

BUY

TP: Rs 1,970 | ▲ 43%

SBI LIFE

| Insurance

| 27 January 2024

ULIP-led growth; maintains market leadership

- 9MFY24 APE growth strong at 17% YoY with ULIPs forming 61% of total; continues to lead the market with 26.5% share in individual APE
- VNB margin remains high at 28.1% despite 150bps YoY decline in 9M owing to a product mix tilted toward ULIPs
- We broadly retain estimates and keep our TP unchanged at Rs 1,970, based on 2.5x FY26E EV; maintain BUY

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Market leadership maintained: SBI Life's APE grew at a strong 17% YoY to Rs 143.9bn in 9MFY24 (+13% YoY to Rs 61bn in Q3FY24) and gross premium increased 19% to Rs 562bn. The company maintains market leadership in private life insurance, commanding 29.3% share in individual APE at end-Q3 and 26.5% at end-9M – well ahead of the #2 player by a margin of 1,500bps and 1,150bps in each period respectively. We raise our premium and APE projections slightly by 1% each over FY24-FY26.

Business skewed towards ULIPs: ULIPs remained in focus for SBI Life, growing 27% YoY as at end-9MFY24 and constituting 61% of APE vs. 56% in 9MFY23. Non-par business declined 10% YoY to Rs 24.5bn in 9MFY24, causing its share in total APE to reduce to 17% (vs. 22% in 9MFY23). Total protection business formed 11% of APE in 9M vs. 10% in the year-ago period. Individual protection APE declined 4% YoY, but group protection grew 58%. Demand for annuity products has been increasing and the segment grew 32% YoY at end-9MFY24, albeit on a low base.

VNB margin to remain rangebound: SBI Life's VNB increased from Rs 36.3bn at end-9MFY23 to Rs 40.4bn at end-9MFY24. Over this period, the VNB margin has fallen from 29.6% to 28.1% owing to the shift in product mix towards ULIPs. We marginally trim our FY24 VNB margin assumption to 28% from 28.5% while retaining our forecasts at 28.5%/29% for FY25/FY26.

Persistency ratios improve, expense ratio rises: Persistency in the 13th month cohort improved to 85.3% at end-9MFY24 from 84.6% in the year-ago period and in the 61st month to 58.1% from 53.6%. The expense ratio increased 64bps YoY and 26bps QoQ to 9.7% in Q3 (9.9% in 9M) but stayed below that of listed private peers.

Our top pick – BUY: SBI Life is trading at 1.7x FY26E P/EV. Considering the company's consistent performance and market leadership, we broadly retain our estimates and assign an unchanged multiple of 2.5x FY26E P/EV to the stock – in line with the long-term mean. Our TP remains at Rs 1,970 and carries 43% upside. SBI Life continues to be our top pick among life insurers – retain BUY.

Key changes

Target	Rating
◀▶	◀▶

Ticker/Price	SBILIFE IN/Rs 1,381
Market cap	US\$ 16.8bn
Free float	45%
3M ADV	US\$ 21.6mn
52wk high/low	Rs 1,495/Rs 1,054
Promoter/FPI/DII	55%/24%/16%

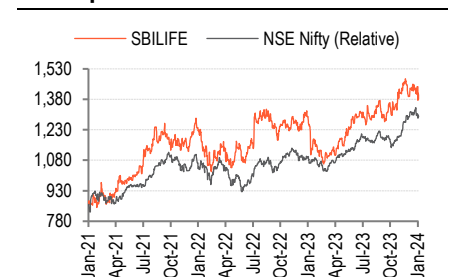
Source: NSE | Price as of 25 Jan 2024

Key financials

Y/E 31 Mar	FY23A	FY24E	FY25E
NBP (Rs mn)	2,95,886	3,53,982	4,22,348
APE (Rs mn)	1,68,100	1,93,898	2,28,805
VNB (Rs mn)	50,700	54,291	65,209
Embedded Value (Rs mn)	4,60,600	5,51,038	6,60,081
VNB margin (%)	30.1	28.0	28.5
EVPS (Rs)	459.9	550.2	659.1
EPS (Rs)	17.2	16.6	18.7
Consensus EPS (Rs)	17.2	16.5	18.5
P/EV (x)	3.0	2.5	2.1

