HLIB Research
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Frontken Corporation

Atomic scale driving explosive growth

Frontken is expected to experience multi-year growth ahead on the back of (1) Bullish global semiconductor market outlook; (2) Robust fab investment; (3) Leading edge technology; and (4) O&G recovery. We welcome the recent major change in shareholding despite the heavy discount. Frontken has a strong balance sheet and we foresee that it may adopt dividend policy. Initiate with a BUY with TP of RM0.84, pegged to 18x of FY19 EPS.

BUY (Initiate)

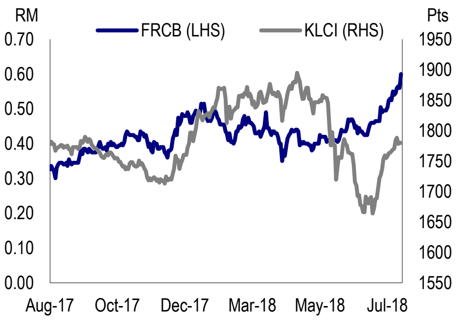
Target Price:	**RM0.84**
Previously:	**N.A.**
Current Price:	**RM0.60**

Capital upside	40.0%
Dividend yield	3.2%
Expected total return	43.2%

Sector coverage: Technology

Company description: Frontken is a leading surface engineering service provider in semiconductor and O&G markets.

Share price



Historical return (%)	1M	3M	12M
Absolute	30.4	57.9	46.3
Relative	21.9	63.4	45.9

Stock information

Bloomberg ticker	FRCB MK
Bursa code	0128
Issued shares (m)	1,048
Market capitalisation (RM m)	629
3-mth average volume ('000)	6,393
SC Shariah compliant	Yes

Major shareholders

CP Asia Holding	27.8%
Ooi Keng Thye	14.5%
CIMB Group Holdings Bhd	5.8%

Earnings summary

FYE (Dec)	FY17	FY18f	FY19f
PATMI – core (RM m)	34.3	40.2	49.1
EPS – core (sen)	3.3	3.8	4.7
P/E (x)	18.4	15.7	12.9

Share price peaked. It has gained 82% since our non-rated report. Financial outperformance was chiefly spurred by semiconductor segment whereby revenue contribution charted a 4-year CAGR of 22% from FY13 to FY17. This is expected to expand from strength to strength going forward.

Bullish market outlook. Semiconductor industry experts consistently revised their projection upwards, now with an average estimate of 12.2%. We think that consensus is way too conservative considering that 5M18 turnover has already recorded a 20.7% growth coupled with a seasonally stronger 2H18. Memory market is forecasted to gain 27% genuinely driven by volume instead of ASP as in 2017. This bodes well for Frontken who has 1 out of world's top 3 memory players as its major customer.

Robust investment. After recording all-time highs in 2017, fab construction and equipment expenditures are expected to continue to scale new heights in 2018. As more equipment exists in the supply chain, there will be more demand for such cleaning services from Frontken to ensure uninterrupted production in a cost-effective manner.

Technological leadership. Frontken has always been at the forefront in terms of technology and quality of service. The major FY16-17 investment has equipped Frontken with the capabiity to serve fabs with tech nodes of 10nm and below. 7nm/+ will be the major nodes like 16nm and 28nm. TSMC is projecting 7nm wafer revenue contribution to jump and the ramp will be stronger than any node they had in history.

O&G recovery. Our in-house oil price target is an average of USD71/bbl in 2018, up 29% YoY and we believe that this price level will entice oil majors to gradually unwind their spending on the back of stronger operating cash flows. This is evident by the higher capex spending guidance by oil companies. Based on our channel checks, tenders and enquiries are picking up, suggesting that the worst could be over.

Change in major shareholdings. Despite the huge price discounts (transacted at RM0.39/share), we perceive the deal positively due to (1) the removal of any potential conflict of interest and risk; and (2) the buy-in from a reputable and savvy private equity fund solidifies our belief about Frontken's future prospects.

Financials. FY18 is projected to be a record breaking year with both top and bottom lines achieving all-time high. Strong balance sheet as 1Q18 net cash position stood at RM80.3m or 7.6 sen per share. We believe that Frontken is capable to adopt dividend policy to reward shareholders.

Initiate coverage with a **BUY** rating with a fair value of **RM0.84**, pegged to 18.0x of FY19 EPS. This valuation is in line with the average of global suppliers to the fab industry.

