

Wayfair

Widening share gains position W for leverage when macro accelerates; Buy

Reiterate Rating: BUY | PO: 75.00 USD | Price: 52.40 USD

4Q rev/EBITDA meets Street, with GM inline this quarter

Reported sales/EBITDA of \$3.11bn/\$92mn, relatively inline with Street at \$3.11bn/\$93mn. AOV of \$276 (-2.5% YoY) beat our est. at \$253 due largely to lapping cost deflation, while order growth decel'd 11ppts to 3% YoY. Active customers increased 1.4% YoY, the first time trends inflected positively since 4Q'21, reflecting widening share gains. Gross margin of 30.4% was inline with guidance (vs. beats in previous qtrs) as W reinvested savings back into customer experience. EBITDA margin of 3.0% (+5.2ppts YoY) reflected a softer GM vs. expectations offset by ongoing cost takeouts in OPEX (-9% YoY). International EBITDA of -\$39mn remained a drag to overall profitability, but margins improved 10ppts YoY and should continue to improve in 2024 as the segment realizes both direct and allocative (corporate) cost actions.

EBITDA growth expected in '24 regardless of topline

1QTD rev is down MSD% with guide suggesting trends hold, generally in line with investor expectations, based on our conversations. The category has now declined DD for the last 6 qtrs with the drag on sales now rivalling the GFC, offset by share gains that widened YTD to 2018 levels, per mgmt. EBITDA guide of +LSD% (vs. investors at 3%) factors reinvesting gross costs savings and higher advertising expense. 1Q GM of 30-31% is lower than expected, but we think upside is possible if macro improves and there is less need for W to reinvest savings. For 2024, CFO Gulliver guides to a floor for EBITDA growth of 50%+ YoY if macro does not improve (implying \$450mn+ in a bear case scenario), and CEO Shah reiterated \$600mn+ in a flat revenue environment.

Lower revenue/EBITDA on a slightly weaker outlook

For 1Q24E, we modestly lower our revenue/EBITDA estimates to \$2.65bn/\$74mn from \$2.68bn/\$84mn prior. We adjust our FY'24 revenue/EBITDA projection to \$12.1bn/\$603mn vs. prior \$12.2bn/\$612mn on a slightly weaker industry outlook.

Poised for leverage when macro rebounds; Reiterate Buy

Wayfair continues to outperform industry with widening share gains, and we continue to expect strong revenue acceleration when housing rebounds (likely in 2H), which in turn could position Wayfair for strong EBITDA leverage to reach MSD (we est. 5.0% in '24). We reiterate Buy with our PO at \$75 (unchanged) based on a 0.8x 2025E EV/Sales multiple but slightly lower estimates reflecting a poor macro.

Estimates (Dec) (US\$)	2022A	2023A	2024E	2025E	2026E
EPS	(7.71)	(1.14)	1.32	3.34	4.98
GAAP EPS	(12.56)	(6.52)	(3.12)	(0.42)	1.27
EPS Change (YoY)	NM	85.2%	NM	153.0%	49.1%
Consensus EPS (Bloomberg)			0.91	2.05	3.23
DPS	0	0	0	0	0
Valuation (Dec)					
P/E	NM	NM	39.7x	15.7x	10.5x
GAAP P/E	NM	NM	NM	NM	41.3x
EV / EBITDA*	NM	27.9x	14.2x	9.8x	7.7x
Free Cash Flow Yield*	-14.2%	3.4%	4.2%	9.5%	15.9%

* For full definitions of *IQmethod*SM measures, see page 6.