Source: Company, Bloomberg, BOBCAPS Research

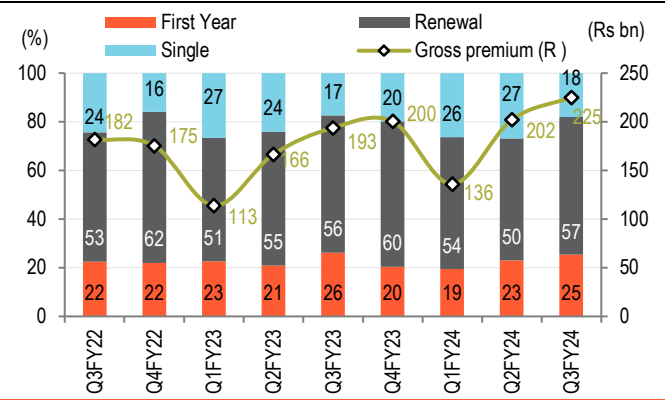
Stock performance



Source: NSE

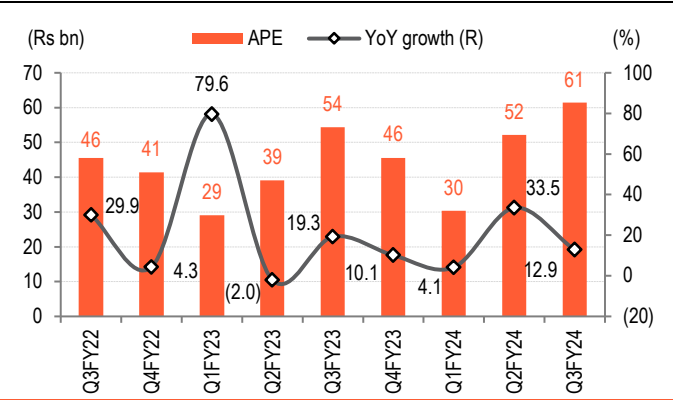


Fig 1 – Gross premium up 16% YoY in Q3FY24



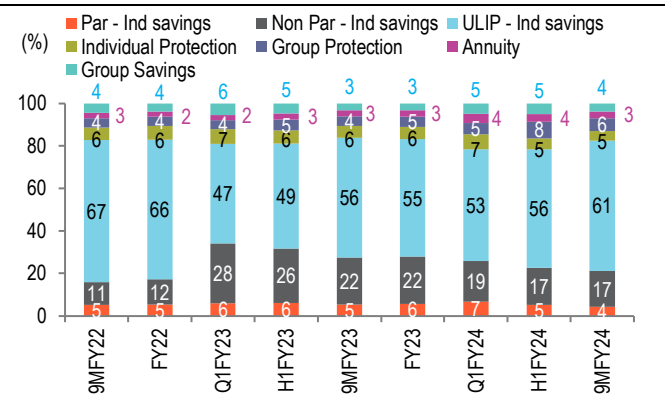
Source: Company, BOBCAPS Research

Fig 2 – APE growth at 13% YoY



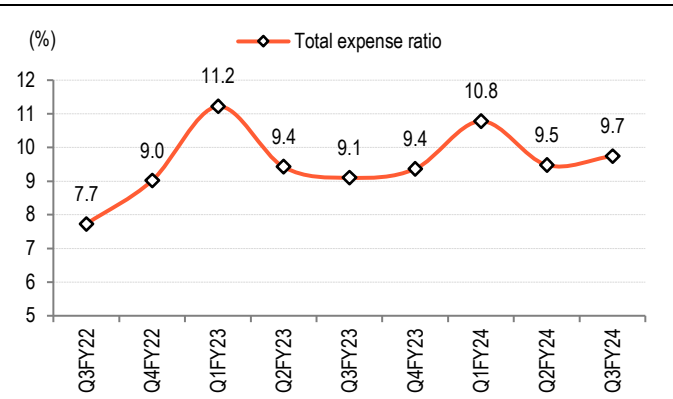
Source: Company, BOBCAPS Research

Fig 3 – ULIPs continue to dominate the product mix



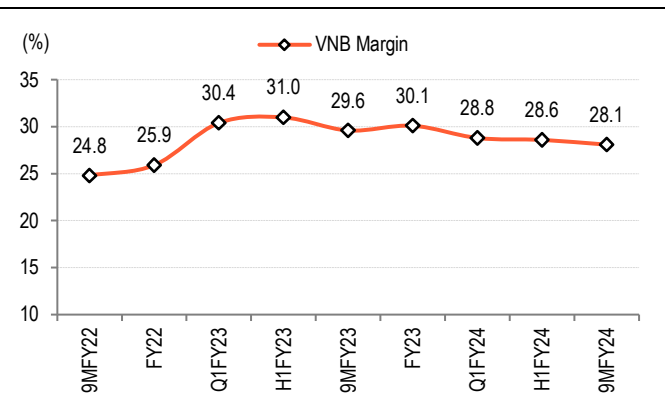
Source: Company, BOBCAPS Research | Ind – Individual

