

BDCs

BDC round-up: Q3 earnings recap

Price Objective Change

Positive Q3 results; fundamentals remain healthy

Large BDC Q3 core earnings largely beat Consensus expectations despite the complex market environment (Exhibit 5). And given elevated base rates and fading recessionary concerns, Consensus 2024 forward core earnings estimates increased about 1.5%. Notably, overall profitability was strong (average GAAP ROE of 12.6%), which drove a moderate 0.5% increase in the average NAV/share. And the average portfolio yield was fractionally higher at 12.6% given the rise in base rates. Importantly, non-accruals were stable at ~2.6% and remain well below the longer-term industry average of ~4%. We continue to favor BDCs with proprietary origination platforms, scale, late-cycle portfolios, and flexible liability structures such as Ares Capital (ARCC), Blue Owl Capital (OBDC), and Sixth Street (TSRX). We adjust our PO for Blue Owl Capital to \$16 (\$14.50 prior) and tweak our EPS estimates – details inside.

Dividend tailwinds from rising rates have likely peaked

The average portfolio yield increased 10bp to 12.6% given the modest rise in base rates (Exhibit 4). Base rates have meaningfully increased this tightening cycle, driving larger BDC core earnings up 20%+ (core ROE ~13% at 3Q23 vs. ~10% at 4Q21). And stronger core profitability translated into a roughly 15% increase in the total dividend (core dividends plus variable supplemental dividends) for larger BDCs. While larger BDCs have pre-announced dividend stability in 4Q23, dividends (i.e. supplemental dividends) have likely peaked and should begin to slowly decline in 2024 based on the forward curve.

Credit resilient; non-accruals unchanged at ~2.6%

Credit remains resilient as average non-accruals were 2.6% of investments (cost basis), unchanged vs the prior quarter. Looking at high frequency liquid credit market data, the lagging 12-month default rate for leveraged loans, a proxy for BDC credit, moderately improved in Q3 (1.3% in Sept vs. 1.3% in June; the long-term average is ~3%). That said, we acknowledge leveraged loan defaults continue to benefit from: (1) a favorable maturity wall as many issuers took advantage of low base rates in 2021; and (2) covenant-lite structures (uncommon for BDCs). Positively, leveraged loan defaults are 1.5% in early December, suggesting near-term BDC credit stability, in our view. And we note that leading credit indicators for leveraged loans (distressed ratio, shadow default rate, etc.) remain positive through early December.

Strong profitability drives NAV/share up 0.5%

Average GAAP ROE for the group was strong at 12.6% (11.4% at Q2), the highest quarterly level the past ~5 years (excluding the 5 quarter post-COVID recovery period). And given strong profitability, average NAV/share growth for the group improved 0.5%, compared to 0.2% in Q2. The strongest NAV/share growth was: 1) Ares Capital (+2.2%), largely due to strong core income and portfolio appreciation (net). The largest decline was BlackRock TCP (-1.7%) principally due to write-downs on 6 investments. Economic return (dividend + change in NAV/share) was 3.3% in Q3, vs 2.9% the prior quarter.

08 December 2023

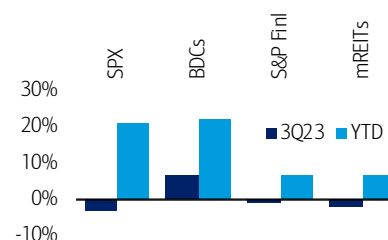
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Exhibit 1: BDC total return vs market

BDCs have outperformed SPX, financials in 3Q and YTD



Source: Bloomberg

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Exhibit 2: Raising OBDC PO to \$16

OBDC PO to \$16 from \$14.50

Ticker	Price Objective		Target Multiple	
	Old	New	Old	New
OBDC	\$14.50	\$16.00	1.00x	1.00x

Source: BofA Global Research estimates

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BDC: business development company

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Updating ests/POs for OBDC

We are tweaking our '23/'24/'25 OBDC core EPS estimates to \$1.91/\$1.85/\$1.65 from \$1.90/\$1.85/\$1.65. Adjusting our PO to \$16 (\$14.50 prior) on an unchanged 1.0x NAV multiple.