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22 February 2024

Equity

Key Changes

(US\$)	Previous	Current
2024E Rev (m)	12,179.6	12,148.3
2025E Rev (m)	13,612.8	13,550.2
2026E Rev (m)	14,977.1	14,917.7
2024E EPS	0.68	1.32
2025E EPS	3.26	3.34
2026E EPS	4.91	4.98

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Stock Data

Price	52.40 USD
Price Objective	75.00 USD
Date Established	16-Feb-2024
Investment Opinion	C-1-9
52-Week Range	29.51 USD - 90.71 USD
Mkrt Val (mn) / Shares Out (mn)	5,974 USD / 114.0
Free Float	95.0%
Average Daily Value (mn)	236.23 USD
BofA Ticker / Exchange	W / NYS
Bloomberg / Reuters	W US / W.N
ROE (2024E)	NA
Net Dbt to Eqty (Dec-2023A)	NA
ESGMeter TM	High

ESGMeter is not indicative of a company's future stock price performance and is not an investment recommendation or rating. ESGMeter is independent of BofA Global Research's equity investment rating, volatility risk rating, income rating, and price objective for that company. For full details, refer to ["BofA ESGMeter Methodology"](#).

AOV: Average Order Value

GM: Gross Margin

GFC: Great Financial Crisis

DD: Double Digits

MSD: Mid single digit

LSD: low single digit

iQprofileSM Wayfair

iQmethodSM – Bus Performance*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Return on Capital Employed	-64.6%	-52.3%	-23.6%	-1.7%	8.1%
Return on Equity	NM	NM	NM	NM	NM
Operating Margin	-11.3%	-6.8%	-2.9%	-0.2%	1.2%
Free Cash Flow	(851)	201	251	566	949

iQmethodSM – Quality of Earnings*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash Realization Ratio	NM	NM	2.7x	1.7x	1.7x
Asset Replacement Ratio	0.5x	0.4x	0.4x	0.4x	0.4x
Tax Rate	NM	NM	NM	NM	NM
Net Debt-to-Equity Ratio	NM	NM	NM	NM	NM
Interest Cover	NM	-47.8x	-17.8x	-1.6x	8.8x

Income Statement Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Sales	12,218	12,003	12,148	13,550	14,918
% Change	-10.9%	-1.8%	1.2%	11.5%	10.1%
Gross Profit	3,421	3,677	3,780	4,346	4,871
% Change	-12.4%	7.5%	2.8%	15.0%	12.1%
EBITDA	(416)	306	603	868	1,116
% Change	NM	NM	97.1%	44.0%	28.5%
Net Interest & Other Income	66	84	(20)	(20)	(20)
Net Income (Adjusted)	(817)	(130)	161	427	666
% Change	NM	84.1%	NM	165.5%	56.1%

Free Cash Flow Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Net Income from Cont Operations (GAAP)	(1,331)	(738)	(376)	(52)	156
Depreciation & Amortization	371	417	420	420	430
Change in Working Capital	(219)	146	(128)	(153)	(17)
Deferred Taxation Charge	NA	NA	NA	NA	NA
Other Adjustments, Net	514	524	515	530	560
Capital Expenditure	(186)	(148)	(180)	(180)	(180)
Free Cash Flow	-851	201	251	566	949
% Change	NM	NM	25.0%	125.2%	67.7%
Share / Issue Repurchase	(75)	0	0	0	0
Cost of Dividends Paid	0	0	0	0	0
Change in Debt	678	678	0	0	0

Balance Sheet Data (Dec)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash & Equivalents	1,050	1,322	1,420	1,829	2,083
Trade Receivables	272	140	221	291	269
Other Current Assets	611	393	445	514	502
Property, Plant & Equipment	774	748	665	582	489
Other Non-Current Assets	873	871	857	852	823
Total Assets	3,580	3,474	3,608	4,068	4,166
Short-Term Debt	0	0	0	0	0
Other Current Liabilities	2,072	2,183	2,188	2,175	2,123
Long-Term Debt	3,137	3,092	3,092	3,092	3,092
Other Non-Current Liabilities	921	906	906	906	906
Total Liabilities	6,130	6,181	6,186	6,173	6,121
Total Equity	(2,550)	(2,707)	(2,578)	(2,105)	(1,956)
Total Equity & Liabilities	3,580	3,474	3,608	4,068	4,166

* For full definitions of iQmethodSM measures, see page 6.