Fig 4 – Total expense ratio remains competitive



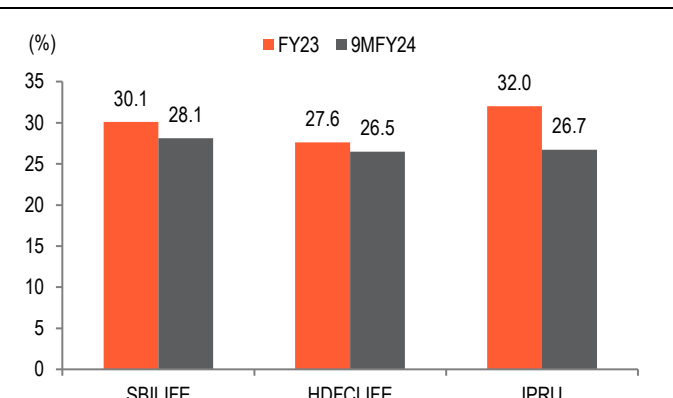
Source: Company, BOBCAPS Research

Fig 5 – VNB margin decline due to change in product mix...



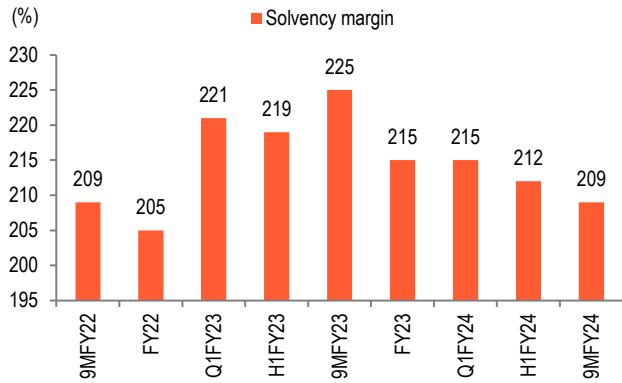
Source: Company, BOBCAPS Research

Fig 6 – ...but margin still better than major listed peers



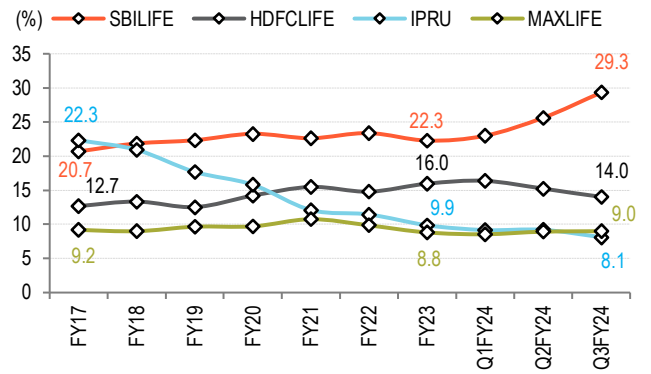
Source: Company, BOBCAPS Research

Fig 7 – Solvency margin adequate



Source: Company, BOBCAPS Research

Fig 8 – Individual APE market share expands to 29.3% in Q3; top player in the private space



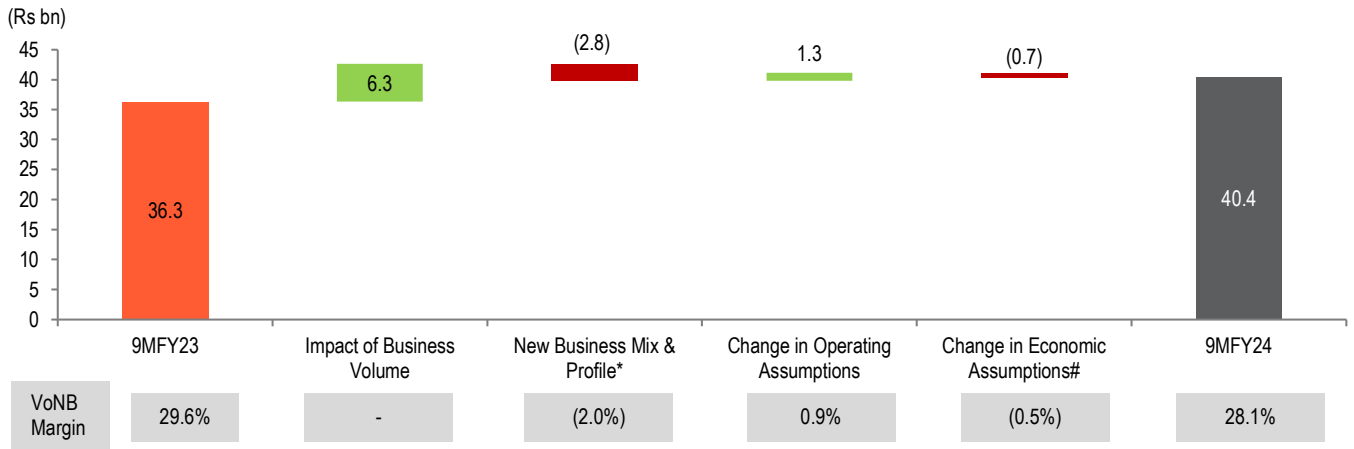
Source: Company, BOBCAPS Research

Fig 9 – Distribution mix (APE)