Exhibit 3: BDC comp sheet

BDCs currently trade at an average of 0.98x book value with an 11% dividend yield

	Tick Sym.	BofA Rating	S&P Rating	Total Assets (\$M)	Market Cap. (\$M)	Stock Price 12/8/23	BV Current	P/BV Current	Div. Yield	GAAP 2022 ROE	'23e Earn. Yield	Core '23e ROE	Core '24e ROE	52 Week High	52 Week Low	Debt/equity
Ares Capital Corp	ARCC	Buy	BBB-	\$22,231	\$11,398	\$20.02	\$18.59	1.08x	9.6%	6.4%	11.8%	12.3%	12.0%	\$20.17	\$16.95	1.10x
FS KKR Capital Corp	FSK	NA	NR	\$15,488	\$5,683	\$20.29	\$24.69	0.82x	13.7%	1.2%	15.2%	12.4%	12.0%	\$20.75	\$16.88	1.18x
Blue Owl Capital Corp	OBDC	Buy	BBB-	\$13,393	\$5,760	\$14.78	\$15.26	0.97x	9.9%	8.0%	13.0%	12.5%	12.0%	\$14.84	\$11.26	1.18x
Blackstone Secured Lending Fund	BXSL	Neutral	BBB-	\$9,572	\$4,796	\$27.62	\$26.30	1.05x	10.6%	9.4%	13.7%	14.2%	13.3%	\$29.11	\$22.08	1.14x
Prospect Capital Corp	PSEC	NA	BBB-	\$7,862	\$2,358	\$5.75	\$9.24	0.62x	12.5%	2.3%	17.5%	10.1%	9.4%	\$7.70	\$5.03	0.69x
Main Street Capital Corp	MAIN	NA	BBB-	\$4,420	\$3,506	\$41.86	\$27.83	1.50x	7.9%	12.4%	9.9%	14.4%	13.3%	\$43.15	\$35.04	0.90x
Golub Capital BDC Inc	GBDC	Neutral	BBB-	\$5,737	\$2,474	\$14.59	\$14.83	0.98x	11.1%	4.5%	12.7%	12.1%	12.1%	\$15.38	\$12.23	1.25x
Hercules Capital Inc	HTGC	NA	NR	\$3,225	\$2,317	\$15.33	\$10.96	1.40x	11.1%	7.5%	13.3%	18.5%	17.2%	\$17.87	\$10.77	1.00x
Sixth Street Specialty Lending Inc	TSIX	Buy	BBB-	\$3,141	\$1,843	\$21.05	\$16.74	1.26x	9.6%	8.3%	11.1%	13.7%	13.2%	\$21.21	\$16.71	1.11x
Oaktree Specialty Lending Corp	OCSL	NA	NR	\$3,336	\$1,563	\$20.24	\$19.58	1.03x	11.0%	0.3%	12.2%	12.5%	12.1%	\$21.48	\$17.70	1.15x
New Mountain Finance Corp	NMFC	Buy	NR	\$3,297	\$1,298	\$12.80	\$13.14	0.97x	10.3%	5.6%	12.3%	12.0%	11.2%	\$13.16	\$11.21	1.43x
Bain Capital Specialty Finance	BCSF	Neutral	NR	\$2,675	\$993	\$15.38	\$17.44	0.88x	10.4%	9.5%	13.8%	12.0%	11.1%	\$16.80	\$11.06	1.32x
MidCap Financial Investment Corp	MFIC	U/P	NR	\$2,503	\$899	\$13.78	\$15.20	0.91x	11.0%	2.7%	12.6%	11.5%	10.7%	\$14.03	\$10.39	1.49x
Goldman Sachs BDC Inc	GSBD	Neutral	NR	\$3,637	\$1,626	\$14.84	\$14.59	1.02x	12.1%	3.4%	15.2%	15.4%	14.8%	\$16.52	\$12.75	1.22x
BlackRock TCP Capital Corp	TCPC	NA	NR	\$1,793	\$701	\$12.13	\$12.94	0.94x	12.4%	-1.4%	15.4%	14.8%	13.8%	\$13.41	\$9.52	1.37x
SLR Investment Corp	SLRC	NA	NR	\$2,553	\$841	\$15.41	\$17.98	0.86x	10.6%	1.7%	10.2%	8.7%	9.5%	\$16.09	\$13.48	1.24x
Carlyle Secured Lending Inc	CGBD	Buy	NR	\$1,983	\$774	\$15.23	\$16.73	0.91x	11.6%	9.1%	12.6%	11.1%	11.1%	\$15.86	\$13.01	1.15x
Barings BDC Inc	BBDC	Buy	NR	\$2,730	\$928	\$8.71	\$11.34	0.77x	11.7%	1.0%	13.7%	10.5%	10.5%	\$9.47	\$6.96	1.24x
Crescent Capital BDC Inc	CCAP	Buy	NR	\$1,625	\$622	\$16.79	\$19.58	0.86x	10.4%	2.4%	13.4%	11.3%	11.0%	\$17.55	\$12.56	1.18x
PennantPark Investment Corp	PNNT	NA	NR	\$1,156	\$424	\$6.50	\$7.72	0.84x	12.9%	-21.3%	16.6%	13.9%	11.7%	\$7.07	\$4.70	1.23x
BlackRock Capital Investment	BKCC	NA	NR	\$619	\$282	\$3.88	\$4.33	0.90x	10.3%	1.0%	12.8%	11.3%	10.5%	\$3.92	\$3.03	0.90x

