genial | Equity Research

JBS

4Q24 Preview: A binary call

LatAm Meatpackers

Main takeaways:

(i) Beef North America: EBITDA of **R$237mn Genial Est.** (-63.5% q/q; -141.2% y/y), with margin projected at **0.6% Genial Est.** (-1.3p.p. q/q; -2.2p.p. y/y), pressured by the sharp rise in the cost of cattle in the USA; **(ii) USA Pork:** EBITDA of **R$1.5bn Genial Est.** (+8.1% q/q; +52.9% y/y), with a margin of **11.8% Genial Est.** (-0.3p.p. q/q; +2.5p.p. y/y), quantifying a slight seasonal retraction, but still above the historical average, sustained by the trade down movement; **(iii) PPC:** EBITDA of **US$526mn** (-20.4% q/q; +71.2% y/y), with a margin of **12.0%** (-2.4p. p. q/q; +5.2p.p. y/y), reflecting seasonal compression typical of the period, higher corn costs and bonus expenses; **(iv) JBS Australia**: EBITDA of **R$990mn Genial Est.** (+2.4% q/q; +12.0% y/y), with margin of **9.2% Genial Est.** (-0.6p. p. q/q; -1.1p.p. y/y), pressured by higher costs and lower production in the salmon operation; **(v) Seara:** EBITDA of **R$2.5bn Genial Est.** (-3.2% q/q; +269.5% y/y), with margin at **20% Genial Est.** (-1.0p.p. q/q; +13.6p.p. y/y), still robust; **(vi) JBS Brazil:** EBITDA of **R$1.5bn Genial Est.** (-28.4% q/q; +71.6% y/y), with margin at **7.5% Genial Est.** (-4.1p.p. q/q; +1.6p.p. y/y), impacted by the rise in the cost of the cattle arroba, which rose almost 2x more vs. the meat price; **(vii) Dual Listing:** The recent rise in the shares value (+28% in 4 days) seems to have anticipated the expectation of approval of the listing on the NYSE in the next 6M; **(ix) Binary Scenario: (i)** If in fact the dual listing occurs **in the next 6M**, the share prices could advance further; **(ii)** If it does not materialize in this timeframe, we believe that the **current valuation will probably not be sustained**, especially in the face of loss of operating performance with pressured margins in 2025 vs. 2024; **(x)** As we want to give the benefit of the doubt at this point, we have **adjusted our discount rate in our model**, which has caused our **12M Target Price** to **increase** to **R$48.50** (vs. R$42.50 previously), setting up an **upside** of **+15.9%.** We maintain our **BUY rating**, but we may reverse this adjustment if the listing does not take place in the short term.

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Company

JBSS3 BZ Equity
Buy

Price: R$ 41.84 (21-Mar-2025)
Target Price 12M: R$ 48.50

Table 1. Income Statement JBS (4Q24 Genial Est.)

(R$ millions)	4Q24E Genial Est.	3Q24A Reported	% R/E	4Q23A Reported	% y/y
Net Revenue	**115.058**	**110.498**	**4,1%**	**96.341**	**19,4%**
COGS	(97.944)	(92.310)	6,1%	(85.246)	14,9%
Adjusted EBITDA	**10.492**	**11.940**	**-13,0%**	**5.104**	**103,5%**
EBITDA Margin (%)	9,0%	10,8%	-1,8p.p	5,3%	3,7p.p
EBIT	**7.525**	**8.619**	**-12,7%**	**1.776**	**323,6%**
EBIT Margin (%)	6,5%	7,8%	-1,3p.p	1,8%	4,7p.p
D&A	(2.864)	(3.010)	-4,9%	(2.859)	0,2%
Financial Result	(4.156)	(2.002)	107,6%	(1.687)	146,4%
Net Income	**2.289**	**3.843**	**-40,4%**	**83**	**2671,0%**
Net Margin (%)	2,0%	3,5%	-1,5p.p	0,1%	1,9p.p

Source: JBS, Genial Investimentos

JBS will release its **4Q24 results** on **March 25**, after the market closes. Despite the positive effect derived from the acceleration of the USD/BRL Fx rate in the period (+13.6% q/q), we believe that the company should present **a quarter marked by a retraction in consolidated results**, mainly reflecting the expected **deterioration in margins in all the company's units.** Due to its strong relevance, **the results released by PPC were one of the main negative highlights**, with a drop in the EBITDA margin due to the sharp rise in legal settlement expenses and higher bonus paid, both of which put pressure on SG&A (investors should remember that 2024 was a record year for the chicken business).