(%)	Q1FY22	H1FY22	9MFY22	FY22	Q1FY23	H1FY23	9MFY23	FY23	Q1FY24	H1FY24	9MFY24
Bancassurance	57.0	62.0	64.0	63.0	63.0	63.0	66.0	64.0	65.0	60.0	65.0
Agency	29.0	27.0	25.0	26.0	26.0	25.0	25.0	26.0	25.0	26.0	24.0
Others	14.0	11.0	11.0	11.0	11.0	12.0	9.0	10.0	10.0	14.0	11.0

Source: Company, BOBCAPS Research

Fig 10 – VNB up 11% YoY but the product mix shift towards ULIPs constrained VNB margin



Source: Company, BOBCAPS Research | Note: Per the company, the methodology, assumptions and the results have been reviewed by Willis Towers Watson Actuarial Advisory LLP | *Impact of change mainly in business mix and profile (age, term, channel etc.); #Risk-free rate change

Fig 11 – Policyholders’ account

(Rs mn)	Q3FY24	Q3FY23	YoY (%)	Q2FY24	QoQ (%)	9MFY24	9MFY23	YoY (%)
Gross premium income	2,24,586	1,93,319	16.2	2,01,758	11.3	5,61,895	4,73,020	18.8
First Year Premium	56,767	50,552	12.3	46,333	22.5	1,29,474	1,11,074	16.6
Renewal Premium	1,27,200	1,09,083	16.6	1,01,211	25.7	3,01,891	2,57,900	17.1
Single Premium	40,620	33,684	20.6	54,214	(25.1)	1,30,530	1,04,046	25.5
Reinsurance	1,421	1,611	(11.8)	1,262	12.7	7,189	6,180	16.3
Net premium income	2,23,165	1,91,708	16.4	2,00,497	11.3	5,54,706	4,66,841	18.8
Income from investments (Net)	1,64,686	74,430	121.3	85,074	93.6	3,95,549	1,20,740	227.6
Other income	183	130	40.8	115	58.3	384	350	9.6
Contribution of funds from Shareholders’ A/c	-	-	NA	-	NA	-	-	NA
Total	3,88,034	2,66,267	45.7	2,85,686	35.8	9,50,639	5,87,931	61.7
Commission on:								
First Year Premium	5,725	5,271	8.6	4,852	18.0	13,784	12,935	6.6
Renewal Premium	3,046	2,599	17.2	2,536	20.1	7,129	6,223	14.6
Single Premium	596	582	2.3	571	4.4	1,624	1,488	9.1
Rewards	1,923	398	382.6	2,210	(13.0)	4,357	834	422.6
Net Commission	11,289	8,851	27.6	10,169	11.0	26,894	21,480	25.2
Expenses of Management	21,877	17,591	24.4	19,121	14.4	55,608	45,988	20.9
Provision for taxes	3,074	2,674	14.9	2,674	14.9	8,051	7,122	13.0
Benefits Paid (Net)	1,11,361	83,559	33.3	1,00,445	10.9	2,82,841	2,11,643	33.6
Change in actuarial liability	2,48,641	1,59,375	56.0	1,59,708	55.7	5,93,545	3,13,988	89.0
Surplus/Deficit	3,375	2,968	13.7	3,639	(7.2)	10,816	9,140	18.3

Source: Company, BOBCAPS Research

Fig 12 – Shareholders’ account

(Rs mn)	Q3FY24	Q3FY23	YoY (%)	Q2FY24	QoQ (%)	9MFY24	9MFY23	YoY (%)
Transfer from Policyholders’ Account	848	1,138	(25.5)	1,665	(49.1)	4,404	4,044	8.9
Investment Income	2,474	2,030	21.9	2,476	(0.1)	7,071	5,820	21.5
Other income	-	0	(100.0)	(0)	(100.0)	-	5	(100.0)
Expenses other than those related to insurance business	67	85	(21.6)	251	(73.4)	397	254	56.1
Transfer of funds to Policyholders’ Account	-	-	NA	-	NA	-	-	NA
Profit before tax	3,290	3,108	5.9	3,870	(15.0)	11,058	9,649	14.6
Provisions for tax	73	67	9.5	68	7.4	228	211	7.8
Profit after tax and before extraordinary items	3,218	3,041	5.8	3,802	(15.4)	10,830	9,437	14.8

