

Asia Pac Earnings Revision Ratio

Persistent India

APxJ Earnings Revision Ratio remains high in India

In January, the Asia Pac ex-Japan Earnings Revision Ratio moderated from 0.69 to 0.63 in tandem with a lower Ratio in all global regions. The moves were mixed across Asia with the Ratio improving in half the [countries](#) and half the [sectors](#). The Ratio remains strong in [India](#), jumped in [Australia](#), but fell in [China](#). The Ratio is highest for [Telecom](#) and fell the most for [Insurance](#). Until China starts to trend higher, the Asia Pac ex-Japan Ratio seems destined to remain in the 18-month range of 0.50 to 0.70.

India strength persists, China Ratio fell

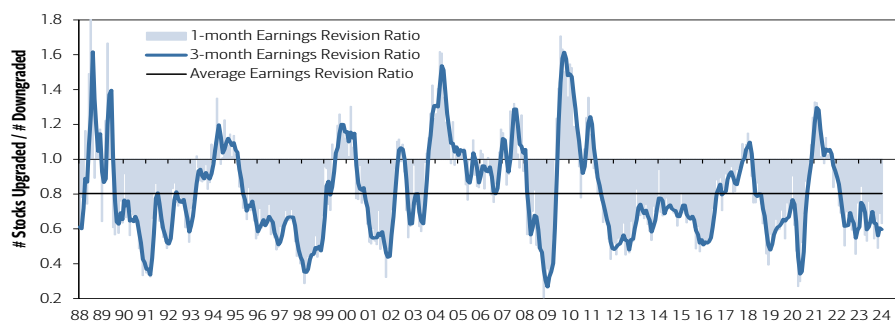
The [India](#) Ratio moderated in January from 1.26 to 1.15 but remains above 1.00 and has rarely been higher in the last 15 years. Upgrades outnumber downgrades for most India sectors. The [Australia](#) Ratio jumped from 0.72 to 1.06 on upgrades in Financials and Real Estate. In contrast, the [China](#) Ratio fell from 0.63 to 0.56 as downgrades accelerated in Consumer Staples, Semis, Materials, and Real Estate. Elsewhere in the region, the Ratio is high in [Malaysia](#) (1.85) and [Indonesia](#) (1.58), and low in [Hong Kong](#) (0.16) and [New Zealand](#) (0.25).

Ratio is highest for Telecom, lowest for Insurance

In Asia Pac, the regional sectors with the highest Ratios are [Telecom](#) (1.50), [Energy](#) (0.97), and [Health Care](#) (0.80). In contrast, the Ratio fell meaningfully for [Insurance](#) (0.93 to 0.42) is low for [Consumer Staples](#) (0.43), and [Semiconductors](#) (0.48).

Chart 1: Trend in Asia Pacific ex-Japan Earnings Expectations

1-month Ratio fell from 0.69 to 0.63, 3-month Ratio also moderated from 0.61 to 0.60



Source: BofA Asia Pacific Quantitative Strategy, MSCI, IBES

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Refer to important disclosures on page 28 to 30.

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Contents

Asia Pac ex-Japan Earnings Expectations	4
Asia Pac ex-Japan Countries Earnings Revision Ratio	5
Asia Pac ex-Japan Sectors Earnings Revisions Ratio	8
Earnings Revision Ratio: Quantessential Styles	12
Sales Revision Ratio	15
Sales Revision Ratio: Asia Pac ex-Japan Countries	15
Sales Revision Ratio: Asia Pac ex-Japan Sectors	18
Appendix A: Country-Sector Earnings Revision Ratio Matrix	22
Global Quant Publications	26

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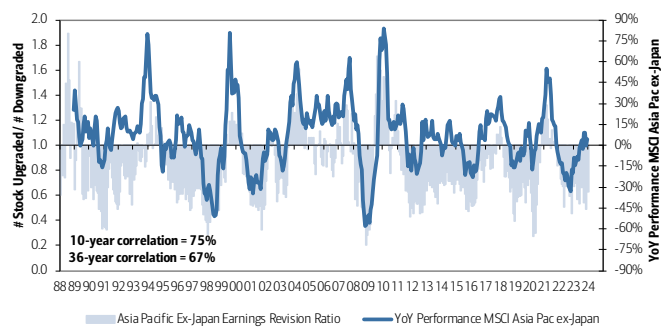
The screens in this report are not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.