Company Sector

Internet/e-Commerce

Company Description

Originally founded as CSN stores in 2002, Wayfair is a multi-brand eCommerce company that offers one of the widest selections of furniture, home goods, home decor and housewares online. Wayfair operates five eCommerce brands: Wayfair.com, Perigold, Joss & Main, AllModern, and Birch Lane.

Investment Rationale

Over the long term, Wayfair is positioned to grow as online penetration of the home goods category increases, expanding Wayfair's customer base, as well as the company's unique category selection and distribution network. After two difficult years, we are more positive on Wayfair hitting an inflection for positive EBITDA given improving topline trends and and substantial cost reductions.

Stock Data

Average Daily Volume 4,508,129

Quarterly Earnings Estimates

	2023	2024
Q1	-1.13A	-0.30E
Q2	0.21A	0.38E
Q3	-0.13A	0.49E
Q4	-0.10A	0.75E

Actuals vs. estimates

Exhibit 1: Wayfair actual vs estimates

4Q23 revenue came in 0.4% above our estimates, with non-GAAP EPS of -\$0.11 above consensus.

W y/y (\$000's except per share data)	4Q22	4Q23	Y/Y change	BofA 4Q23E	vs. BofA est	Street 4Q23E
Total Revenue	\$3,101	\$3,114	0.4%	\$3,103	0.4%	\$3,108
Cost of revenue	2,205	2,167	-1.7%	2,141	1.2%	2,153
Gross Profit	\$896	\$947	5.7%	962	-1.5%	\$954
Advertising	406	381	-6.2%	372	2.3%	
Customer Service & Merchant Fees	155	132	-14.8%	140	-5.5%	
Total sales & marketing	561	513	-8.6%	512	0.2%	
Ops, Tech and General & Administrative	508	447	-12.0%	456	-2.0%	
SBC	159	159	0.0%	150	6.0%	
Operating Expenses	1,227	1,119	-8.8%	1,118	0.1%	(971)
Operating Income - GAAP	(331)	(172)	-48.0%	(156)	10.1%	(\$17)
Interest Income (Expense)	(8)	(2)	-75.0%	(5)	-60.0%	
Earnings Before Tax	(342)	(171)	-50.0%	(165)	3.5%	(\$24)
Income Tax Expense (Benefit)	9	3	-66.7%	0	NM	
GAAP Net Income (Loss)	(351)	(174)	-50.4%	(165)	5.3%	(\$22)
Non-GAAP EPS	(\$1.69)	(\$0.11)	-94.0%	(\$0.13)	-14.6%	(\$0.15)
Non-GAAP Shares	108	118	9.3%	118	0.0%	
EBITDA Adjustments						
Net loss	(351)	(174)	-50.4%	(165)	5.3%	
Depreciation & amortization	101	105	4.0%	105	0.0%	
Stock based compensation	159	159	0.0%	150	6.0%	
Interest Income	8	2	-75.0%	5	-60.0%	
Other	3	(3)	-200.0%	0	NM	
Taxes	9	3	-66.7%	0	NM	
EBITDA	(71)	92	-229.6%	95	-2.9%	93
EBITDA Margin	-2%	3%	-229.0%	3.1%	-3.3%	3%
Margin analysis						
As a % of revenue:			Y/Y change (bps)		vs. BofA est (bps)	
Gross Margin	29%	30%	152	31.0%	(59)	30.7%
Advertising	13.1%	12.2%	(86)	12.0%	24	
Customer Service & Merchant Fees	5.0%	4.2%	(76)	4.5%	(26)	
Total sales & marketing	18.1%	16.5%	(162)	16.5%	(3)	
Ops, Tech and General & Administrative	16.4%	14.4%	(203)	14.7%	(35)	
SBC	5.1%	5.1%	(2)	4.8%	27	
OPEX	39.6%	35.9%	(363)	36.0%	(10)	-31%
Operating Margin	-10.7%	-5.5%	515	-5.0%	(49)	-0.5%
Tax Rate	-3%	-2%	88	0.0%	(175)	
Operating Metrics	4Q22	4Q23	Y/Y change	BofA 4Q23E	Difference	
Active Customers	22,100	22,400	300	22,653	(253)	
Y/Y Growth	-19%	1%	20%	3%		
Customer additions q/q	(500)	100	600	352	(253)	
Y/Y Growth	-74%	-120%	-46%	-171%		
Orders Delivered	11,000	11,300	300	12,250	(950)	
Y/Y Growth	-9%	3%	12%	11%		
AOV	283	276	(7)	\$253	23	
Y/Y Growth	5%	-2%	-8%	-11%		
Mobile Orders	6,490	7,096	606	7,595	(498)	
Y/Y Growth	-9%	9%	18%	17%		
% of total orders	59%	63%	4%	62%	0.8%	
Regional Metrics	4Q22	4Q23	Y/Y change	BofA 4Q23E	Difference	
US Total Revenue	2,440	2,710	270	2,740	(30)	
Y/Y Growth	-13%	1%	14%	2%	-1.1%	
US EBITDA	(\$51)	\$131	182	\$126	5	
EBITDA Margin	-2%	5%	7%	5%	0.2%	
Intl Total Revenue	400	404	4	363	41	
Y/Y Growth	-24%	-3%	21%	-13%	9.9%	
Intl EBITDA	(73)	(39)	34	(31)	(8)	
EBITDA Margin	-18%	-10%	9%	-9%	-1.0%	