Source: Company, BOBCAPS Research

Fig 13 – Balance sheet

(Rs mn)	Q3FY24	Q3FY23	YoY (%)	Q2FY24	QoQ (%)
Share Capital	10,012	10,008	0.0	10,011	0.0
Reserves and Surplus	1,30,327	1,13,925	14.4	1,26,990	2.6
Credit / (Debit) Fair Value Change Account	3,931	1,860	111.4	2,688	46.2
Total Equity	1,44,271	1,25,793	14.7	1,39,689	3.3
POLICYHOLDERS' FUNDS:					
Policy Liabilities	14,76,151	12,41,541	18.9	14,25,569	3.5
Provision for Linked Liabilities	15,96,026	13,41,313	19.0	15,07,701	5.9
Add: Fair value change	3,83,338	1,90,872	100.8	2,69,996	42.0
Total Provision for Linked & Discontinued Policyholders Liabilities	1,09,290	93,013	17.5	1,06,092	3.0
Funds for Future Appropriations	17,839	15,033	18.7	15,312	16.5
TOTAL	35,82,644	28,81,772	24.3	33,24,670	7.8
Total Liabilities & Equity	37,26,915	30,07,565	23.9	34,64,360	7.6
Assets					
INVESTMENTS:					
Shareholders'	1,31,710	1,13,327	16.2	1,27,134	3.6
Policyholders'	14,97,222	12,61,248	18.7	14,41,397	3.9
Asset held to cover Linked Liabilities	20,51,268	15,96,291	28.5	18,53,210	10.7
Loans	3,742	3,765	-0.6	3,572	4.8
Fixed Assets	5,526	5,153	7.2	5,424	1.9
NET CURRENT ASSETS	37,446	27,781	34.8	33,624	11.4
TOTAL ASSETS	37,26,915	30,07,565	23.9	34,64,360	7.6

Source: Company, BOBCAPS Research

Fig 14 – Key ratios and growth metrics

(Rs mn)	Q3FY24	Q3FY23	YoY (%)	Q2FY24	QoQ (%)	9MFY24	9MFY23	YoY (%)
NBP	97,387	84,236	15.6	1,00,547	(3.1)	2,60,004	2,15,121	20.9
APE	61,400	54,400	12.9	52,200	17.6	1,43,900	1,22,600	17.4
VNB	16,800	15,100	11.3	14,900	12.8	40,400	36,300	11.3
Opex ratio (%)	4.7	4.5	19bps	4.4	28bps	5.1	5.2	(7bps)
Commission ratio (%)	5.0	4.6	45bps	5.0	(1bps)	4.8	4.5	25bps
Expense ratio (%)	9.7	9.1	64bps	9.5	26bps	9.9	9.7	17bps
VNB margin (%)	27.4	27.8	(40bps)	28.5	(108bps)	28.1	29.6	(150bps)
Solvency ratio (%)	209.0	225.0	(1,600bps)	212.0	(300bps)	209.0	225.0	(1,600bps)
Persistency ratio (Regular Premium / Limited Premium Payment under Individual category)								
13th month (%) – Cumulative	85.3	84.6	70bps	85.4	(10bps)	85.3	84.6	70bps
61st month (%) - Cumulative	58.1	53.6	450bps	57.5	60bps	58.1	53.6	450bps

Source: Company, BOBCAPS Research

Earnings call takeaways

Business highlights

- SBI Life's NBP grew 16% YoY in Q3FY24 to Rs 97bn and 21% YoY in 9MFY24 to Rs 260bn. Gross premium at Rs 225bn was up 16% YoY for the quarter.
- APE increased 13% YoY to Rs 61.4bn in Q3 (+17% YoY in 9M to Rs 143.9bn), of which 93% was individual APE.
- The number of policies issued grew 5% YoY to 1.6mn as at end-9MFY24, giving the company a market share of 27.7% in the private space.
- The total expense ratio increased 64bps YoY and 26bps QoQ to 9.7% in Q3 (+17bps YoY to 9.9% in 9M). The company did not effect any change in the commission structure across channels.
- VNB margin stood at a healthy 28.1% at end-9MFY24 despite declining 150bps YoY. AUM grew 24% YoY to Rs 3.7tn.
- SBI Life's solvency margin remained comfortable at 209%.

Product mix

- Positive market sentiment boosted demand for SBI Life's ULIPs by 27% YoY to Rs 88bn at end-9MFY24, raising their share in APE to 61% from 56% in the year-ago period. Annuity plans grew 32% YoY on a lower base, forming 3% of the mix.
- The non-participating segment remained soft, declining 10% YoY to Rs 24.5bn at end-9MFY24 and forming 17% of total APE vs. 22% in 9MFY23. Management indicated that it has revised the IRR three times in its non-par savings products during the nine-month period.
- Protection business increased 24% YoY to Rs 15.2bn at end-9MFY24, with individual business declining 4% to Rs 6.5bn whereas group grew 57% to Rs 8.7bn. The protection business constituted 11% of APE from 10% in the year-ago period. To boost sales, the company has introduced two new return of premium (ROP) products that offer a higher sum assured at affordable pricing.
- SBI Life is working to raise sales of non-par and protection products in order to maintain a healthy product mix.
- The non-par segment has a ticket size of ~Rs 90,000, which is typically higher than the par business, while ULIPs are priced at more than Rs 100,000.