The negative cattle cycle will continue to elevate costs at the **Beef North America** unit, causing it to report a margin close to 0.6% (-1.2p.p. q/q Genial Est.), while the cycle turn, quantified by the +33% q/q acceleration in the cattle arroba prices **will also cause a reduction in margins at JBS Brazil** (-4.1p.p. q/q Genial Est.). **The USA Pork unit is also expected to show a gentile margin squeeze** (-0.3p.p. q/q Genial Est.), mainly due to the more unfavorable seasonality of 4Qs, although sustained by resilient volumes coming from trade down tendency. For JBS Australia, due to the also higher lamb and cattle prices in the region, the margin should fall to close to 9% (-0.6p.p. q/q Genial Est.). On the other hand, the **Seara division should remain a positive highlight**, with very robust margins, reaching around 20%, **although it will not escape a sequential reduction either** (-1.0p.p. q/q Genial Est.).

In view of this operational dynamics, we estimate Consolidated **Net Revenue** of **R$115.1bn Genial Est.** (+4.1% q/q; +19.4% y/y). We project an **Adjusted EBITDA** of **R$10.5bn Genial Est.** (-12.1% q/q; +105.6% y/y), reflecting a -1.7p.p. q/q compression in margin, which should end the quarter at **9.1% Genial Est.** (+3.8 p.p y/y). On the **bottom line,** we project a **Net Income** of **R$2.3bn Genial Est.** (-40.4% q/q; +27x y/y), with the net margin shrinking sequentially to **2.0% Genial Est.** (-1.5p.p. q/q; +1.9p.p. y/y), reflecting the expected impact of the Fx rate variation for the period, partially offset by the company's derivatives hedge.

Binary call

We see **two main scenarios**: **(i)** if the dual listing is approved in the next 6 months, the shares could advance even further catalyzed by the continued increase in investor interest and the gap narrowing between JBS EV/EBITDA of ~4.6x vs. peers such as Tyson Foods (8.5x) and Smithfield (8.0x). But **(ii)** otherwise, the current valuation would not be sustained (the shares have risen +28% in just 4 days), especially with the likely compression of the company's margins in 2025 (more about that by the end of the report). Investors, who are mostly very short-term driven when looking at commodities companies, would become impatient with potential delay if the dual listing does not take place at the next 6M, and would strip down their long positions and create a seller flow into the shares, causing them to return to levels closer to R$33.00 (vs. R$41.84 currently). For further details, **we strongly recommend reading the “Our Take” section at the end of the report.** As we want to give the benefit of the doubt at this point, we feel it is too early to rule out the dual listing approval in the short term (up to 6M). Along these lines, **we have reduced the discount rate on our model**, consequently **raising** the **12M Target Price** to **R$48.50** (vs. R$42.50 previously), implying an **upside** of **+15.9%.** We maintain our **BUY rating** but may reverse this adjustment if the listing does not progress in the time frame that we mentioned.

4Q24 Preview: In detail!

Beef North America: Margin contraction seems imminent. Net Revenue at the Beef North America unit is expected to reach R$36.6bn Genial Est. (+4.7% q/q; +17.9% y/y), driven by still resilient demand and favorable Fx rate effects in the conversion from USD to BRL reported results. Adjusted EBITDA, in turn, should total R$237mn Genial Est. (-63.5% q/q), reflecting a strong sequential and seasonal downturn. In the winter period, consumption of red meat decreases, and there is more consumption of turkey and chicken due to the Thanksgiving and Christmas festivities. The margin is expected to stand at 0.6% Genial Est. (-1.2p.p. q/q; -2.2p.p. y/y), with the contraction highlighting the persistent effects of the negative cattle cycle in the US. As we have already commented, this cycle is showing more signs of waning, with a reversal not expected until the beginning of 2027. Therefore, we believe that the costs of purchasing cattle ready for slaughter should more than offset the good performance we expect for Canada, which will not mitigate the negative impacts on the unit's profitability.