Financial Forecast

All items in (RM m) unless otherwise stated

Income statement

FYE Dec	FY16	FY17	FY18f	FY19f	FY20f
Revenue	261.8	296.6	330.3	366.3	394.2
COGS	(210.9)	(231.9)	(256.5)	(281.4)	(302.0)
EBITDA	50.9	64.7	73.8	84.9	92.2
D&A	(17.2)	(18.5)	(17.2)	(16.4)	(15.7)
EBIT	33.7	46.2	56.7	68.5	76.5
Net Interest Income	(0.4)	(0.1)	0.0	0.2	0.5
Associates	0.0	0.0	0.0	0.0	0.0
PBT	33.3	46.1	56.7	68.8	77.0
Tax	(6.1)	(9.7)	(12.0)	(14.5)	(16.3)
Net Profit	27.3	36.4	44.7	54.3	60.7
MI	(7.2)	(6.6)	(4.6)	(5.2)	(5.6)
PATAMI	20.0	29.9	40.2	49.1	55.1
Exceptionals	(2.2)	4.4	0.0	0.0	0.0
Adj PATAMI	**17.8**	**34.3**	**40.2**	**49.1**	**55.1**
Basic Shares (m)	1,053.0	1,053.0	1,053.0	1,053.0	1,053.0
Rep EPS (sen)	1.9	2.8	3.8	4.7	5.2
Adj EPS (sen)	1.7	3.3	3.8	4.7	5.2
Adj FD EPS (sen)	1.7	3.3	3.8	4.7	5.2

Quarterly financial summary

FYE Dec	1Q17	2Q17	3Q18	4Q17	1Q18
Revenue	67.1	70.5	78.6	80.4	70.9
COGS	(53.3)	(55.8)	(60.8)	(62.0)	(55.3)
EBITDA	13.8	14.7	17.8	18.4	15.6
D&A	(4.4)	(4.5)	(4.8)	(4.7)	(4.5)
EBIT	9.3	10.2	13.0	13.7	11.1
Net Interest Income	0.0	0.0	(0.1)	(0.1)	(0.1)
Associates	0.0	0.0	0.0	0.0	0.0
PBT	9.3	10.3	12.9	13.6	11.0
Tax	(2.9)	(2.4)	(2.1)	(2.4)	(3.8)
Net Profit	6.5	7.9	10.8	11.3	7.2
MI	(1.5)	(2.1)	(1.6)	(1.4)	(0.9)
PATAMI	5.0	5.8	9.2	9.8	6.3
Exceptionals	1.7	1.0	0.8	0.9	0.8
Adj PATAMI	**6.7**	**6.8**	**10.0**	**10.7**	**7.1**
Basic Shares (m)	1,053.0	1,053.0	1,053.0	1,053.0	1,053.0
Rep EPS (sen)	0.5	0.6	0.9	0.9	0.6
Adj EPS (sen)	0.6	0.6	0.9	1.0	0.7
Adj FD EPS (sen)	0.6	0.6	0.9	1.0	0.7

Balance sheet

FYE Dec	FY16	FY17	FY18f	FY19f	FY20f
Cash	88.7	119.3	145.2	177.0	212.9
Receivables	96.1	91.7	108.6	120.4	129.6
Inventories	11.0	13.5	14.1	15.4	16.5
Investment	2.0	2.0	2.0	2.0	2.0
PPE	152.1	150.0	142.9	136.5	130.8
Intangibles	33.8	33.8	33.8	33.8	33.8
Other Assets	24.1	20.8	20.8	20.8	20.8
Total Assets	**407.8**	**431.1**	**467.3**	**505.9**	**546.4**
Payables	73.5	79.8	91.3	100.2	107.6
ST borrowings	8.5	21.9	21.9	21.9	21.9
LT borrowings	20.3	11.5	11.5	11.5	11.5
Other Liabilities	10.1	11.8	11.8	11.8	11.8
Total liabilities	**112.4**	**125.1**	**136.6**	**145.5**	**152.9**
Shareholders' Funds	261.6	281.6	301.7	326.2	353.8
MI	33.8	24.4	28.9	34.1	39.8
Total S/H Equity	295.4	306.0	330.6	360.3	393.5
Ttl Liab&S/H Funds	**407.8**	**431.1**	**467.3**	**505.9**	**546.4**

Valuation Ratios

FYE Dec	FY16	FY17	FY18f	FY19f	FY20f
PER (x)	31.5	21.2	15.7	12.9	11.5
Adj PER (x)	35.5	18.4	15.7	12.9	11.5
FD PER (x)	35.5	18.4	15.7	12.9	11.5
DPS (sen)	0.0	0.5	1.9	2.3	2.6
Net DY (%)	0.0	0.8	3.2	3.9	4.4
Book/share (sen)	24.8	26.7	28.6	31.0	33.6
P/Book (x)	2.4	2.2	2.1	1.9	1.8
FCF/share (sen)	1.6	4.6	4.4	5.3	6.0
FCF yield (%)	2.6	7.7	7.3	8.9	10.0
Mkt Cap	631.8	631.8	631.8	631.8	631.8
Net Cash(Debt)	60.0	85.8	111.7	143.5	179.4
EV	571.8	546.0	520.1	488.3	452.4
EV/EBITDA (x)	11.2	8.4	7.0	5.7	4.9
ROE (%)	6.8	12.2	13.3	15.0	15.6
Current Ratio (x)	2.4	2.2	2.4	2.6	2.8
Quick Ratio (x)	2.3	2.1	2.2	2.4	2.6
Interest Cover (x)	29.4	49.7	60.9	73.6	82.1