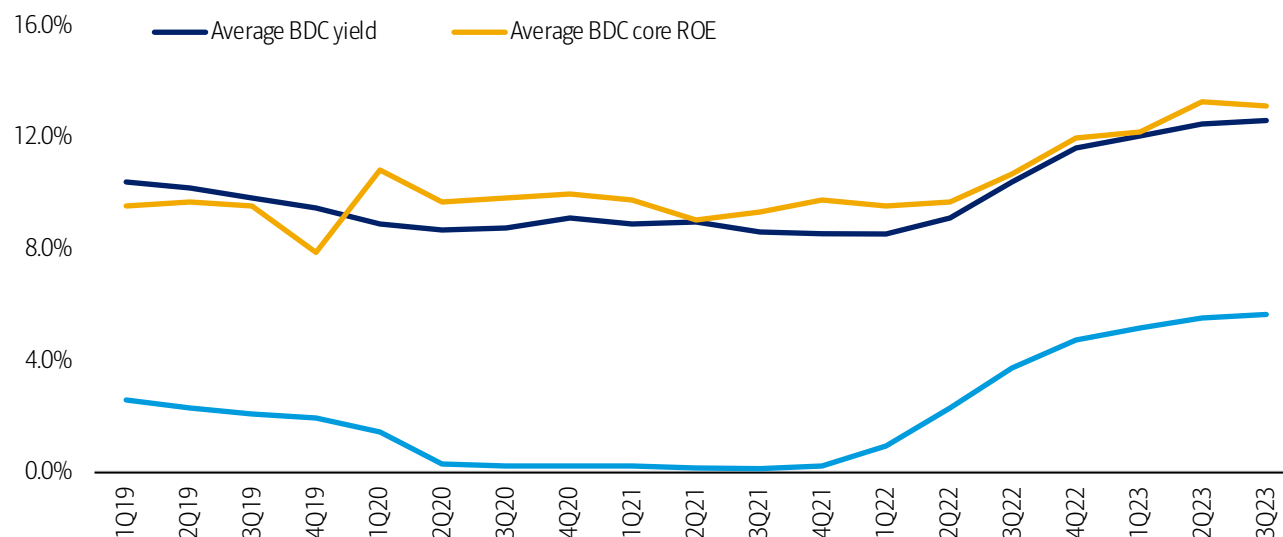
	Average	0.98x	11.0%	3.5%	13.3%	12.6%	12.0%	1.17x
Cliffwater BDC Index - Total Return CWBDC	\$4,183	\$4,143	1.01x	10.8%	6.0%	NA	11.9%	\$4,183 \$3,353

Source: Bloomberg, S&P Cap IQ Pro, BofA Global Research

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Exhibit 4: Core BDC ROEs have benefited from rising rates, which have likely peaked