Asia Pac ex-Japan Earnings Expectations

Chart 2: APxJ: YoY Market Perf vs Earnings Revisions Ratio

YoY APxJ Equity Market Performance vs APxJ ERR has correlation of 0.67

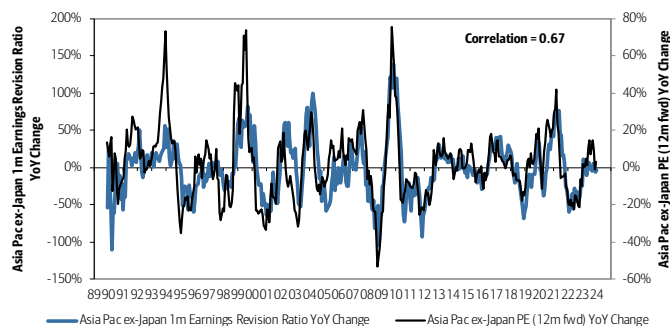


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Exshare

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Chart 3: APxJ: YoY change in ERR vs YoY change in Forward PE

YoY change in APxJ ERR vs YoY change in Asia Pac ex-Japan PE has correlation of 0.67

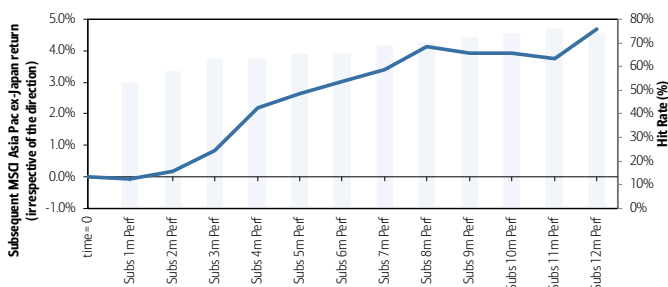


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Exshare

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Chart 4: Subs 12m MSCI APxJ perf for the current 3m ERR range

Subs 12m MSCI APxJ perf for the current 3m ERR range of 0.50 – 0.60 is 5%

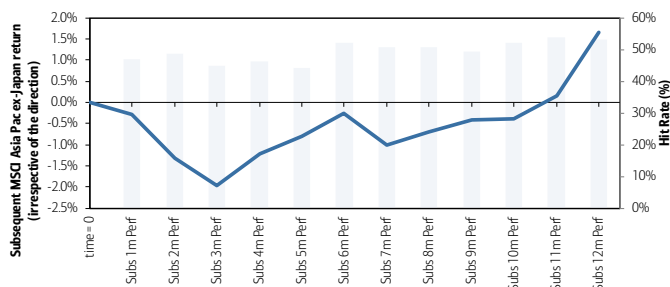


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 5: Subs 12m MSCI APxJ perf for the current 1m ERR range

Subs 12m MSCI APxJ perf for the current 1m ERR range of 0.60 – 0.70 is 2%

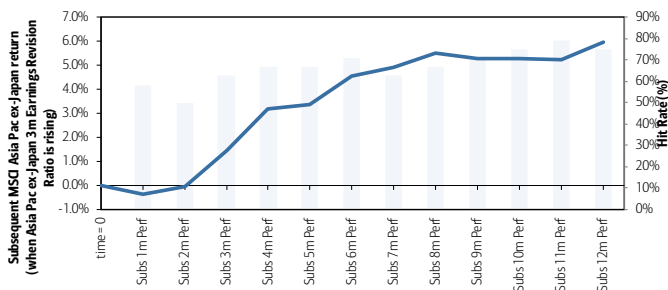


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 6: Subs 12m APxJ perf for the current 3m ERR range & rising

Subs 12m MSCI APxJ perf for the current 3m ERR range of 0.50 – 0.60 and rising is 6%

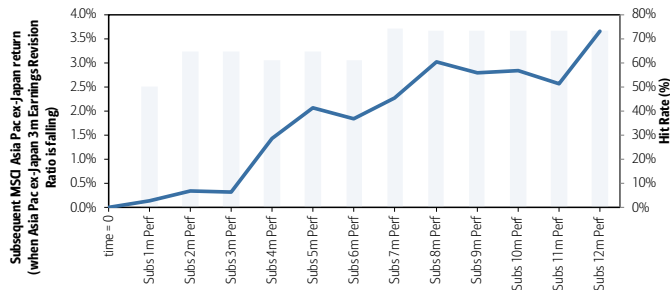


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 7: Subs 12m APxJ perf for the current 3m ERR range & falling

Subs 12m MSCI APxJ perf for the current 3m ERR range of 0.50 – 0.60 and falling is 4%



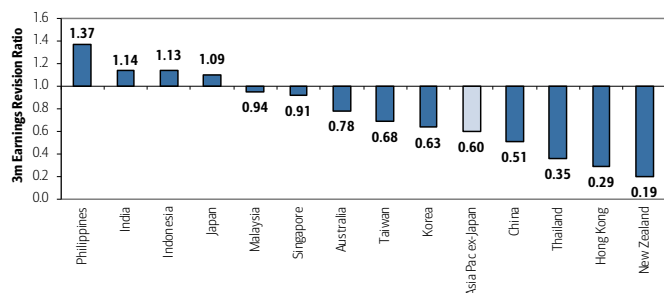
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Asia Pac ex-Japan Countries Earnings Revision Ratio