Cashflow Analysis

FYE Dec	FY16	FY17	FY18f	FY19f	FY20f
EBITDA	50.9	64.7	73.8	84.9	92.2
Tax Paid	(6.7)	(7.9)	(12.0)	(14.5)	(16.3)
WC Changes	1.1	6.9	(5.9)	(4.3)	(2.9)
Other	(0.9)	5.3	0.0	0.2	0.5
CFO	**44.4**	**69.0**	**56.0**	**66.3**	**73.5**
FCF	**16.7**	**48.9**	**46.0**	**56.3**	**63.5**
CAPEX (CF)	(27.7)	(20.2)	(10.0)	(10.0)	(10.0)
Acquisitions	(7.4)	(13.3)	0.0	0.0	0.0
Other	0.1	1.3	0.0	0.0	0.0
CFI	**(35.0)**	**(32.1)**	**(10.0)**	**(10.0)**	**(10.0)**
Dividend	0.0	(5.2)	(20.1)	(24.5)	(27.5)
Debt changes	(14.4)	0.0	0.0	0.0	0.0
Other	(4.1)	(3.2)	0.0	0.0	0.0
CFF	**(18.5)**	**(8.4)**	**(20.1)**	**(24.5)**	**(27.5)**
Net Cashflow	**(9.1)**	**28.6**	**25.9**	**31.8**	**35.9**

Other Ratios

FYE Dec	FY16	FY17	FY18f	FY19f	FY20f
Sales Growth (%)		13.3	11.4	10.9	7.6
EBITDA Growth (%)		27.1	14.1	15.0	8.5
EBIT Growth (%)		37.1	22.6	20.9	11.6
PBT Growth (%)		38.4	22.9	21.3	11.9
Net Profit Growth (%)		33.4	22.9	21.3	11.9
EBITDA Margin (%)	19.4	21.8	22.4	23.2	23.4
EBIT Margin (%)	12.9	15.6	17.2	18.7	19.4
PBT Margin (%)	12.7	15.6	17.2	18.8	19.5
Net Profit Margin (%)	10.4	12.3	13.5	14.8	15.4
Net Debt/Equity (%)	N Cash	N Cash	N Cash	N Cash	N Cash
CAPEX/Sales (%)	10.6	6.8	3.0	2.7	2.5

Prologue

Since our non-rated report entitled "Spurred by semiconductor boom" dated 12 Jul 2017, Frontken share price has surged 81.8% supported by its improving financial performance. FY17 core net profit of RM34.3m was way ahead of our initial forecast chiefly spurred by semiconductor segment whereby revenue contribution charted a 4-year CAGR of 22% from FY13 to FY17. We opine that this will continue to expand from strength to strength going forward.

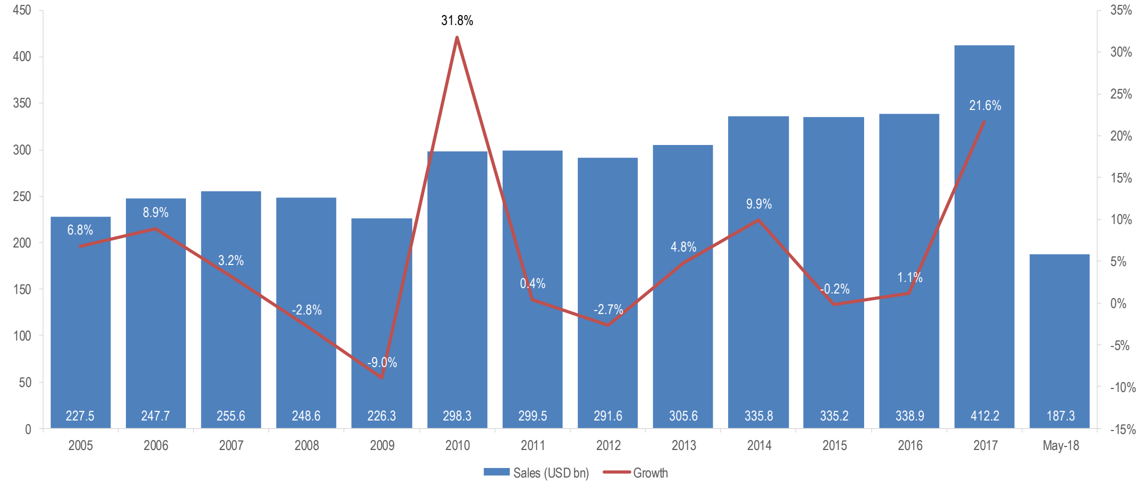
Following last week's announcement regarding change in major shareholding, we remain positive and even more confident of its prospects. Thus, we initiate coverage on Frontken with BUY call on the back of a fair value of RM0.84, pegged to 18x of FY19 EPS. For company background and profile, kindly refer to our earlier non-rated report.