USA Pork: Seasonality should contribute to a small margin retraction. Net Revenue for US Pork should reach R$12.5bn Genial Est. (+10.6% q/q; +20.3% y/y). Adjusted EBITDA will probably total R$1.5bn Genial Est. (+8.1% q/q; +52.9% y/y). Margin is expected to stand at 11.8% Genial Est. (-0.3p.p. q/q; +2.5p.p. y/y), signaling a slight compression vs. the previous quarter as a reflection of a seasonally negative period, although the dynamics of high beef prices continue to drive the trade down movement, which in turn would generate increased demand for pork and may partially mitigate the seasonal slowdown by year-end. In addition, it is possible that the fractional deficit in supply relative to demand for corn established throughout the quarter - used in the feed of pig herds along with soybeans - together with the lower dilution of fixed costs due to seasonal issues, should contribute to this pressure and contraction of margins, which historically stand at a level of 8-10% (USGAAP). Therefore, although we see a good chance of a slowdown vs. 3Q24, this quarter's margins should still be above historical levels.

PPC: Margin compression greater than expected, in results already released. The 4Q24 results of Pilgrim's Pride Corporation (PPC), a subsidiary focused on chicken marketing in the US, were released on February 12. Performance fell short of our expectations. Net Revenue reached US$4.4bn (-4.6% q/q; -3.5% y/y). Adjusted EBITDA totaled US$526mn (-20.4% q/q; +71.2% y/y), with the margin at 12.0% (-2.4p.p. q/q; +5.2p.p. y/y), reflecting a seasonal compression typical of the period, when chicken consumption is impacted by higher demand for turkey during Thanksgiving, coupled with pressure from higher grain prices (especially corn) and expenses with legal agreements and higher incentive compensation costs (bonuses).This operating result should translate into an increase of ~US$426mn Genial Est. in consolidated EBITDA for JBS (on a USGAAP basis). Even so, margins remained at healthy levels, sustained by operational efficiency and the expansion of the portfolio, which continues to grow above the market average.

JBS Australia: Lamb prices and production impacts should reduce margins. Net Revenue at the Australian business unit should reach R$10.8b Genial Est. (+8.9% q/q; +25.8% y/y), reflecting the continued strong pace of exports and the positive effects of the BRL/AUD exchange rate devaluation.

Our model points to an Adjusted EBITDA of R$990mn Genial Est. (+2.4% q/q; +12.0% y/y), making up a margin of 9.2% Genial Est. (-0.6p.p. q/q; -1.1p.p. y/y). We therefore expect a slight sequential compression. This dynamic should mainly reflect the rise in the costs of acquiring lambs for slaughter and the remaining impacts of lower production on aquatic farms in the salmon operation. Despite the pressure on costs, the unit continues to benefit from solid international demand and the heated export market. We would also point out that Australia's export quota to the US is much larger than Brazil's, although Brazil has the potential to export more volume. Therefore, we still believe that Australia will be among the largest exporters even with the cost pressure, since there is room in the quota for the movement to continue.

Seara: Corn cost should be margin dampening for the period. Net Revenue should reach R$12.4b Genial Est. (+1.8% q/q; +18.5% y/y), driven by the trade down of consumers in search of more affordable proteins due to the high beef prices (pressured in turn by the strong increase in the price of the cattle arroba in Brazil), in addition to the strong global demand for exports and the expansion of the portfolio of higher value-added products. On the other hand, Adjusted EBITDA should total R$2.5bn Genial Est. (-3.2% q/q; +3x y/y), with the margin projected at 20.0% Genial Est. (-1.0p.p. q/q; +13.6p.p. y/y), reflecting a slight slowdown vs. 3Q24. We believe that the margin contraction should already be widely expected by investors, since we had already commented in our sector report at the beginning of the year that it would be difficult to sustain these margins from 4Q24 onwards, without there being an accommodation of higher costs such as **(i)** the acceleration in the corn prices - which increased by +18.7% q/q - and other inputs quoted in USD (mainly logistics and packaging). Even so, we believe that profitability should remain very solid and still be above what we consider to be the new structural level during 4Q24. We expect a range of 12-16% Genial Est year-average margin in 2025-2026.