Chart 8: Earnings Revision Ratio By Country – Last 3 Months

Philippines has the highest 3-month ERR among countries

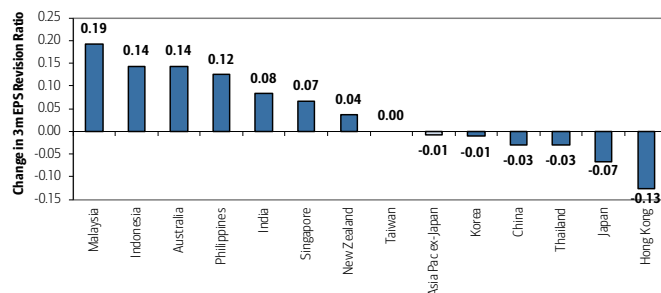


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 9: 1-month change in three-Month Earnings Revision Ratio

Malaysia 3-month ERR improved the most



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Table 1: Asia Pac ex-Japan Country Earnings Revision Ratios

Philippines has the highest 3-month ERR among countries

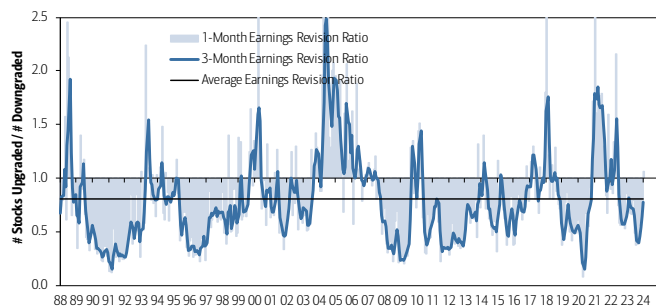
Country	Nov-23	Dec-23	Jan-24	Last 3 Months
Australia	0.64	0.72	1.06	0.78
China	0.38	0.63	0.56	0.51
Hong Kong	0.42	0.31	0.16	0.29
India	1.02	1.26	1.15	1.14
Indonesia	0.78	1.17	1.58	1.13
Japan	1.05	1.25	0.99	1.09
Korea	0.63	0.78	0.51	0.63
Malaysia	0.80	0.69	1.85	0.94
New Zealand	0.20	0.14	0.25	0.19
Philippines	2.00	1.63	0.77	1.37
Singapore	0.69	1.38	0.90	0.91
Taiwan	0.69	0.69	0.67	0.68
Thailand	0.30	0.35	0.41	0.35
Asia Pac ex-Japan	0.49	0.69	0.63	0.60

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 10: AUSTRALIA Earnings Revision Ratio

Earnings revisions improved for Australia last month and remains above long-term average

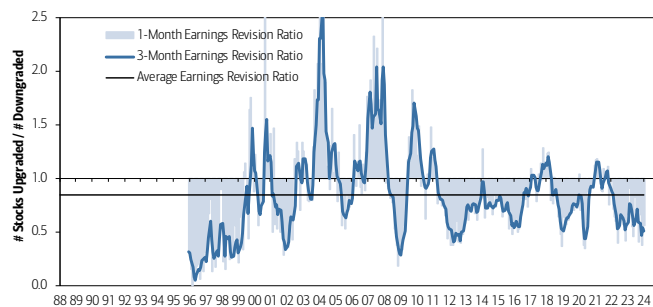


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 11: CHINA Earnings Revision Ratio

Earnings revisions for China fell last month and remains below long term trend

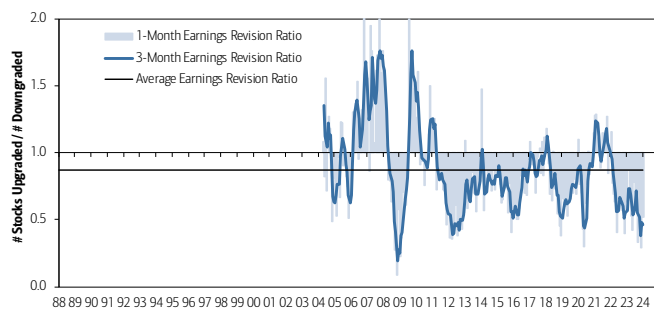


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 12: CHINA - A Earnings Revision Ratio

ERR fell in China-A last month and the trend moderated

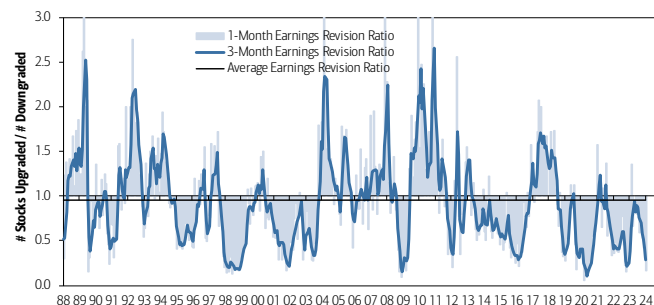


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 13: HONG KONG Earnings Revision Ratio