Distribution channels

- Bancassurance constituted 65% of APE at end-9MFY24 (vs. 66% a year ago) and agents contributed 24% (vs. 25%). Both the bancassurance and agency channels grew by 15% YoY, whereas others (online, brokers) grew by 40%. Q4 is a relatively strong quarter for agents and hence growth could pick up further.
- SBI Life has a total of 243,590 agents (+26% YoY), of which 24,860 were added in 9MFY24.

- All SBI branches are authorised to sell SBI Life products.

VNB

- VNB margin decreased from 29.6% in 9MFY23 to 28.1% in 9MFY24 on account of a change in product mix (-200bps impact) and economic assumptions (-50bps), partly offset by higher operating assumptions (+90bps). Management has guided for a 28% VNB margin for Q4FY24.
- VNB increased from Rs 36.3bn at end-9MFY23 to Rs 40.4bn at end-9MFY24.

Persistency & Surrender ratios

- SBI Life's 13th month persistency improved from 84.6% a year ago to 85.3% in 9MFY24. The 61st month cohort improved significantly from 53.6% to 58.1%.
- The surrender ratio moved up from 4.8% in 9MFY23 to 6.1% in 9MFY24, and the death claim settlement ratio stands at 98.8%.

Competition

- Management does not believe the entry of competitors into smaller towns and cities will pose a challenge as SBI Life is well established in these areas and will focus on adding more agents to fend off rivals.

Valuation methodology

SBI Life consistently outperforms peers and maintains market leadership in the private life insurance space, commanding 26.2% share in NBP and 29.3% share in individual APE as at end-Q3FY24. The bancassurance partnership (closed architecture) with parent SBI remains a key competitive edge owing to the bank's deep reach in smaller towns and cities, which puts rival entrants at a disadvantage. The company boasts strong brand equity and pedigree, a wide network of ~1,000 branches and ~240,000 agents, and one of the lowest cost ratios among listed peers.

Following a healthy Q3FY24 marked by robust APE and NBP growth, we raise our net premium and APE estimates slightly by 1% each over FY24-FY26. Factoring in the 28.1% VNB margin reported in 9MFY24, we pare our FY24 margin assumption to 28% from 28.5% while retaining our forecasts at 28.5%/29% for FY25/FY26.

SBI Life is trading at 1.7x FY26E P/EV. Considering the company's consistent performance and market leadership, we continue to assign a multiple of 2.5x FY26E P/EV to the stock – in line with the long-term mean – for an unchanged TP of Rs 1,970, which carries 43% upside. SBI Life remains our top pick among life insurers for its leading position, high VNB margins, efficient cost ratios and strong brand – retain BUY.

Fig 15 – Revised estimates

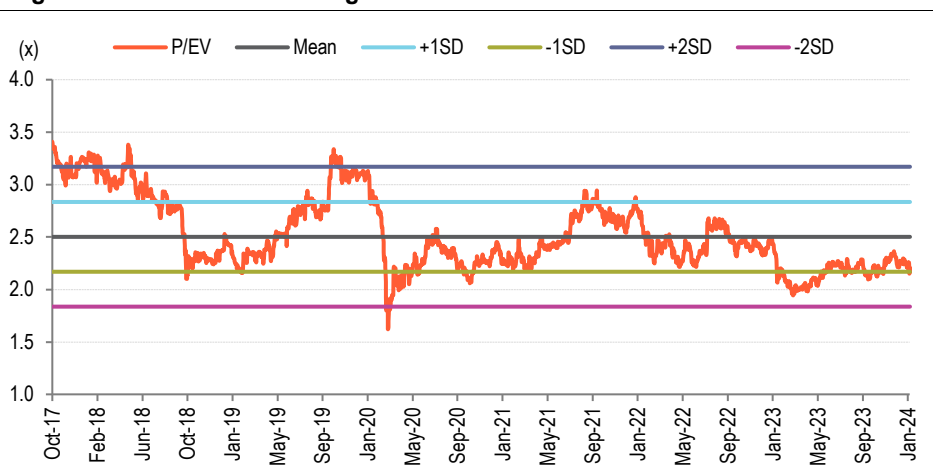
(Rs bn)	New			Old			Change (%)		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Gross Premium	783	916	1,067	777	909	1,057	0.7	0.8	0.9
Net Premium	774	906	1,055	767	898	1,043	0.9	1.0	1.1
VNB	54	65	78	55	65	77	(1.2)	0.9	0.9
APE	194	229	268	193	227	265	0.6	0.9	0.9
EV	551	660	791	552	660	790	(0.1)	(0.0)	0.1
VNB Margin (%)	28.0	28.5	29.0	28.5	28.5	29.0	(50bps)	0bps	0bps