JBS Brazil: Brusque acceleration in cattle prices will compromise margin. The Brazil unit's Net Revenue (Friboi, Swift + side business) should reach R$19.1bn Genial Est. (+5.6% q/q; +27.9% y/y), driven by resilient volumes and successful price pass-throughs. As we commented, the weighted composition of prices in the basket of red meat cuts that make up the IPCA rose ~13% in 4M after the inflection of the cattle arroba price in September. As a result, we believe that Adjusted EBITDA should total R$1.5bn Genial Est. (-28.4% q/q; +71.6% y/y), reaching a margin of 7.5% Genial Est. (-4.1p.p. q/q; +1.6p.p. y/y). Therefore, although the cut-out price rose sharply, putting pressure on food inflation, it was still not enough to cover the increase in the cost of acquiring cattle for slaughter.

The price of an arroba of cattle accelerated sharply (rising ~2x more vs. price of red meat cuts), driven by **(i)** a substantial increase in slaughtering pace, mainly for export (Brazil reached the highest level of beef exports in history in 2024), **(ii)** an increase in the level of retention of females by cattle producers and **(iii)** the partial removal of cattle from the slaughter schedule due to the essentially dry year in 2024, which led producers to leave cattle on pasture longer for the fattening process. As a result, there will inevitably be an impact from the rise in the cattle acquisition cost, especially in the spot market, which has limited full price transfers in the short term.

Despite the downturn, we believe that margins should remain within the historical range for the period. Domestic demand remained firm during 4Q24 (although we think it should slow down by 2025) and Friboi's strong presence in the market, combined with the good performance of exports (which could exceed 50% by 2025), should mitigate some of the pressure on profitability.

Our take on JBS

Negative cattle cycle in the US with no signs of reversal in the short term. When drawing up a scenario for **Beef North America**, we are faced with almost no sign of relief in the female retention cycle in the US. Therefore, the cattle supply should remain under pressure in 2025, **keeping purchase prices high for meatpackers**, projected at between **US$200-$215/lbs Genial Est.** Cattle prices are already up **+8.17% YTD** in the region. Margins in the beef segment are expected to remain low at 25E-26E (close to breakeven), reflecting high costs and restricted supply, even with prices still robust at the consumption end (cut-out). This pressure should result from **(i)** the still mild level of female retention in 2H24 and **(ii)** the downward trend in the number of cattlemen in the US, factors that limit herd recompositing. A more significant recovery in margins is expected only at the turn of the cycle, scheduled for 2027E. In the meantime, we believe that the company will continue to **benefit from the diversification of its operations**, with its other units helping to offset the weakness of the beef segment in the US in terms of margins. Seasonality should also partially favor results in 2Q and 3Q in 2025, periods when consumption tends to be stronger due to the barbecue season.

USA Pork flat and PPC will cool down margins. The **chicken** (PPC) and **pork** (USA Pork) **divisions**, **both in the US**, should maintain a solid performance in 2025, benefiting from the **trade down movement**. The scenario of high prices for Beef in natura should sustain still healthy margins via an increase in volume captured by the shift in consumer demand towards cheaper proteins (chicken, pork and processed products). However, even though our estimates are for an even stronger volume in 2025 vs. 2024, we would point out that corn costs are rising, due to the partial supply deficit relative to global demand (mainly driven by the consumption of ethanol derived from corn).

It is therefore important to note that we believe the **margin plateau was in 3Q24**, and that from 4Q24 onwards **margins will be in moderate compression.** Therefore, for PPC, we have reduced our **margin projection** to **14.5% in 25E Genial Est.** (-1.5p.p vs. Previous Est.), while for US Pork, we maintain our estimate of 11.5% Genial Est. since the predominant use of soybeans - whose expected price for 25E is declining - relative to corn in pig farming should mitigate the effects and create support for sustaining the level seen in 2024. In addition, we note that consumption in Mexico has cooled (especially in 3Q24), but ~60% of PPC's total revenue comes from the US domestic market, giving the operation greater resilience. We also assess that **PPC should suffer almost none impact of the HPAI avian flu**, given that none of its plants are in a surveillance area and only 5% of production is exported.

JBS Australia: Margin expansion should be sustained by exports. JBS Australia is expected to maintain a **satisfactory performance in 25E**, with **margins close to the levels seen in 24E** of 10.3%. Despite the one-off impact - such as the rise in the lamb and cattle prices for 4Q24E - which should have hurt results in the period, the unit has no structural weaknesses, which reinforces its resilience. We project that the pressure from higher cattle costs should be offset by an increase in revenue, driven by accelerated exports to the US. This movement should be favored by the more lenient commercial conditions for exports to the North-American market and by the large volume quota available for Australia, which is considerably higher than for Brazil.