Earnings revisions for Hong Kong fell last month and remains below long term trend

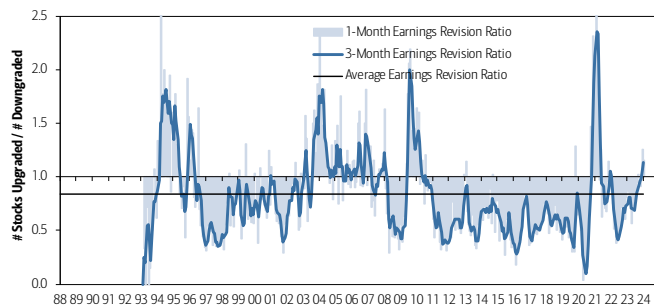


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 14: INDIA Earnings Revision Ratio

Earning revisions fell in India last month but remains above 1.0

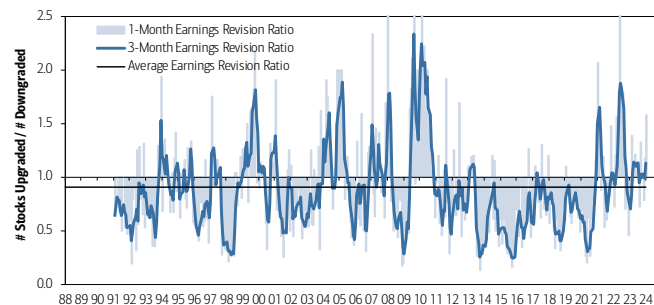


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 15: INDONESIA Earnings Revision Ratio

Earnings revisions improved in Indonesia last month

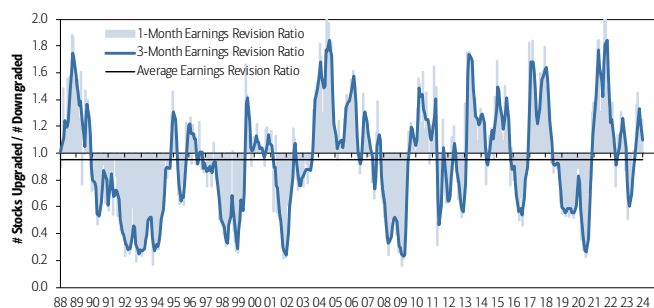


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 16: JAPAN Earnings Revision Ratio

Earnings revisions fell in Japan last month

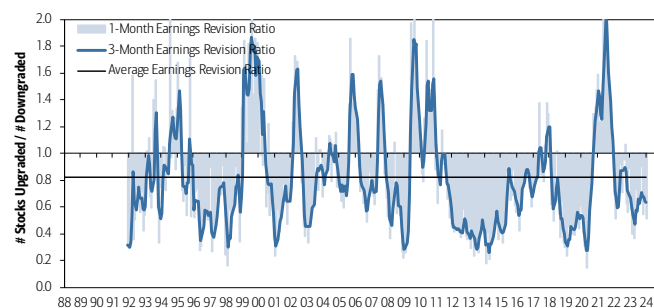


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 17: KOREA Earnings Revision Ratio

ERR fell in Korea last month and the trend moderated

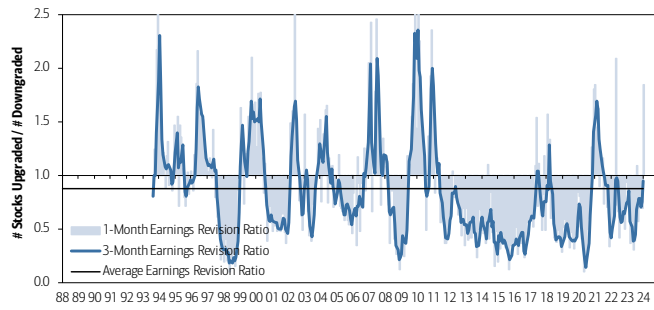


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 18: MALAYSIA Earnings Revision Ratio

Earnings trend improved in Malaysia in the last three months

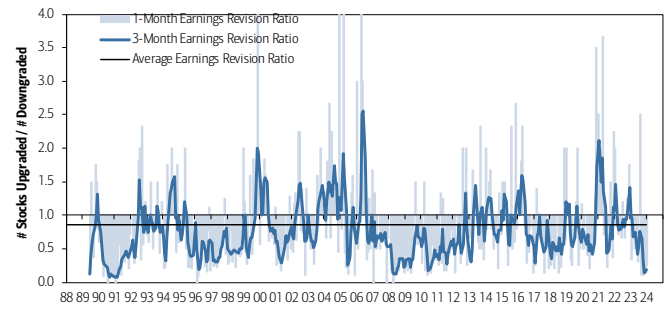


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 19: NEW ZEALAND Earnings Revision Ratio