Investment Thesis

Bullish global semiconductor market outlook

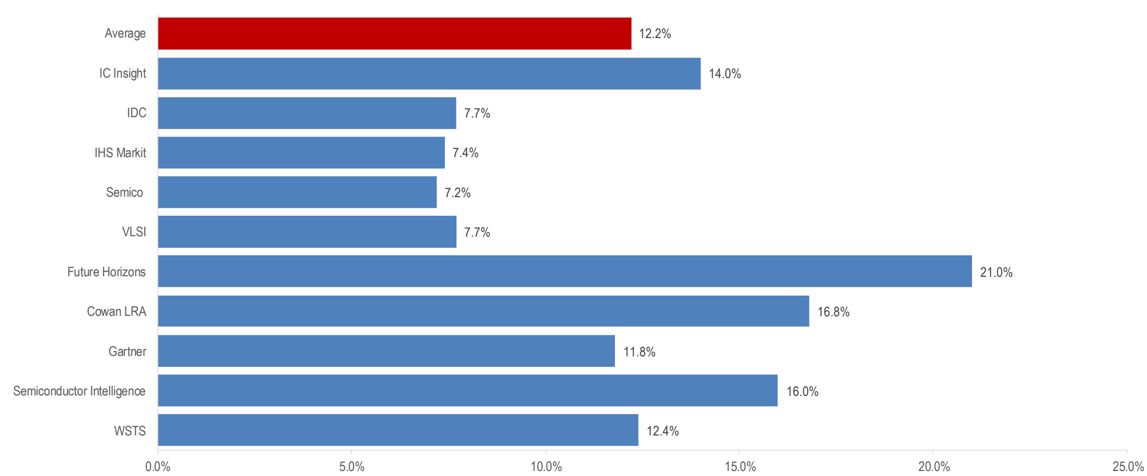
As global semiconductor sales concluded 2017 at USD412.2bn (Figure #1) after a strong gain of 21.6%, the upbeat momentum spilled over into 2018 for a back-to-back record-breaking year. Early this year, industry experts were expecting 2018 to expand at an average of 10.6% (refer to our technology sector report entitled "2018 outlook" dated 17 Jan 2018) and these forecasts were being revised upwards continuously to 12.2% (Figure #2). Even with this projection, we think that the consensus is way too conservative considering that 5M18 turnover has already recorded a 20.7% growth coupled with a seasonally stronger 2H18.

Figure #1 Global semiconductor sales



WSTS, HLIB Research

Figure #2 2018 global semiconductor sales forecasts



Various, HLIB Research

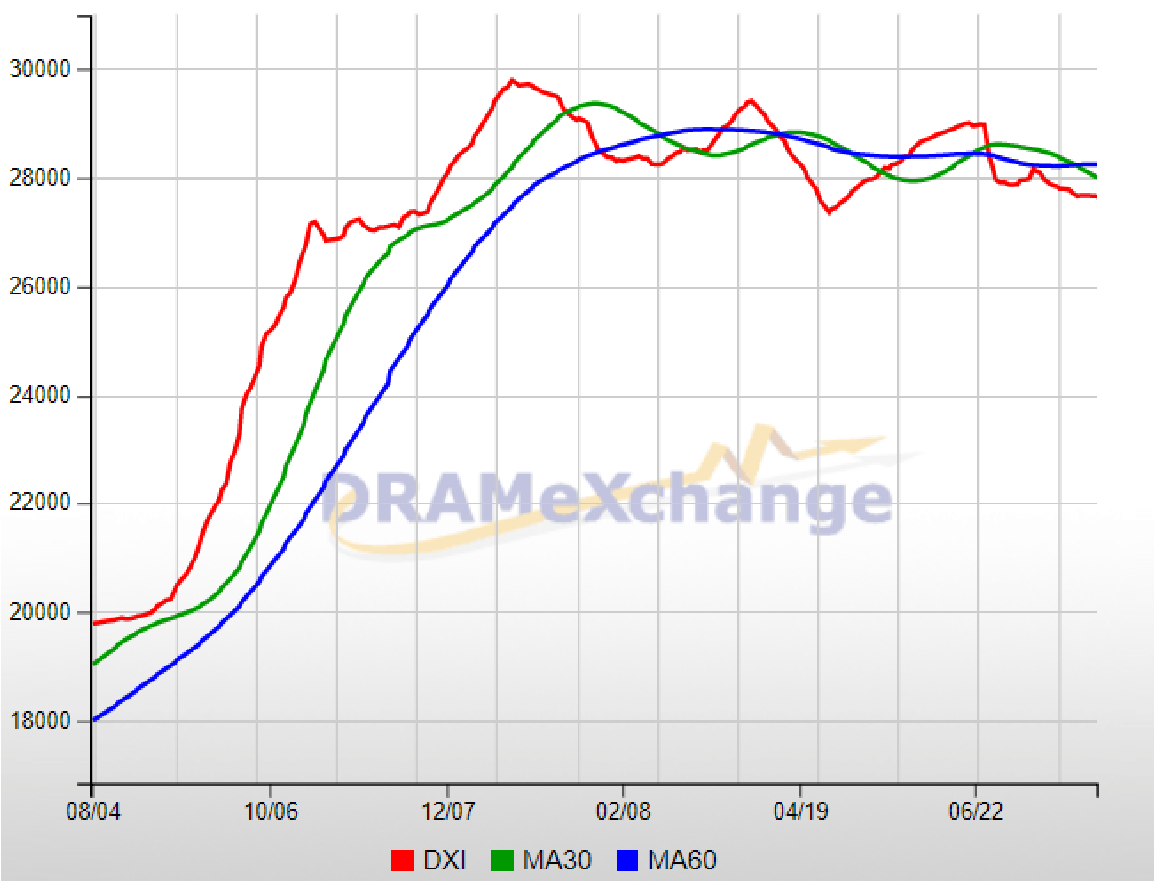
Based on the latest forecast published by WSTS (Figure #3), revenue is expected to gain 12.4% to USD463.4bn in 2018 mainly driven by memory's 26.5% expansion. Although this growth implies a materially slower growth pace compared to 2017's 61.5%, we are not overly concern as the latter's gain was solely attributed to 88% YoY ASP inflation due to severe supply shortage. With average YTD price stabilizing at high level (Figure #4), 2018's estimated memory growth will be more of a function of volume increase supported by sustainable solid demand. This bodes well for Frontken who has 1 out of world's top 3 memory players as its major customer. Besides memory, Frontken also highly involved in logic (second largest sub-segment) which projected to grow healthily at 7.1% to account for 23.6% of 2018's estimated global semiconductor sales.