Source: BofA Global Research Estimates, Company Filings, Bloomberg

BofA GLOBAL RESEARCH



Estimate changes

Exhibit 2: Wayfair estimate changes

We slightly lower 2024 rev/EBITDA for Wayfair

	1Q24E			2024E			2025E			2026E		
(\$mn except per share data)	New	Old	Change	New	Old	Change	New	Old	Change	New	Old	Change
Total Revenue	2,647	2,677	(29)	12,148	12,180	(31)	13,550	13,613	(63)	14,918	14,977	(59)
Y/Y	-4.6%	-3.5%	-1.1%	1.2%	1.6%	-0.4%	11.5%	11.8%	-0.2%	10.1%	10.0%	0.1%
Q/Q	-15.0%	-13.7%	-1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.1%	10.0%	0.1%
Cost of revenue	1,837	1,833	4	8,369	8,311	57	9,204	9,216	(12)	10,047	10,035	12
As a % of revenue	69.4%	68.5%	0.9%	68.9%	68.2%	0.6%	67.9%	67.7%	0.2%	67.4%	67.0%	0.3%
Gross Profit	810	843	(33)	3,780	3,868	(89)	4,346	4,397	(51)	4,871	4,942	(72)
Gross Margin	30.6%	31.5%	-0.9%	31.1%	31.8%	-0.6%	32.1%	32.3%	-0.2%	32.7%	33.0%	-0.3%
Total Sales & Marketing	428	428	(1)	1,929	1,941	(12)	2,148	2,151	(3)	2,350	2,351	(2)
As a % of revenue	16.2%	16.0%	0.2%	15.9%	15.9%	-0.1%	15.9%	15.8%	0.1%	15.8%	15.7%	0.1%
Ops, Tech and G&A	478	501	(23)	1,742	1,809	(67)	1,749	1,797	(48)	1,835	1,902	(67)
As a % of revenue	18.1%	18.7%	-0.7%	14.3%	14.9%	-0.5%	12.9%	13.2%	-0.3%	12.3%	12.7%	-0.4%
Amortization of Intangibles	0	0	0	0	0	0	0	0	0	0	0	0
As a % of revenue	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SBC	120	145	(25)	465	556	(91)	480	580	(100)	510	600	(90)
As a % of revenue	4.5%	5.4%	-0.9%	3.8%	4.6%	-0.7%	3.5%	4.3%	-0.7%	3.4%	4.0%	-0.6%
Total Operating Expenses	1,025	1,074	(48)	4,136	4,306	(170)	4,378	4,528	(150)	4,694	4,853	(159)
As a % of revenue	38.7%	40.1%	-1.4%	34.0%	35.4%	-1.3%	32.3%	33.3%	-1.0%	31.5%	32.4%	-0.9%
Oper. Income - GAAP	(215)	(231)	15	(356)	(438)	82	(32)	(131)	99	176	89	87
Margin	-8.1%	-8.6%	0.5%	-2.9%	-3.6%	0.7%	-0.2%	-1.0%	0.7%	1.2%	0.6%	0.6%