Earnings revisions improved in New Zealand last month

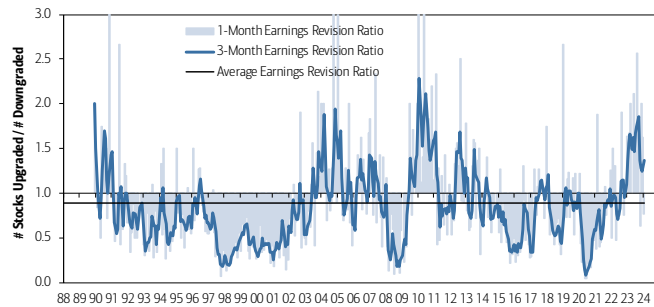


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 20: PHILIPPINES Earnings Revision Ratio

Earnings revisions fell in Philippines last month

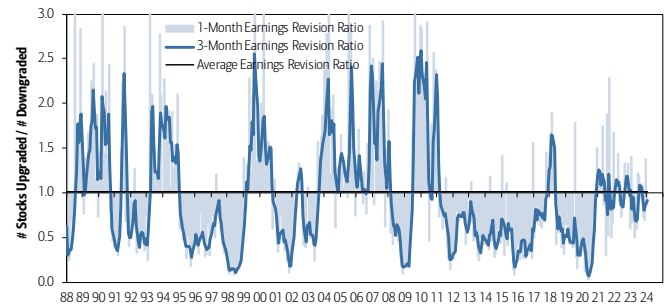


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 21: SINGAPORE Earnings Revision Ratio

Earnings revisions for Singapore fell last month and remains below long term trend

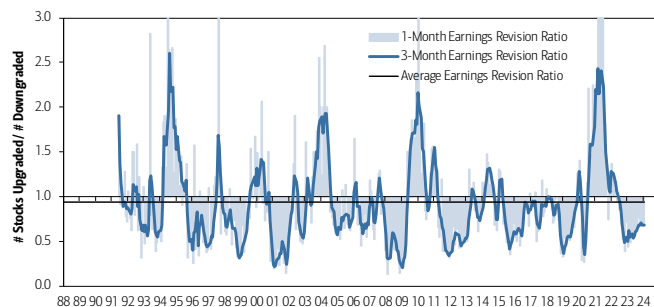


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 22: TAIWAN Earnings Revision Ratio

Earnings revisions for Taiwan fell last month and remains below long term trend

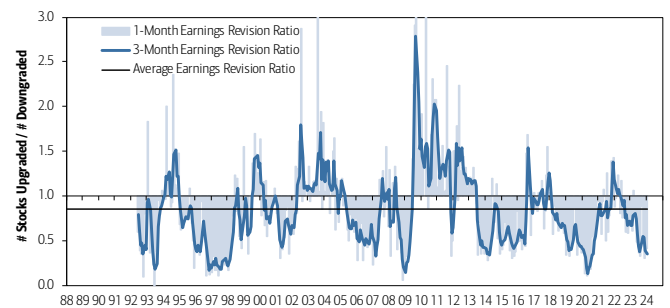


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 23: THAILAND Earnings Revision Ratio

Earnings revisions improved in Thailand last month



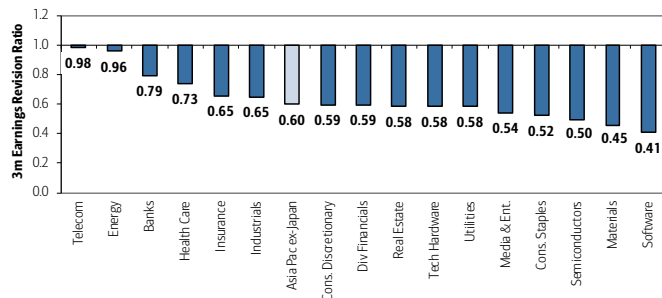
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Asia Pac ex-Japan Sectors Earnings Revisions Ratio

Chart 24: 3-month Earnings Revision Ratio by APxJ Sectors

Telecom has the highest 3-month ERR among sectors

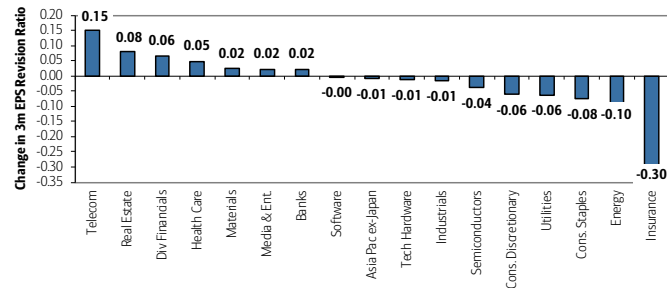


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 25: 1m change in 3m Earnings Revision Ratio by APxJ Sectors

