the price gap of imported steel relative to the domestic product should narrow**, causing the domestic industry to gain more momentum. As it is an effect more linked to the macro, **it should take a few months to be reflected within CSN's result**, so it is something to be observed throughout 2H23 and 1H24.

Absence of a messiah. During 2Q23, it seems to us that CSN will continue its struggle to promote volume at the expense of realized price, affecting profitability. Even if there is a cooling of last quarter's loss, the Company **should still not be able to transfer its still anemic operating income into net profit**. Several factors align for this, with emphasis on the macro-ones: **(i)** USD/BRL exchange rate drop and **(ii)** HRC in China at levels below recent history, favoring the appetite for imported steel. We also see some micro issues, inherent to CSN itself related to simplistic but highly impact mistakes that limited 1H23 production. **We believe it is possible that CSN will have to readjust its steel sales guidance**. Therefore, we do not see short-term catalysts.

The cement division still does not deliver the profitability we envisioned given the synergies, which are moving very slowly, and an aggressive pricing strategy to gain market share. Added to this, **CMIN**, which **was serving as a foundation to prevent the result from falling apart**, should also show negative effects of the sector environment, with a drop in realized price slightly above the drop in the reference curve 62% Fe. **This time, no longer being the messiah to save the holding's result**.

The situation remains quite challenging for the holding; however, **some points still prevent us from downgrading the Company's rating**. We would like to observe the development of the numbers with expectations for normalization of sales in 2H23 (+) a possibility of improvement in parity with imported steel, with the continued production ramp-up on the mining side, bringing volumes possibly above the annual guidance, and with synergies adding to EBITDA for the cement division in the coming quarters. Given that we still see these dynamics as supporting our thesis of value creation through business diversification, we **reinforce our NEUTRAL rating**, with a **12M Target Price of R$15.00**, which provides an **upside** of **+9.49%**.

Appendix: CMIN

Figure 1. CMIN – Income Statment in BRL Millions (Genial Est. 2023-2028)

Income Statement	2023E	2024E	2025E	2026E	2027E	2028E
Net Revenue	**12.367**	**12.320**	**12.434**	**15.622**	**17.487**	**17.514**
(+) Domestic Market	1.309	1.272	1.192	1.175	1.122	1.047
(+) External Market	11.058	11.048	11.242	14.447	16.365	16.467
(-) COGS	(7.929)	(8.029)	(8.488)	(10.173)	(11.446)	(11.944)
Gross Profit	**4.438**	**4.291**	**3.946**	**5.449**	**6.041**	**5.570**
(-) Expenses	(1.067)	(1.062)	(1.072)	(1.348)	(1.510)	(1.512)
EBIT	**3.371**	**3.229**	**2.874**	**4.101**	**4.531**	**4.058**
(+/-) Financial Result	(87)	4	60	(8)	(143)	(221)
EBT	**3.284**	**3.233**	**2.934**	**4.093**	**4.388**	**3.837**
(-) Taxes	(1.054)	(1.037)	(941)	(1.314)	(1.410)	(1.232)
Net Income	**2.230**	**2.196**	**1.993**	**2.779**	**2.978**	**2.605**
Profitability						
Net Margin (%)	18,03%	17,82%	16,03%	17,79%	17,03%	14,87%

Figure 2. CMIN – Cash Flow in BRL Million (Genial Est. 2023-2028)

Cash Flow	2023E	2024E	2025E	2026E	2027E	2028E
Net Revenue	**12.367**	**12.320**	**12.434**	**15.622**	**17.487**	**17.514**
(-) COGS	(7.929)	(8.029)	(8.488)	(10.173)	(11.446)	(11.944)
Adjusted EBITDA	**4.415**	**4.441**	**4.361**	**5.848**	**6.557**	**6.378**
EBIT	**3.371**	**3.229**	**2.874**	**4.101**	**4.531**	**4.058**
(-) Taxes	(1.054)	(1.037)	(941)	(1.314)	(1.410)	(1.232)
(+) D&A	1.362	1.531	1.807	2.099	2.395	2.690
(+/-) Δ WK	97	71	(2)	(175)	(83)	(23)
(-) Capex	(4.150)	(3.075)	(5.190)	(5.173)	(5.236)	(5.303)
FCFF	**(374)**	**719**	**(1.452)**	**(462)**	**197**	**190**

Appendix: CSN

Figure 1. CSN – Income Statment in BRL Millions (Genial Est. 2023-2028)

Income Statement	2023E	2024E	2025E	2026E	2027E	2028E
Net Revenue	**41.228**	**42.428**	**46.666**	**52.653**	**56.345**	**56.855**
(-) COGS	(28.953)	(29.067)	(31.872)	(35.076)	(37.229)	(38.053)
Gross Profit	**12.275**	**13.360**	**14.794**	**17.576**	**19.116**	**18.802**
EBIT	**2.063**	**3.598**	**4.225**	**6.681**	**8.101**	**7.673**
(+/-) Financial Result	(3.563)	(3.171)	(3.369)	(3.672)	(3.924)	(3.916)
EBT	**(1.500)**	**428**	**855**	**3.009**	**4.178**	**3.757**
(-) Taxes	(276)	(204)	(365)	(1.023)	(1.420)	(1.277)
Net Income	**(1.776)**	**224**	**490**	**1.986**	**2.757**	**2.479**
Profitability						
Net Margin (%)	-4,31%	0,53%	1,05%	3,77%	4,89%	4,36%

Figure 2. CSN – Cash Flow in BRL Million (Genial Est. 2023-2028)

Cash Flow	2023E	2024E	2025E	2026E	2027E	2028E
Net Revenue	**41.228**	**42.428**	**46.666**	**52.653**	**56.345**	**56.855**
(-) COGS	(28.953)	(29.067)	(31.872)	(35.076)	(37.229)	(38.053)
Adjusted EBITDA	**5.321**	**7.220**	**8.297**	**11.097**	**12.841**	**12.670**
EBIT	**2.063**	**3.598**	**4.225**	**6.681**	**8.101**	**7.673**
(-) Taxes	(276)	(204)	(365)	(1.023)	(1.420)	(1.277)
(+) D&A	3.258	3.622	4.072	4.417	4.739	4.997
(+/-) Δ WK	(1.933)	(553)	(194)	(203)	(136)	(70)
(-) Capex	(4.789)	(5.452)	(6.142)	(6.113)	(5.586)	(5.629)
FCFF	**-1.677**	**1.011**	**1.595**	**3.758**	**5.698**	**5.694**

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	Definition	Coverage
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Sell	Expected return below -10% in relation to the Company's sector average	**5%**
under Review	Under review	**5%**

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