Figure #3 WSTS semiconductor market forecast breakdown

	Sales (USD m)			YoY Growth (%)		
	2017	2018	2019	2017	2018	2019
Region						
Americas	88,494	100,853	105,521	35.0	14.0	4.6
Europe	38,311	43,430	45,487	17.1	13.4	4.7
Japan	36,595	39,753	41,440	13.3	8.6	4.2
Asia Pacific	248,821	279,375	291,271	19.4	12.3	4.3
Total	**412,221**	**463,411**	**483,719**	**21.6**	**12.4**	**4.4**
Products						
Discrete semiconductors	21,651	23,610	24,659	11.5	9.0	4.4
Optoelectronics	34,813	35,986	38,024	8.8	3.4	5.7
Sensors	12,571	13,306	14,118	16.2	5.8	6.1
Integrated circuits	343,187	390,509	406,918	24.0	13.8	4.2
Analog	53,070	58,095	61,044	10.9	9.5	5.1
Micro	63,934	66,152	68,582	5.5	3.5	3.7
Logic	102,209	109,476	114,747	11.7	7.1	4.8
Memory	123,974	156,786	162,545	61.5	26.5	3.7
Total	**412,222**	**463,411**	**483,719**	**21.6**	**12.4**	**4.4**

WSTS

Figure #4 DRAMeXchange Index



TrendForce

Robust fab investment outlook

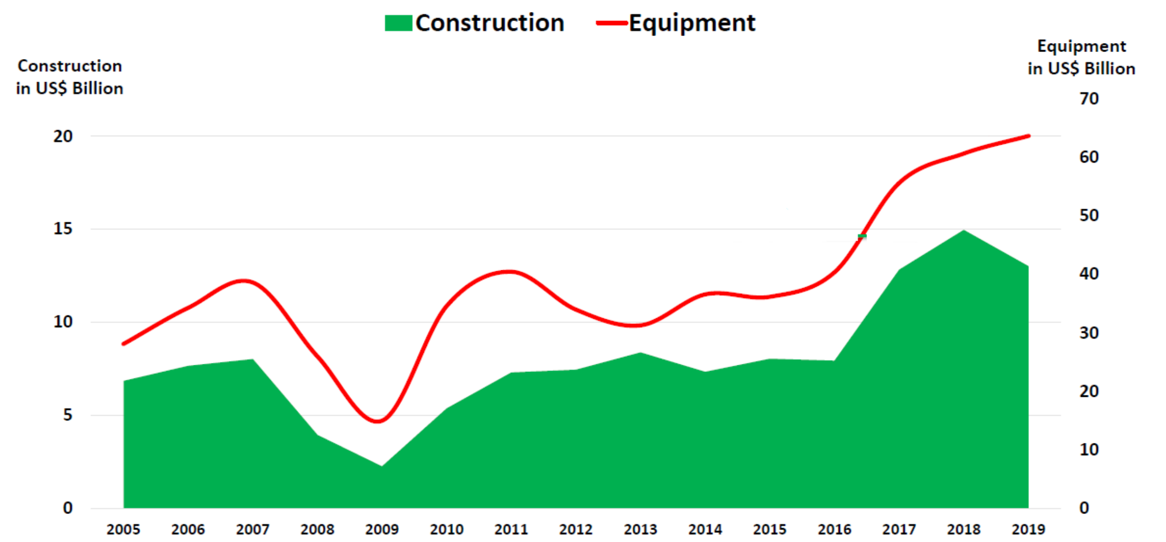
According to SEMI, global fab construction spending hit new high in 2017 with circa USD13bn and 2018 envisaged to break that record with USD15bn where majority take place in China, South Korea and Taiwan (Figure #5). With such strong development pipeline, massive fab equipment investment will usually follow suit judging based on their historical high correlation (Figure #6 and #7). As such, SEMI also forecasted 2018-19 fab equipment spending to remain elevated at USD61bn and USD64bn with 8.9% and 4.9% YoY growth, respectively even after an extraordinary 40% jump in 2017 to reach another record high of USD56bn (Figure #8). As more equipment exist in the supply chain, there will be more demand for such cleaning services from Frontken to ensure uninterrupted production in a cost-effective manner. Furthermore, about half of the planned setup locations mentioned above are within Frontken's service vicinity, especially out from its 88.8%-owned Ares Green's (AGTC) state-of-the-art facility in Tainan.