Telecom 3-month ERR improved the most



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Table 2: Asia Pac ex-Japan Sector Earnings Revision Ratios

Telecom has the highest 3-month ERR among sectors

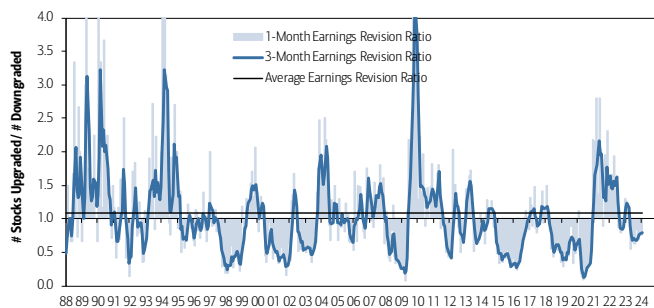
Sector	Nov-23	Dec-23	Jan-24	Last 3 Months
Energy	1.03	0.88	0.97	0.96
Materials	0.27	0.65	0.51	0.45
Industrials	0.55	0.76	0.67	0.65
Cons. Discretionary	0.55	0.61	0.62	0.59
Cons. Staples	0.50	0.66	0.43	0.52
Health Care	0.57	0.86	0.80	0.73
Banks	0.75	0.88	0.75	0.79
Div Financials	0.42	0.73	0.67	0.59
Insurance	0.69	0.93	0.42	0.65
Software	0.26	0.49	0.53	0.41
Tech Hardware	0.46	0.61	0.69	0.58
Semiconductors	0.36	0.69	0.48	0.50
Telecom	0.85	0.80	1.50	0.98
Media & Ent.	0.44	0.54	0.67	0.54
Utilities	0.45	0.63	0.72	0.58
Real Estate	0.57	0.56	0.63	0.58
Asia Pac ex-Japan	0.49	0.69	0.63	0.60

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 26: APxJ Banks Earnings Revision Ratio

Earnings revisions for Banks fell last month and remains below long term trend

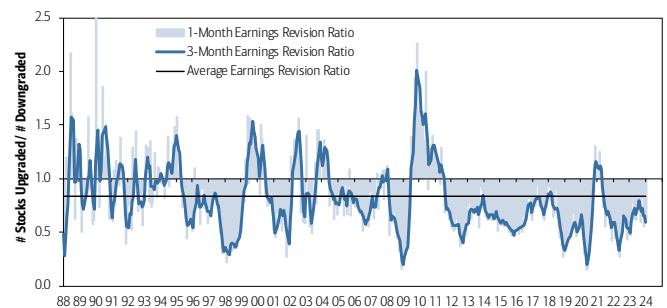


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 27: APxJ Consumer Discretionary Earnings Revision Ratio

Earnings revisions improved in Cons. Discretionary last month but remains below long term average

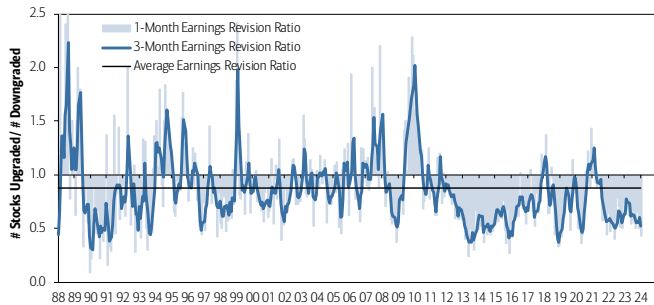


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 28: APxJ Consumer Staples Earnings Revision Ratio

ERR fell in Cons. Staples last month and the trend moderated

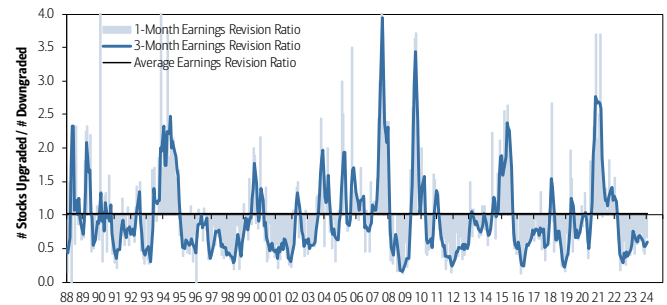


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 29: APxJ Diversified Financials Earnings Revision Ratio

Earnings revisions fell in Div Financials last month

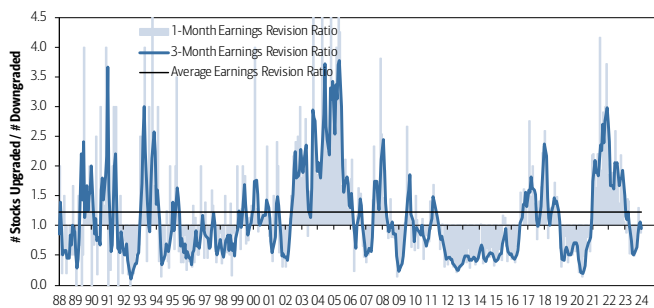


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 30: APxJ Energy Earnings Revision Ratio