Core BDC ROE, BDC yield vs base rates



Source: Company reports, Bloomberg

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Exhibit 5: 3Q23 BDC earnings recap

BDC earnings in 3Q were largely positive, with NAV/share growth and stable credit

Ticker	3Q23 Act. Core EPS	3Q23 Street Est. Core EPS	3Q23 DPS	3Q23 GAAP EPS	3Q23 Core ROE	3Q23 GAAP ROE	3Q23 Economic Return	3Q23 NAV/share	NAV/share Pct Chg	Portfolio Pct Chg	3Q23 Non-accruals
ARCC	\$0.59	\$0.58	\$0.48	\$0.89	12.4%	18.9%	4.8%	\$19.01	2.2%	2.0%	1.2%
PSEC	\$0.25	\$0.22	\$0.18	\$0.18	10.8%	12.4%	2.1%	\$9.25	0.2%	0.2%	2.2%
FSK	\$0.80	\$0.77	\$0.75	\$0.95	12.9%	15.3%	3.8%	\$24.89	0.8%	-0.7%	4.8%
MFIC	\$0.43	\$0.43	\$0.38	\$0.46	11.3%	12.1%	3.0%	\$15.28	0.5%	-1.7%	1.0%
OCSL	\$0.62	\$0.63	\$0.55	\$0.62	12.6%	12.2%	3.0%	\$19.63	0.2%	-7.8%	2.4%
MAIN	\$1.04	\$1.00	\$0.97	\$1.25	14.7%	17.9%	5.3%	\$28.33	1.8%	2.0%	3.1%
HTGC	\$0.52	\$0.49	\$0.48	\$0.19	19.0%	6.9%	4.1%	\$10.93	-0.3%	4.8%	2.7%
TCPC	\$0.49	\$0.47	\$0.44	\$0.22	15.4%	6.9%	1.7%	\$12.72	-1.7%	-2.9%	1.7%
TSLX	\$0.60	\$0.56	\$0.52	\$0.74	14.1%	17.6%	4.5%	\$16.97	1.4%	0.8%	0.9%
SLRC	\$0.43	\$0.43	\$0.41	\$0.49	9.5%	11.0%	2.7%	\$18.06	0.5%	-0.5%	2.1%
NMFC	\$0.40	\$0.40	\$0.36	\$0.27	12.2%	8.6%	2.2%	\$13.06	-0.6%	-2.1%	5.2%
GBDC	\$0.50	\$0.47	\$0.41	\$0.60	13.3%	16.0%	4.0%	\$15.02	1.3%	-0.2%	1.6%
PNNT	\$0.24	\$0.22	\$0.21	\$0.19	12.5%	9.8%	2.4%	\$7.70	-0.3%	-6.9%	1.2%
BBDC	\$0.31	\$0.31	\$0.26	\$0.17	11.0%	6.1%	1.5%	\$11.25	-0.8%	0.6%	2.5%
GSBD	\$0.64	\$0.57	\$0.45	\$0.47	17.5%	12.9%	3.2%	\$14.61	0.1%	-3.1%	1.6%
BKCC	\$0.13	\$0.12	\$0.10	\$0.15	11.9%	13.7%	3.4%	\$4.38	1.1%	-0.1%	12.0%
CGBD	\$0.52	\$0.50	\$0.44	\$0.54	12.3%	13.3%	3.4%	\$16.86	0.8%	-1.9%	3.2%
BCSF	\$0.55	\$0.54	\$0.42	\$0.52	12.5%	12.0%	3.0%	\$17.54	0.6%	0.2%	1.5%
OBDC	\$0.49	\$0.47	\$0.41	\$0.53	12.7%	13.9%	3.5%	\$15.40	0.9%	0.0%	1.1%
CCAP	\$0.59	\$0.56	\$0.50	\$0.61	12.0%	12.4%	3.2%	\$19.70	0.6%	-1.0%	2.2%
BXSL	\$0.95	\$0.97	\$0.77	\$1.01	14.3%	15.3%	3.8%	\$26.54	0.9%	2.3%	0.1%
Average					13.1%	12.6%	3.3%		0.5%	-0.8%	2.6%