Figure #5 Key fab projects

Fab	Location	Fab Details
Samsung	Pyeongtaek	P1, P1 phase 2 and Line 15
	Xian	Phase 2
	Hwaseong	S3 and EUV line
SK Hynix	Icheon	M14
	Cheongju	M15
	China	C3
Micron	Lehi	Building 60
	Singapore	Fab 10X
	Hiroshima	Fab 15
	Taichung	Fab 16
Toshiba / Flash Alliance	Yokkaichi	Fab 2, Fab 3, Fab 4 and Fab 6
Intel	Dalian	Fab 68
TSMC	Hsinchu	Fab 12
	Taichung	Fab 15
GlobalFoundries	Dresden	Fab 1
	New York	Fab 8
	Chengdu	Fab 11
SMIC	Beijing	B3
	Shanghai	SN1
	Shenzhen	300mm fab

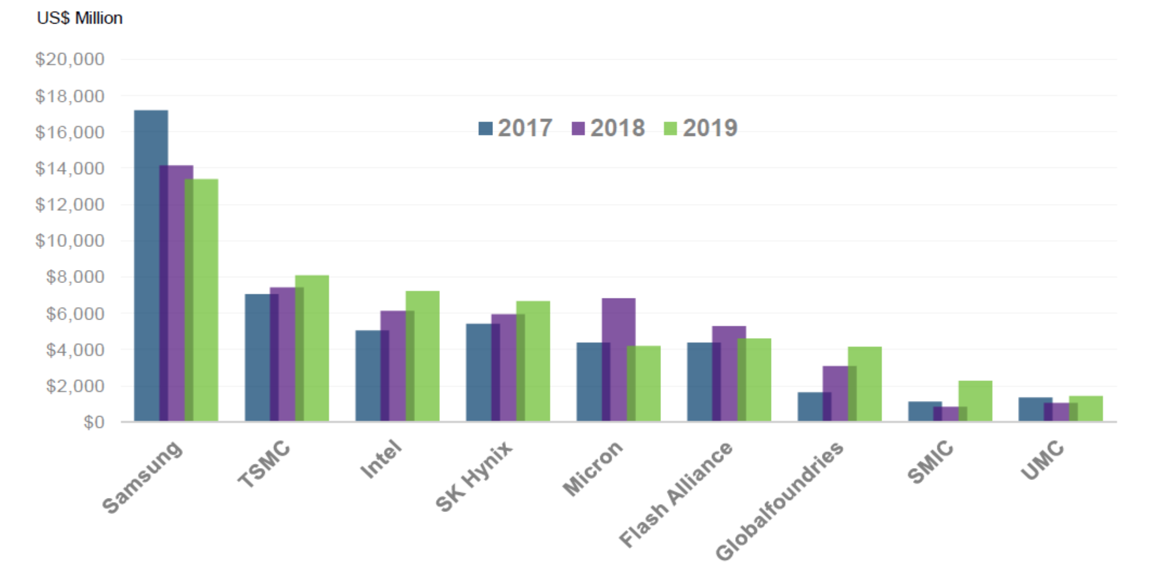
SEMI

Figure #6 Fab construction and equipment investments



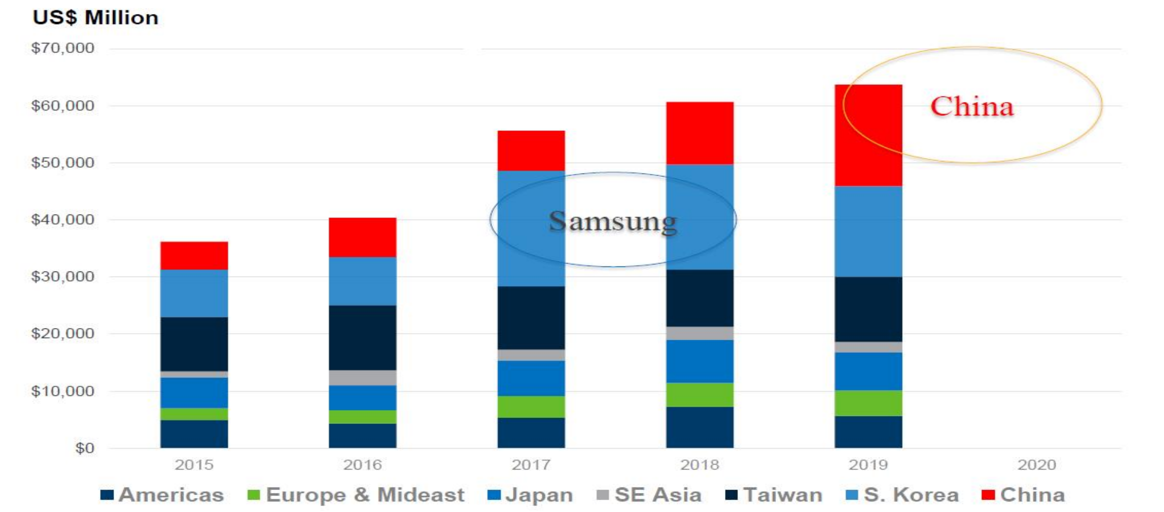
SEMI

Figure #7 Top fab equipment spenders



SEMI

Figure #8 Fab equipment spending breakdown by geography



SEMI

Market leadership in technology

Frontken has always been at the forefront in terms of technology and quality of service. Over the past two years, it has spent RM40m in CAPEX to renovate existing facility, expand new processing lines and build a Class 10 cleanroom. This investment has equipped Frontken with the technological edge to serve fabs with tech nodes of 10nm and below in 2017. As a result, we believe that it has a great involvement in the supply chain of Apple's A11 Bionic chip which debuted in iPhone 8, 8+ and the blockbuster X last year.