The trend is weak but earnings revisions improved in Energy last month

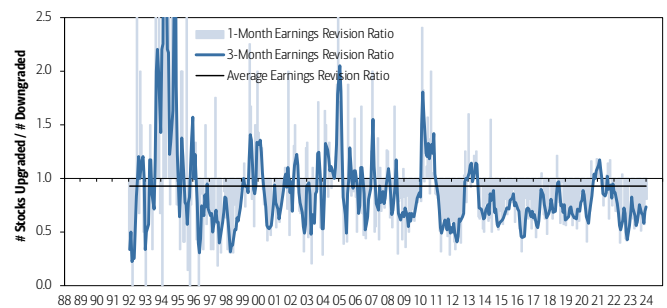


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 31: APxJ Health Care Earnings Revision Ratio

Earnings revisions fell in Health Care last month

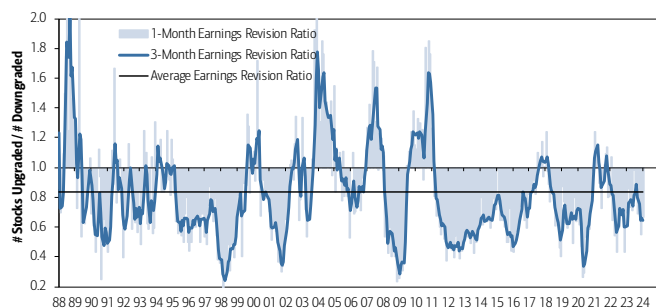


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 32: APxJ Industrials Earnings Revision Ratio

ERR fell in Industrials last month and the trend moderated

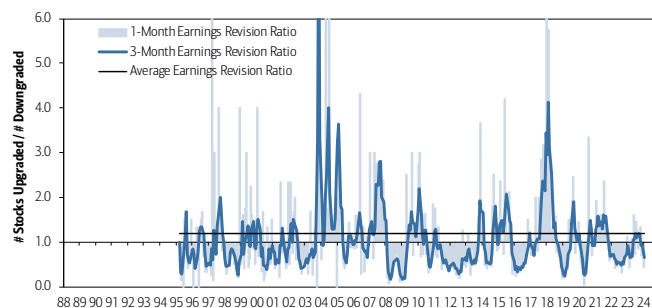


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 33: APxJ Insurance Earnings Revision Ratio

Earnings revisions fell in Insurance last month

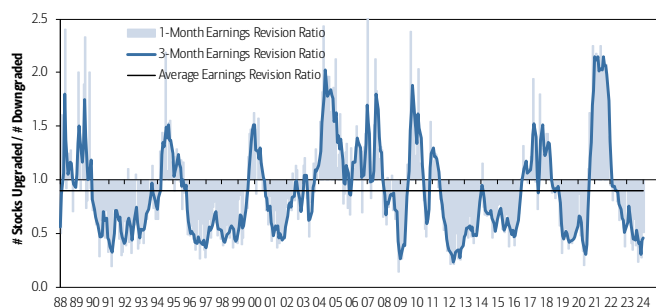


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 34: APxJ Materials Earnings Revision Ratio

Earnings revisions fell in Materials last month

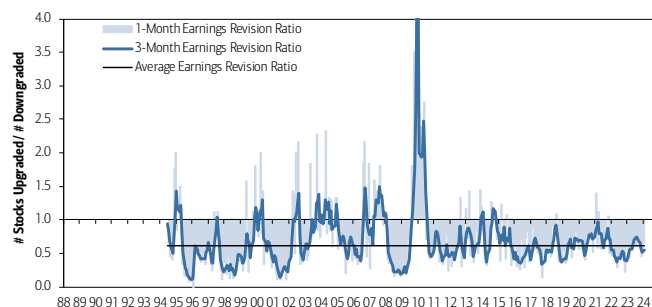


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 35: APxJ Media & Ent. Earnings Revision Ratio

Earnings trend improved in Media & Ent. in the last three months

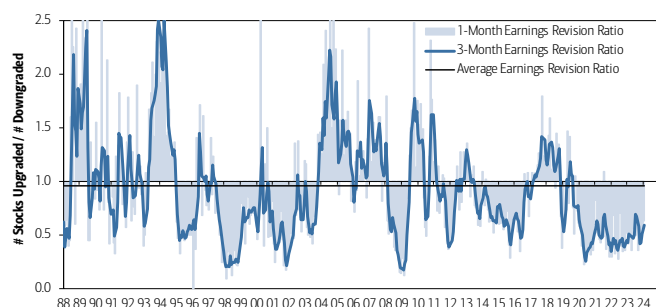


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 36: APxJ Real Estate Earnings Revision Ratio