Earnings Before Tax	(220)	(239)	19	(376)	(471)	95	(52)	(164)	112	156	56	100
Income Tax Expense (Benefit)	0	0	0	0	0	0	0	0	0	0	0	0
Tax Rate	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
GAAP Net Income (Loss)	(220)	(239)	19	(376)	(471)	95	(52)	(164)	112	156	56	100
GAAP EPS	(\$1.84)	(\$2.00)	\$0.16	(\$3.12)	(\$3.90)	\$0.78	(\$0.42)	(\$1.34)	\$0.91	\$1.27	\$0.46	\$0.81
Net Loss	(220)	(239)	19	(376)	(471)	95	(52)	(164)	112	156	56	100
Stock based compensation	120	145	(25)	465	556	(91)	480	580	(100)	510	600	(90)
% of revenue	4.5%	5.4%	-0.9%	3.8%	4.6%	-0.7%	3.5%	4.3%	-0.7%	3.4%	4.0%	-0.6%
Depreciation & Amortization	105	105	0	420	420	0	420	420	0	430	430	0
% of revenue	4.0%	3.9%	0.0%	3.5%	3.4%	0.0%	3.1%	3.1%	0.0%	2.9%	2.9%	0.0%
Interest Income	5	8	(3)	20	33	(13)	20	33	(13)	20	33	(13)
EBITDA	74	84	(10)	603	612	(9)	868	869	(1)	1,116	1,119	(3)
EBITDA Margin	2.8%	3.1%	-0.3%	5.0%	5.0%	-0.1%	6.4%	6.4%	0.0%	7.5%	7.5%	0.0%
Operating Metrics												
Orders Delivered	10	10	(1)	42	45	(3)	46	49	(3)	50	53	(3)
Y/Y Growth	-2.0%	6.2%	-8.2%	2.2%	6.7%	-4.5%	9.4%	9.3%	0.1%	7.8%	7.8%	0.0%
AOV	278	\$260	\$19	289	\$272	\$17	295	\$277	\$18	300	\$283	\$18
Y/Y Growth	-3.0%	-9.5%	6.5%	-1.0%	-5.0%	4.0%	2.0%	2.0%	0.0%	2.0%	2.0%	0.0%
Active Customers	22	23	(1)	23	24	(0)	24	25	(0)	26	26	(0)
Y/Y Growth	3.0%	5.5%	-2.5%	4.0%	5.0%	-1.0%	5.0%	4.0%	1.0%	5.0%	5.0%	0.0%

Source: BofA Global Research

BofA GLOBAL RESEARCH

Price objective basis & risk

Wayfair (W)

Our PO of \$75 is based on 0.8x 2025E EV/sales, which is below the historical average multiple of approx. 1x. We believe this is warranted given a significant improvement in EBITDA and a return to revenue YoY growth, though below prior periods of expansion. If Wayfair were to achieve its target of mid-single digit EBITDA margins over the next few years, this would likely drive additional multiple expansion in our view.