Given that the fabrication process for 10nm is 95% identical to 7nm, minor upgrades have allowed Frontken to serve customers who requires even tighter particle and contaminant controls as new generation node size continues to shrink. Again, this self-advancement has put it on par with TSMC, one of the world largest foundries, who has already in volume production since 2Q18. It would be worth to highlight that as the node size becomes more atomic, the chances of Frontken securing the work for the advance nodes will be much higher.

Unlike 10nm which was widely regarded as the stepping-stone technology, 7nm and 7nm+ will be the major nodes like 16nm and 28nm. TSMC is projecting 7nm wafer revenue contribution to jump to more than 10% and 20% in 3Q18 and 4Q18, respectively. Meanwhile, TSMC also guided that 7nm/+ second year ramp will be stronger than any node they had in history.

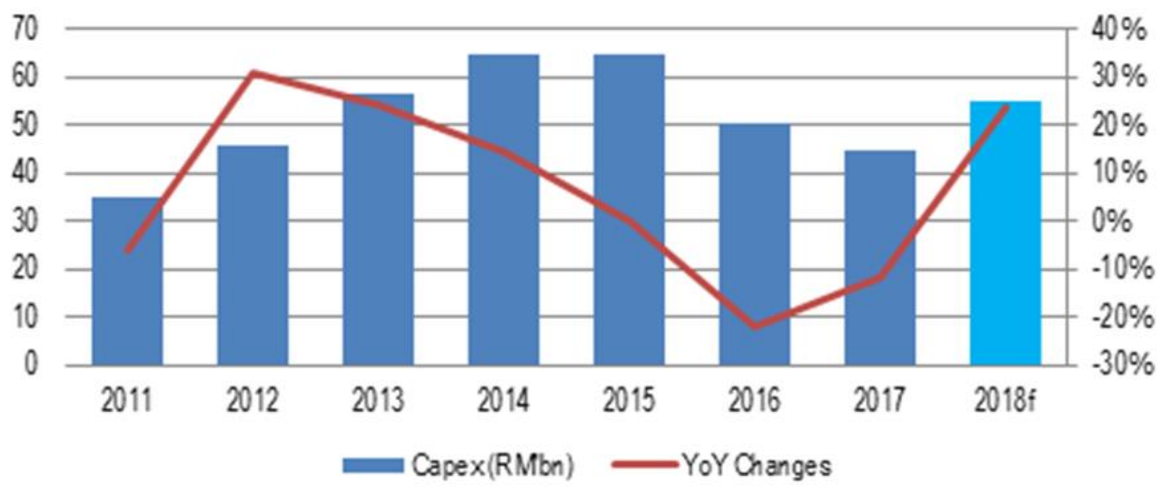
Beyond 7nm/+, Frontken continues to work closely with its major customer to meet 5nm's volume production target by 2020. If necessary, it may invest to facilitate 5nm's requirements however this has yet to be factored in our forecast.

O&G recovery: Current price stability induces more activity

Our in-house oil price target is average USD71/bbl in 2018, up 29% YoY helped by temporary supply disruptions such as (1) sanction against Iran; (2) Venezuela crisis; and (3) military control over Libyan's oil crescent. However, we are expecting oil prices to stay flat in 2019 as potential supply drag from these troubled OPEC countries would be neutralised by incremental production from US, Saudi Arabia and Russia and moderation of oil demand growth.

We opine that stabilisation of oil prices will entice oil majors to gradually unwind their spending on the back of stronger operating cash flows. This is evident by the higher capex spending guidance by oil companies. On the domestic front, with the oil price assumption of USD52/bbl, Petronas plans to increase its capex spending by 24% to RM55bn this year, of which RM26bn is allocated to upstream segment. Should the oil majors' overall spending start to pick up, the entire value chain would recover accordingly, with maintenance related players being the beneficiary of the first wave of recovery. Based on our channel checks, tenders and enquiries are picking up, suggesting that the worst could be over.

Figure #9 Petronas yearly CAPEX



Petronas, HLIB Research

CEO and PE's substantial stakes instil greater confidence

Last Friday, Frontken Chairman / CEO and Dymon Asia purchased 27.7% Frontken stake, which we believe is from CP Asia Holding GmbH (CP Asia) and together, they emerge as the single largest shareholder of the firm. Despite the huge discount relative to market price in this transaction, we opine that this is justifiable given the size of the deal. This stake sale also removes any potential conflict of interest and risk as the ultimate owner of CP Asia, Deutsche Beteiligungs AG (DBAG) also owns the same business under Cleanpart Group GmbH with strong presence in Europe and US.