Source: Company reports, Bloomberg, BofA Global Research

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Exhibit 6: Stocks mentioned

Prices and ratings for stocks mentioned in this report

BofA Ticker	Bloomberg ticker	Company name	Price	Rating
ARCC	ARCC US	Ares Capital	US\$ 20.08	B-1-7
OBDC	OBDC US	Blue Owl Capital Co	US\$ 14.90	B-1-7
TSLX	TSLX US	Sixth Street Spec.	US\$ 21.14	B-1-7

Source: BofA Global Research

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Price objective basis & risk**Ares Capital Corporation (ARCC)**

Our \$21 price objective is based on a roughly 1.1x multiple to net asset value (NAV), which in our view is achievable in a stable operating backdrop with intensifying demand for yield bearing investments. BDC peers are currently trading at roughly 0.9x NAV. We believe ARCC's premium valuation to peers is justified due to its superior profitability and strong credit performance.

Downside risks to achieving our price objective are 1) material weakening in credit markets, 2) a significant slowdown in investment activity, 3) a deteriorating macroeconomic environment, 4) disruptions in the capital markets, and 5) weaker-than-expected investment performance.

Upside risks to achieving our price objective are 1) material strengthening in credit markets, 2) a significant pickup in investment activity, 3) an improving macroeconomic environment, 4) disruptions in the capital markets, and 5) stronger-than-expected investment performance.



Blue Owl Capital Corporation (OBDC)

Our \$16 PO is based on a roughly 1.0x multiple to NAV, which we think is achievable as OBDC maintains stable margins and modest portfolio growth.

Downside risks to achieving our price objective are 1) material weakening in credit markets, 2) a significant slowdown in investment activity, 3) a deteriorating macroeconomic environment, 4) disruptions in the capital markets, and 5) weaker-than-expected investment performance.

Upside risks to achieving our price objective are 1) material strengthening in credit markets, 2) a significant pickup in investment activity, 3) an improving macroeconomic environment, 4) disruptions in the capital markets, and 5) stronger-than-expected investment performance.

Sixth Street Specialty Lending, Inc (TSLX)

Our \$22 PO is based on an approximate 1.3x multiple to NAV. Peers are trading at 0.95x NAV. We believe TSLX's premium valuation relative to peers is justified given its focus on late-cycle risk, proprietary origination platform, access to growth capital, and superior risk-adjusted returns.

Downside risks to achieving our price objective are 1) material weakening in credit markets, 2) a significant slowdown in investment activity, 3) a deteriorating macroeconomic environment, 4) disruptions in the capital markets, and 5) weaker-than-expected investment performance.

Upside risks to achieving our price objective are 1) material strengthening in credit markets, 2) a significant pickup in investment activity, 3) an improving macroeconomic environment, 4) disruptions in the capital markets, and 5) stronger-than-expected investment performance.

Analyst Certification

I, Derek Hewett, hereby certify that the views expressed in this research report accurately reflect my personal views about the subject securities and issuers. I also certify that no part of my compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