Upside risks are 1) a larger-than-expected acceleration in sales post tough COVID compares in 2022, 2) better inventory availability as supply chain disruptions eases, 3) higher-than-forecast online growth for the industry as a whole, 4) stronger growth from newer initiatives including Wayfair Professional and, 5) EBITDA margin upside from COGS efficiencies, OPEX reductions and fixed cost leverage.

Downside risks are 1) High industry competition which could drive higher than expected investment in marketing or promotions, 2) brand complexity (five brands), 3) weaker than expected international segment performance, and 4) A softer than anticipated recovery in US furnishings in 2024/25.

US - Internet Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Alphabet	GOOGL	GOOGL US	Justin Post
	Alphabet	GOOG	GOOG US	Justin Post
	Amazon.com	AMZN	AMZN US	Justin Post
	AppLovin	APP	APP US	Omar Dessouky, CFA
	DoorDash	DASH	DASH US	Michael McGovern
	DoubleVerify Holdings, Inc.	DV	DV US	Omar Dessouky, CFA
	Electronic Arts	EA	EA US	Omar Dessouky, CFA
	Integral Ad Science Holding Corp.	IAS	IAS US	Omar Dessouky, CFA
	LegalZoom	LZ	LZ US	Michael McGovern
	Match Group	MTCH	MTCH US	Curtis Nagle, CFA
	Meta Platforms Inc	META	META US	Justin Post
	Pinterest	PINS	PINS US	Justin Post
	RH	RH	RH US	Curtis Nagle, CFA
	Roblox Corp. Class A	RBLX	RBLX US	Omar Dessouky, CFA
	Squarespace, Inc.	SQSP	SQSP US	Michael McGovern
	Uber	UBER	UBER US	Justin Post
	Udemy Inc	UDMY	UDMY US	Curtis Nagle, CFA
	Vivid Seats	SEAT	SEAT US	Curtis Nagle, CFA
	Wayfair	W	W US	Curtis Nagle, CFA
	Wix.com	WIX	WIX US	Michael McGovern
NEUTRAL				
	ACV Auctions	ACVA	ACVA US	Curtis Nagle, CFA
	Airbnb	ABNB	ABNB US	Justin Post
	Beyond Inc	BYON	BYON US	Curtis Nagle, CFA
	Booking Holdings Inc	BKNG	BKNG US	Justin Post
	Bumble	BMBL	BMBL US	Curtis Nagle, CFA
	Digital Turbine, Inc	APPS	APPS US	Omar Dessouky, CFA
	Duolingo	DUOL	DUOL US	Curtis Nagle, CFA
	eBay	EBAY	EBAY US	Justin Post
	Etsy, Inc.	ETSY	ETSY US	Curtis Nagle, CFA
	Expedia	EXPE	EXPE US	Justin Post
	Instacart	CART	CART US	Justin Post
	Magnite, Inc.	MGNI	MGNI US	Omar Dessouky, CFA
	Snap	SNAP	SNAP US	Justin Post
	Take-Two Interactive	TTWO	TTWO US	Omar Dessouky, CFA
	Zillow	ZG	ZG US	Curtis Nagle, CFA
	Zillow	Z	Z US	Curtis Nagle, CFA
UNDERPERFORM				
	Chewy Inc	CHWY	CHWY US	Curtis Nagle, CFA