Seara: Margin should fall but remain at a healthy level. We believe that the **Seara** unit (chicken and pork in Brazil) should face a margin squeeze in 2025, reflecting the **(i)** +18.7% q/q rise in corn costs in 4Q24 and the **(ii)** rise in the USD/BRL Fx rate, which should impact domestic costs such as logistics and packaging, which are inputs quoted in USD - although the USD is at R$5.73 (-6.8% YTD). Even though the company benefited from grain inventory acquired at lower prices and an efficient hedging policy, we believe that the margins seen in 2024 (especially in 3Q24) **will not be repeated with the same intensity in 2025**. Therefore, we maintain our projection that the **EBITDA margin** should reach **15% in 25E** (-2p.p. vs. 24E), capturing a contraction (which will already start to be seen now in 4Q24). Even though there is a **slowdown in sight,** we believe that the **margins level will remain healthy**, supported by resilient volumes. The **trade down** movement, with consumers switching to more affordable proteins, should boost shipments and help mitigate to some degree the impact of higher costs.

JBS Brazil: Exports should partially mitigate pressure on margins due to cycle inversion. Friboi (**JBS Brazil's** main unit) is expected to face **tighter margins in 25E,** reflecting the impact of the high cost of cattle (caused by the cycle inversion), with the EBITDA margin **projected at 7%** (-1p.p. vs. 24E). Despite the support provided by **(i)** the devaluation of the BRL/USD Fx rate and **(ii)** robust exports, **the difficulty in fully passing on the rise in cattle arroba** to fresh meat prices should limit profitability in the domestic market. We believe that the gradual pass-through in the cut-out should be **+5-10% in 25E** (vs. 2024, where the basket of red meat cuts in the ICPA rose ~16% in the full year). In addition, we assess that **domestic consumption will lose momentum** due to the pass-through (albeit partial) of the cattle arroba to food retailers, reducing consumer purchasing power via **food inflation**, causing them to migrate to cheaper proteins (chicken, pork or processed) - **trade down movement.** Therefore, we have assessed that JBS Brasil's (Friboi) volumes in the domestic market will decline y/y in 2025. Although there is a risk of trade restrictions if the Trump administration goes ahead with taxes on Brazilian products, this is not our base scenario. Given this context, we project that the company will direct **~60%** of its volumes **to exports** and **40% to the domestic market in 2025** vs. ~50% for each market in the historical average. This redirection should help soften the pressure on domestic margins, supporting the unit's performance even in the face of the challenging scenario.

Falling margins, dual listing supports pricier valuation for now. Although the shares have already **appreciated YTD (+12.8%),** we recognize the existence of **downsides and risks**. These include: **(i)** the possible imposition of additional tariffs on Brazilian exports to the US, which could reduce Friboi's volumes, as well as **(ii)** a possible more intense slowdown in margins in the domestic market, also influenced by the trade down effect. This deterioration could occur if the demand for beef in Brazil suffers a more significant downturn with greater force than we are already anticipating in our model, pressured by food inflation. In addition**, (iii)** we expect all the company's other business units (except for US Pork) to tighten their margins in 2025 vs. 2024. It's important to remember that 2024 was basically a historic year for the chicken business (PCC and Seara), so we believe it will be very difficult to maintain margins at the levels we have seen, mainly due to the **strong acceleration in corn prices.**

Therefore, looking from a fundamental point of view (excluding the dual listing), **the share price has recently risen in such a way as to purge the upside we saw** (until then). Although the valuation continues to be supported by **(i)** a multiple of **4.6x EV/EBITDA 25E** (vs. 4.8x historical), in addition to **(ii)** the generation of **FCF Yield 25E at ~14%**, we understand that, considering **the worsening scenario for almost all units in 25E vs.** 2024, **if the dual listing does not take place until 2H25**, we believe that **the shares will lose their biggest value trigger**. In other words, our reading is that the company has acquired investors' confidence that, once BNDESpar abstains from voting at the EGM that will decide on the dual listing by minority shareholders (on a date yet to be set), the dual listing will take place quickly.