Source: BOBCAPS Research

Fig 16 – Valuation summary

Particulars	
Embedded Value (FY26E) (Rs bn)	791
PV of Future business (Rs bn)	1,173
Total value (Rs bn)	1,964
Current P/ EV (FY26E)	1.7
Implied P/ EV (FY26E)	2.5
Implied Target Price (Rs)	1,970
Current Price (Rs)	1,381
Upside (%)	43

Source: Company, BOBCAPS Research

Fig 17 – 1Y fwd P/EV – Trading around -1SD


Source: Bloomberg, BOBCAPS Research

Key risks

Key downside risks to our estimates are:

- **Change in regulatory framework:** Any unfavourable change in regulations can impact business growth. For example, ULIP proceeds are currently taxed to the extent the yearly premium exceeds Rs 0.25mn and any further tax hike would be negative. Similarly, any increase in the income tax rate for insurance companies can adversely impact profitability.
- **Losses from capital and bond markets:** Prolonged weakness in capital markets could hamper the growth of ULIPs. Although insurance companies are opting for a balanced product mix, many of them still have sizeable business coming from ULIPs.
- **Increasing interest rates:** The guaranteed return businesses can be affected by an increase in interest rates as other financial instruments, such as deposits, become more attractive.
- **Adverse economic events:** A significant economic decline may result in financial difficulties or defaults by issuers of bonds in the company's investment portfolios. The shareholders' equity and earnings and policyholders' funds may be affected by fair value revaluation of bonds held in investment portfolios.
- **High surrender of policies:** Life insurance companies face the risk of surrendered policies. In ULIPs, customers can withdraw policies after five years even if they have been taken for longer durations. Policies can also be surrendered for reasons such as job loss and monetary requirements, which lowers the persistency ratios.

Sector recommendation snapshot

Company	Ticker	Market Cap (US\$ bn)	Price (Rs)	Target (Rs)	Rating
HDFC Life	HDFCLIFE IN	15.0	579	850	BUY
ICICI Prudential Life	IPRU IN	8.5	486	556	HOLD
SBI Life	SBILIFE IN	16.8	1,381	1,970	BUY

Source: BOBCAPS Research, NSE | Price as of 25 Jan 2024

Glossary

Glossary of Abbreviations			
APE	Average Premium Equivalent	NBP	New Business Premium
EOM	Expenses of Management	ROEV	Return on Embedded Value
EV	Embedded Value	RWRP	Retail Weighted Received Premium
EVOP	Embedded Value Operating Profit	ULIP	Unit Linked Insurance Plan
HNI	High Net Worth Individuals	VNB	Value of New Business
IRDA	Insurance Regulatory and Development Authority		

Financials

Revenue Account (Technical)

Y/E 31 Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Gross premium income	5,87,596	6,73,156	7,82,666	9,16,454	10,67,145
First year premium	1,29,415	1,51,971	1,73,884	2,04,672	2,39,466
Renewal premium	3,33,023	3,77,270	4,28,685	4,94,106	5,72,998
Single premium	1,25,158	1,43,915	1,80,098	2,17,676	2,54,681
Net written premium	5,84,323	6,65,810	7,73,943	9,06,267	10,54,948
Income from investments	2,35,679	1,32,601	5,04,872	2,55,153	2,78,411
Other Income	10,270	17,573	19,289	21,199	23,716
Total income	8,30,272	8,15,985	12,98,103	11,82,619	13,57,076
Commissions	21,583	30,625	37,489	44,871	52,253
Operating expenses	30,153	34,224	40,425	47,212	57,557
Benefits and bonuses paid	3,13,398	3,02,875	4,59,312	4,15,816	5,19,984
Change in liabilities (net)	4,37,619	4,10,031	7,17,131	6,30,656	6,77,601
Others	0	0	0	0	0
Total expenses	8,02,753	7,77,754	12,54,357	11,38,554	13,07,395
Surplus before tax	27,519	38,231	43,746	44,065	49,681
Provision for tax	8,681	9,668	15,942	12,994	14,941
Surplus after tax	18,838	28,562	27,804	31,070	34,741
Trf to shareholders' a/c	17,324	27,072	26,020	29,023	32,485
Balance being FFA	1,513	1,491	1,784	2,047	2,255

Income Statement (Non-technical)