The buy-in from a reputable and savvy private equity fund solidifies our belief about Frontken's future prospects. Backed by Temasek, Dymon Asia is a Singapore-headquartered alternative investment management firm. As of 1 Jan 2018, its assets under management across hedge fund, private equity and venture capital strategies are circa USD5bn. The Dymon Asia Macro Fund was ranked in the top 50 by Bloomberg Magazine in 2016's Top Performing Funds with assets over USD1bn. The Dymon Asia Macro Fund ranked amongst the top ten hedge funds globally in 2011 and 2014.

Financials

Despite the O&G drag, Frontken achieved all-time high core net profit in FY17 at RM34.3m thanks to the sturdy semiconductor contribution. Based on the optimistic outlooks as discussed above, we expect FY18 to be another record breaking year with top and bottom lines growing 11.4% and 17.2% to RM330.3m and RM40.2m, respectively.

Frontken's prudent management has resulted in a strong balance sheet with a net cash position of RM80.3m (12.7% of its market cap) or 7.6 sen per share as end of 1Q18. We expect its cash to continue piling up going forward in the absence of major CAPEX after AGTC's expansion in FY17. Hence, we believe that Frontken is capable to adopt dividend policy to reward shareholders. For FY18, we are assuming a 50% dividend pay-out, which may lead to a decent 3.2% yield.

Valuation & Recommendation

Frontken currently trades at FY18-20 P/E of 15.7x, 12.9x and 11.5x and these are reduced to an undemanding 13.8x, 11.1x and 10.1x on an ex-cash basis. While majority are privately owned, Shih Her Tech (SHT) is the only closest peer that we can obtain and it is trading at a trailing 12-month PE of 13.1x without any consensus forecast. This is a drastic derating compared to a year ago when the multiple was 19.5x as quoted in our non-rated report. Unlike Frontken, SHT's core net profit suffered a 3-year CAGR -21.7% from FY14-17 after penetrating into China market as intense competition took a toll on its margins. Its borrowings were also piling up and ended FY17 with a net-debt position.

As such, we use suppliers to the fab industry as the point of reference (refer to Figure #10) which implies 1-year forward PE of 18.0x. Hence, we opine that Frontken is justified for a valuation based on 1-year forward (FY19) PE of 18.0x, leading to a fair value of **RM0.84** per share, implying an upside potential of 40%. We initiate coverage on Frontken with a **BUY** rating.

Figure #10 Peers comparison

Company	FYE	Price (Local)	Market Cap (USD m)	P/E (x) 2018	P/E (x) 2019	P/B (x) 2018	P/B (x) 2019	Gross DY (%) 2018
Malaysia								
Frontken	Dec	0.60	154.1	15.0	15.0	2.1	1.8	1.2
Japan								
Lasertec	Jun	3,230.00	1,368.4	36.2	29.0	5.4	4.9	0.9
Tokyo Electron	Mar	19,585.00	29,076.7	12.2	11.6	3.5	3.0	4.1
Europe								
ASML	Dec	183.90	91,751.3	31.7	26.1	6.6	5.9	0.8
US								
National Instruments	Dec	44.41	5,871.4	30.8	27.0	4.9	4.7	2.1
Teradyne	Dec	43.75	8,370.1	20.9	16.3	5.3	6.8	0.8
Entegris	Dec	36.00	5,098.7	18.6	16.2	4.5	3.9	0.6
FormFactor	Dec	14.20	1,037.1	15.6	11.6	N/A	N/A	0.0
Cabot Microelectronics	Sep	122.50	3,146.1	24.0	21.1	N/A	N/A	1.0
Nanometrics	Dec	42.27	1,020.3	18.6	17.1	4.0	N/A	N/A
Lam Research	Jun	187.29	29,384.3	11.8	10.1	4.2	4.1	2.2
Brooks Automation	Sep	31.79	2,242.5	20.2	17.4	3.0	2.8	1.3
Axcelis Technologies	Dec	23.20	750.6	16.1	13.0	N/A	N/A	N/A
Avg excl. Frontken				**21.4**	**18.0**	**4.6**	**4.5**	**1.4**

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1. As of 07 August 2018, Hong Leong Investment Bank Berhad has proprietary interest in the following securities covered in this report:
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2. As of 07 August 2018, the analyst(s) whose name(s) appears on the front page, who prepared this report, has interest in the following securities covered in this report:
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Stock rating definitions

BUY	Expected absolute return of +10% or more over the next 12 months.
HOLD	Expected absolute return of -10% to +15% over the next 12 months.
SELL	Expected absolute return of -10% or less over the next 12 months.
UNDER REVIEW	Rating on the stock is temporarily under review which may or may not result to a change from the previous rating.
NOT RATED	Stock is not or no longer within regular coverage.

Sector rating definitions

OVERWEIGHT	Sector expected to outperform the market over the next 12 months.
NEUTRAL	Sector expected to perform in-line with the market over the next 12 months.
UNDERWEIGHT	Sector expected to underperform the market over the next 12 months.