US - Internet Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Opendoor Technologies	OPEN	OPEN US	Curtis Nagle, CFA
	Peloton	PTON	PTON US	Curtis Nagle, CFA
	Playtika	PLTK	PLTK US	Omar Dessouky, CFA
	Redfin Corp	RDFN	RDFN US	Curtis Nagle, CFA
	Shutterstock	SSTK	SSTK US	Curtis Nagle, CFA
RSTR				
	Lyft, Inc.	LYFT	LYFT US	Michael McGovern

iQmethodSM Measures Definitions**Business Performance**

Return On Capital Employed

Return On Equity

Operating Margin

Earnings Growth

Free Cash Flow

Quality of Earnings

Cash Realization Ratio

Asset Replacement Ratio

Tax Rate

Net Debt-To-Equity Ratio

Interest Cover

Valuation Toolkit

Price / Earnings Ratio

Price / Book Value

Dividend Yield

Free Cash Flow Yield

Enterprise Value / Sales

EV / EBITDA

Numerator

NOPAT = (EBIT + Interest Income) × (1 – Tax Rate) + Goodwill Amortization

Net Income

Operating Profit

Expected 5 Year CAGR From Latest Actual

Cash Flow From Operations – Total Capex

Numerator

Cash Flow From Operations

Capex

Tax Charge

Net Debt = Total Debt – Cash & Equivalents

EBIT

Numerator

Current Share Price

Current Share Price

Annualised Declared Cash Dividend

Cash Flow From Operations – Total Capex

EV = Current Share Price × Current Shares + Minority Equity + Net Debt +

Other LT Liabilities

Enterprise Value

Denominator

Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill

Amortization

Shareholders' Equity

Sales

N/A

N/A

Denominator

Net Income

Depreciation

Pre-Tax Income

Total Equity

Interest Expense

Denominator

Diluted Earnings Per Share (Basis As Specified)

Shareholders' Equity / Current Basic Shares

Current Share Price

Market Cap = Current Share Price × Current Basic Shares

Sales

Basic EBIT + Depreciation + Amortization

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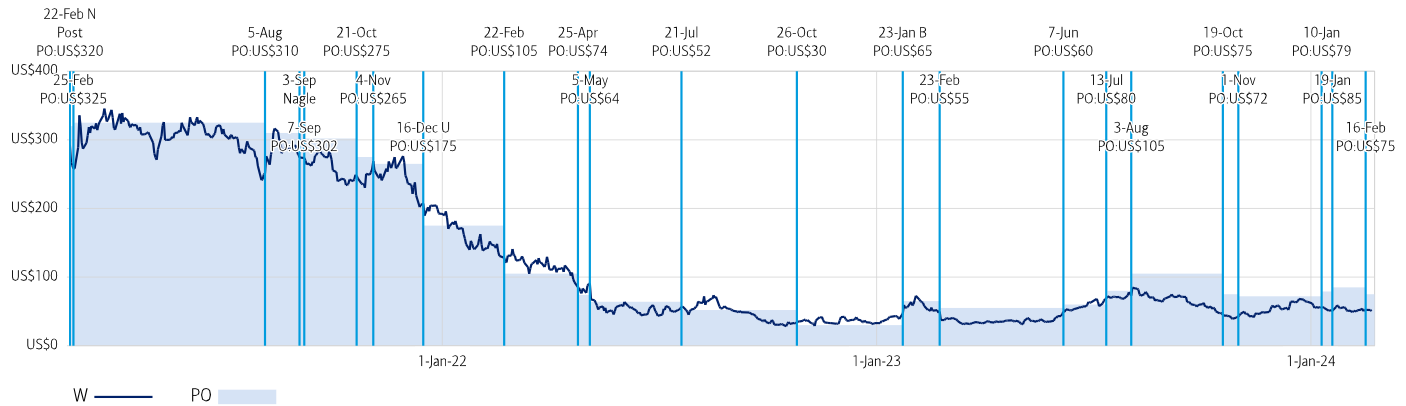
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Wayfair (W) Price Chart



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Equity Investment Rating Distribution: Technology Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	215	53.09%	Buy	111	51.63%
Hold	97	23.95%	Hold	45	46.39%
Sell	93	22.96%	Sell	24	25.81%

Equity Investment Rating Distribution: Global Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	1895	53.62%	Buy	1083	57.15%
Hold	832	23.54%	Hold	454	54.57%
Sell	807	22.84%	Sell	383	47.46%

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R2}
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Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

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