North America - Banks Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Ares Capital Corporation	ARCC	ARCC US	Derek Hewett
	Ares Commercial Real Estate Corporation	ACRE	ACRE US	Derek Hewett
	Barings BDC Inc	BBDC	BBDC US	Derek Hewett
	Blackstone Mortgage Trust Inc	BXMT	BXMT US	Derek Hewett
	Blue Owl Capital Corporation	OBDC	OBDC US	Derek Hewett
	Carlyle Secured Lending Inc	CGBD	CGBD US	Derek Hewett
	Citigroup Inc.	C	C US	Ebrahim H. Poonawala
	Compass Diversified Holdings	CODI	CODI US	Derek Hewett
	Crescent Capital BDC	CCAP	CCAP US	Derek Hewett
	Cullen/Frost Bankers Inc	CFR	CFR US	Ebrahim H. Poonawala
	East West Bancorp, Incorporated	EWBC	EWBC US	Ebrahim H. Poonawala
	Fifth Third Bank	FITB	FITB US	Ebrahim H. Poonawala
	First Bancorp Puerto Rico	FBP	FBP US	Brandon Berman
	First Horizon Corporation	FHN	FHN US	Ebrahim H. Poonawala
	Goldman Sachs	GS	GS US	Ebrahim H. Poonawala
	JPMorgan Chase & Co.	JPM	JPM US	Ebrahim H. Poonawala
	KeyCorp	KEY	KEY US	Ebrahim H. Poonawala
	M&T Bank	MTB	MTB US	Ebrahim H. Poonawala
	Morgan Stanley	MS	MS US	Ebrahim H. Poonawala
	New Mountain Finance Corporation	NMFC	NMFC US	Derek Hewett
	New York Community Bancorp	NYCB	NYCB US	Ebrahim H. Poonawala
	Northern Trust Corporation	NTRS	NTRS US	Ebrahim H. Poonawala
	Safehold, Inc	SAFE	SAFE US	Derek Hewett
	Sixth Street Specialty Lending, Inc	TSIX	TSIX US	Derek Hewett
	Starwood Property Trust	STWD	STWD US	Derek Hewett
	Synovus Financial Corp.	SNV	SNV US	Ebrahim H. Poonawala
	The Bank of New York Mellon Corporation	BK	BK US	Ebrahim H. Poonawala
	Toronto-Dominion Bank	TD	TD US	Ebrahim H. Poonawala
	Toronto-Dominion Bank	YTD	TD CN	Ebrahim H. Poonawala
	U.S. Bancorp	USB	USB US	Ebrahim H. Poonawala
	Wells Fargo & Company	WFC	WFC US	Ebrahim H. Poonawala
	Western Alliance Bancorp	WAL	WAL US	Ebrahim H. Poonawala
NEUTRAL				
	AGNC Investment Corp	AGNC	AGNC US	Derek Hewett
	Ally Financial	ALLY	ALLY US	Brandon Berman
	Annaly Capital Management	NLY	NLY US	Derek Hewett
	Apollo Commercial Real Estate Finance	ARI	ARI US	Derek Hewett
	Associated Banc-Corp	ASB	ASB US	Brandon Berman
	Bain Capital Specialty Finance, Inc.	BCSF	BCSF US	Derek Hewett
	Bank of Montreal	BMO	BMO US	Ebrahim H. Poonawala
	Bank of Montreal	YBMO	BMO CN	Ebrahim H. Poonawala
	Bank of Nova Scotia	YBNS	BNS CN	Ebrahim H. Poonawala
	Bank of Nova Scotia	BNS	BNS US	Ebrahim H. Poonawala
	Blackstone Secured Lending Fund	BXSL	BXSL US	Derek Hewett
	BrightSpire Capital Inc.	BRSP	BRSP US	Derek Hewett
	Citizens Financial Group	CFG	CFG US	Ebrahim H. Poonawala
	Comerica Incorporated	CMA	CMA US	Ebrahim H. Poonawala
	Goldman Sachs BDC, Inc.	GSBD	GSBD US	Derek Hewett
	Golub Capital BDC, Inc.	GBDC	GBDC US	Derek Hewett
	Huntington Bancshares Inc.	HBAN	HBAN US	Ebrahim H. Poonawala
	Ladder Capital Corp	LADR	LADR US	Derek Hewett
	PennyMac Mortgage Investment Trust	PMT	PMT US	Derek Hewett
	Popular Inc	BPOP	BPOP US	Brandon Berman
	Regions Financial	RF	RF US	Ebrahim H. Poonawala
	Royal Bank of Canada	RY	RY US	Ebrahim H. Poonawala
	Royal Bank of Canada	YRY	RY CN	Ebrahim H. Poonawala
	State Street Corporation	STT	STT US	Ebrahim H. Poonawala
	The PNC Financial Services Group, Inc.	PNC	PNC US	Ebrahim H. Poonawala
	TPG RE Finance Trust, Inc.	TRTX	TRTX US	Derek Hewett
	Truist Financial	TFC	TFC US	Ebrahim H. Poonawala
UNDERPERFORM				
	Bank of Hawaii Corp.	BOH	BOH US	Brandon Berman
	Canadian Imperial Bank of Commerce	CM	CM US	Ebrahim H. Poonawala