However, we emphasize that **this thinking carries the risk of disregarding other impasses**, since the market may have reached a consensus decision that the agreement between J&F and BNDESpar would represent the only significant setback to hinder the dual listing, basically disregarding the possibility of there being others (mainly on the SEC side), and consequently, the primary listing on the NYSE and the shares converted into BDRs on B3 being pushed further ahead. So, we repeat: **if the dual listing does not materialize in a period of ~6M**, we understand that **investor discouragement** at the impediment of such a driver will cause **the recent substantial increase in buyer flow to the stock** (which has risen +28% since the announcement of the agreement between J&F and BNDES on March 17), **to be reversed almost entirely.**

A binary call. Our understanding is that the recent pricing of the share regarding the effects of the dual listing (NYSE and B3) was immoderate in terms of the likelihood of approval by the SEC in a short period of time, given that **the deadline disclosed by JBS** in a material fact was **December 31, 2026** for the execution of the agreement between BNDESpar and J&F, involving the payment of up to R$500mn related to the rise in share prices for the completion of the dual listing process not reaching a certain pre-established (and undisclosed) level. If we take that date into consideration, there will still be a long way to go, **so we don't see investors holding on to their long positions until then.**

Objectively, we have **outlined 2 scenarios**: **(i)** If the dual listing (NYSE with primary shares and B3 with BDRs) becomes viable and official within ~6M, the shares could rise even more than they have already (and they are already close to the all-time high). On the other hand, **(ii)** if the dual listing doesn't take place within ~6M, the value drivers wouldn't support a valuation that has stretched so far (+28% in just 4 days), since the operating fundamentals will, in a way, weaken in 2025. As we commented, the company will probably squeeze margins in almost all business units in 2025 vs. 2024. As it is difficult to assess exactly what will happen, we believe **that at today's market valuation the call on JBS has become binary**, with the investor having to assess which of the two scenarios will be the most likely.

On our side, we still believe it's too early to say that the dual listing won't happen at 6M. So, as we don't feel comfortable changing operational assumptions to a more bullish bias in our proprietary model, **we have adjusted the discount rate in our model** to cause the **12M Target Price** to rise to **R$48.50** (vs. R$42.50 previously) and therefore reiterate our **BUY rating** implying an **upside** of **+15.9%.** However, we do not disregard backdating the reduction in the discount rate in our model if the dual listing does not become viable during the next 6M.

Appendix: JBS

Figure 1. JBS – Income Statement in R$ Millions (Genial Est. 24-27)

Income Statement	2024E	2025E	2026E	2027E
Net Revenue	**418.941**	**456.771**	**472.193**	**486.098**
(-) COGS	(360.289)	(392.823)	(406.086)	(418.044)
Gross Profit	**58.652**	**63.948**	**66.107**	**68.054**
(-) Expenses	(13.512)	(20.345)	(27.992)	(26.949)
Adjusted EBITDA	**37.053**	**36.063**	**33.515**	**36.978**
(-) D&A	(11.761)	(12.609)	(13.217)	(12.755)
EBIT	**25.292**	**23.454**	**20.298**	**24.223**
(+/-) Financial Result	(8.200)	(3.707)	(4.187)	(4.661)
(-) Taxes	(6.449)	(8.375)	(7.279)	(8.829)
Net Income	**10.643**	**11.372**	**8.832**	**10.733**
Profitability				
Net margin (%)	3%	2%	2%	2%

Figure 2. JBS– Cash Flow in R$ Millions (Genial Est. 24-27)

Cash Flow (FCFF)	2024E	2025E	2026E	2027E
Net Revenue	**418.941**	**456.771**	**472.193**	**486.098**
(-) COGS	(360.289)	(392.823)	(406.086)	(418.044)
Adjusted EBITDA	**37.053**	**36.063**	**33.515**	**36.978**
EBIT	**25.292**	**23.454**	**20.298**	**24.223**
(-) Taxes	(6.449)	(8.375)	(7.279)	(8.829)
(+) D&A	11.761	12.609	13.217	12.755
(+ -) ΔWC	(1.584)	(3.890)	(2.757)	(1.033)
(-) Capex	(7.088)	(8.416)	(7.441)	(9.214)
FCFF	**21.932**	**15.382**	**16.038**	**17.902**

Disclosure Section

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Genial Rating

	Definition	Coverage
Buy	Expected return above +10% in relation to the Company's sector average	**49%**
Neutral	Expected return between +10% and -10% relative to the Company's industry average	**41%**
Sell	Expected return below -10% in relation to the Company's sector average	**5%**
under Review	Under review	**5%**

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