Y/E 31 Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Trf from policyholders' a/c	17,324	27,072	26,020	29,023	32,485
Income from investments	9,831	7,945	10,312	11,475	14,344
Contr. to policyholders' fund	(9,821)	(17,075)	(18,758)	(20,634)	(23,110)
Others	(1,726)	(357)	(543)	(655)	(789)
PBT	15,608	17,584	17,030	19,209	22,930
Provision for taxation	(548)	(379)	(426)	(480)	(573)
PAT	15,060	17,206	16,605	18,729	22,356
Dividend+Interim div.+DDT	2,003	2,504	3,004	3,004	3,004

Balance Sheet

Y/E 31 Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Equity	1,16,223	1,30,175	1,42,849	1,58,573	1,77,925
Policyholders' funds	24,74,190	28,57,634	35,74,765	42,05,421	48,83,022
FFA	9,936	11,427	11,770	12,006	12,246
Others	81,723	96,630	99,529	1,01,519	1,03,550
Total liabilities	26,82,072	30,95,866	38,28,913	44,77,519	51,76,742
Shareholders' funds	1,00,758	1,12,087	1,45,713	1,82,141	2,27,677
Policyholders' funds	11,21,307	12,98,702	16,68,422	20,75,166	23,96,259
Assets to cover linked liab.	14,26,253	16,32,555	17,95,811	19,75,392	21,72,931
Others	33,754	52,521	2,18,966	2,44,820	3,79,875
Total assets	26,82,072	30,95,866	38,28,913	44,77,519	51,76,742

Key Metrics

Y/E 31 Mar	FY22A	FY23A	FY24E	FY25E	FY26E
AUM (Rs mn)	26,74,000	30,73,390	36,27,396	42,41,336	47,84,395
NBP (Rs mn)	2,54,574	2,95,886	3,53,982	4,22,348	4,94,147
APE (Rs mn)	1,43,000	1,68,100	1,93,898	2,28,805	2,67,702
VNB (Rs mn)	37,037	50,700	54,291	65,209	77,633
VNB margin (%)	25.9	30.1	28.0	28.5	29.0
Embedded value (Rs mn)	3,96,030	4,60,600	5,51,038	6,60,081	7,90,817
ROEV (%)	20.7	22.9	20.3	20.3	20.3
ROE (%)	13.7	14.0	12.2	12.4	13.3
Opex ratio (%)	5.1	5.1	5.1	5.1	5.4
Cost ratio (%)	8.7	9.6	9.9	10.0	10.3
Solvency ratio (%)	204.8	215.4	204.5	203.2	199.3
EPS (Rs)	15.0	17.2	16.6	18.7	22.3
BVPS (Rs)	116.2	130.1	142.7	158.4	177.8
EVPS (Rs)	395.5	459.9	550.2	659.1	789.6

Source: Company, BOBCAPS Research

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BUY – Expected return >+15%

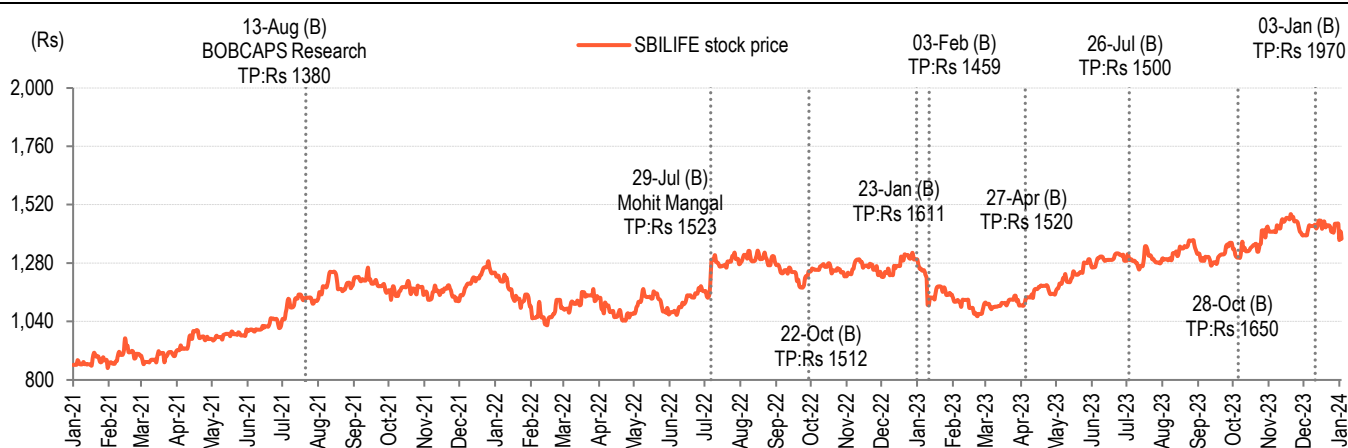
HOLD – Expected return from -6% to +15%

SELL – Expected return <-6%

Note: Recommendation structure changed with effect from 21 June 2021

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