North America - Banks Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Canadian Imperial Bank of Commerce	YCM	CM CN	Ebrahim H. Poonawala
	First Hawaiian Inc.	FHB	FHB US	Brandon Berman
	Guild Holdings Company	GHLD	GHLD US	Derek Hewett
	Invesco Mortgage Capital, Inc.	IVR	IVR US	Derek Hewett
	loanDepot Inc	LDI	LDI US	Derek Hewett
	MidCap Financial Investment Co	MFIC	MFIC US	Derek Hewett
	Prosperity Bancshares Inc	PB	PB US	Ebrahim H. Poonawala
	Texas Capital Bancshares Inc.	TCBI	TCBI US	Brandon Berman
	Zions Bancorp	ZION	ZION US	Ebrahim H. Poonawala

Disclosures

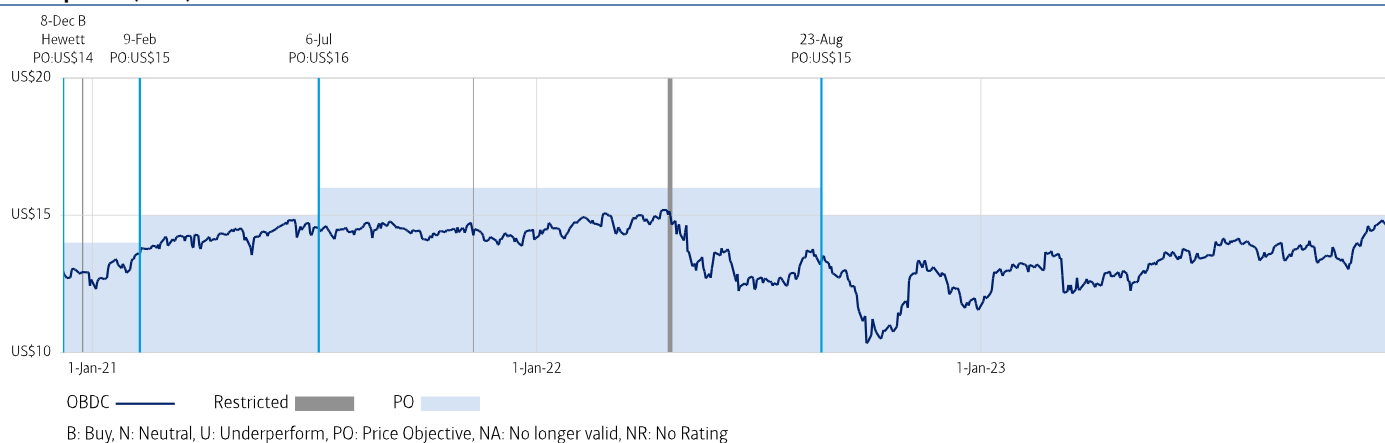
Important Disclosures

Ares Capital (ARCC) Price Chart

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The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Blue Owl Capital Co (OBDC) Price Chart



The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Sixth Street Spec. (TSLX) Price Chart



B: Buy, N: Neutral, U: Underperform, PO: Price Objective, NA: No longer valid, NR: No Rating

The Investment Opinion System is contained at the end of the report under the heading "Fundamental Equity Opinion Key". Dark grey shading indicates the security is restricted with the opinion suspended. Medium grey shading indicates the security is under review with the opinion withdrawn. Light grey shading indicates the security is not covered. Chart is current as of a date no more than one trading day prior to the date of the report.

Equity Investment Rating Distribution: Financial Services Group (as of 30 Sep 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	156	53.24%	Buy	94	60.26%
Hold	79	26.96%	Hold	52	65.82%
Sell	58	19.80%	Sell	32	55.17%

Equity Investment Rating Distribution: Global Group (as of 30 Sep 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	1869	53.48%	Buy	1046	55.97%
Hold	828	23.69%	Hold	461	55.68%
Sell	798	22.83%	Sell	370	46.37%

^{R1} Issuers that were investment banking clients of BofA Securities or one of its affiliates within the past 12 months. For purposes of this Investment Rating Distribution, the coverage universe includes only stocks. A stock rated Neutral is included as a Hold, and a stock rated Underperform is included as a Sell.

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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}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

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