Earnings trend improved in Real Estate in the last three months

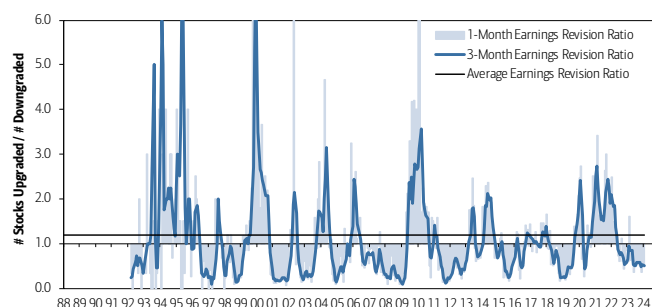


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 37: APxJ Semiconductors Earnings Revision Ratio

Earnings revisions fell in Semiconductors last month

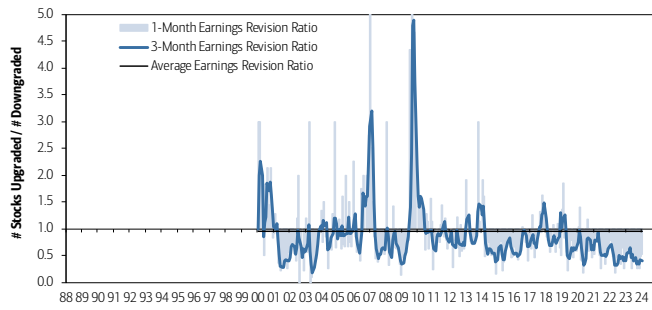


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 38: APxJ Software Earnings Revision Ratio

Earnings revisions improved in Software last month

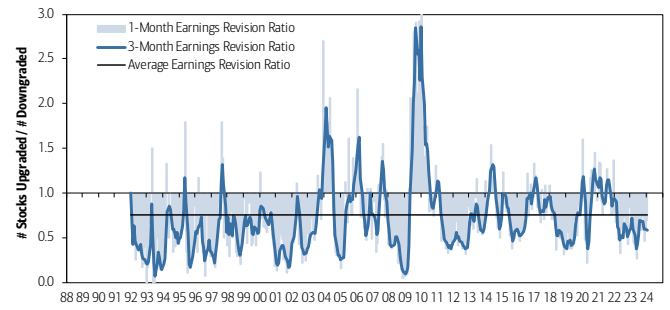


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 39: APxJ Tech Hardware Earnings Revision Ratio

Earnings revisions improved in Tech Hardware last month

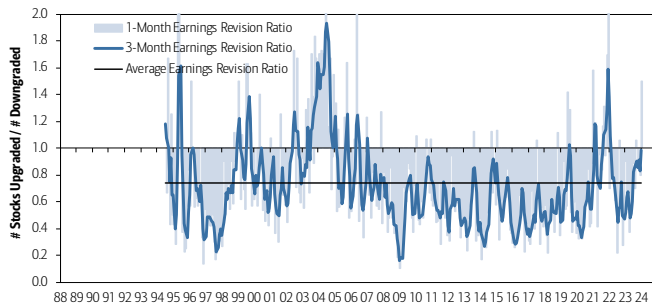


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 40: APxJ Telecom Earnings Revision Ratio

Earnings revisions improved for Telecom last month and remains above long-term average

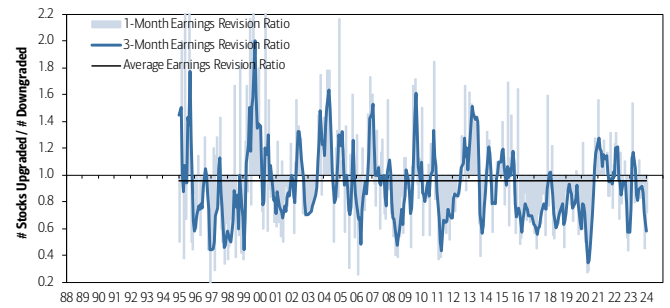


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 41: APxJ Utilities Earnings Revision Ratio

Earnings revisions improved in Utilities last month but remains below long term average

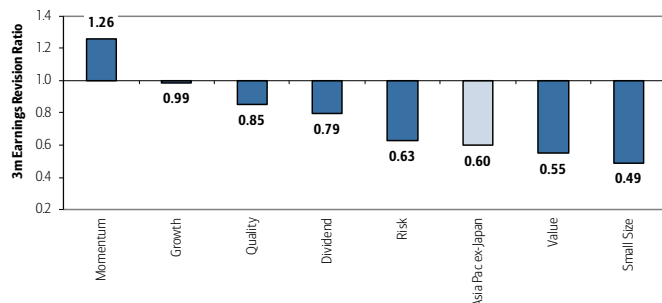


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Earnings Revision Ratio: Quantessential Styles

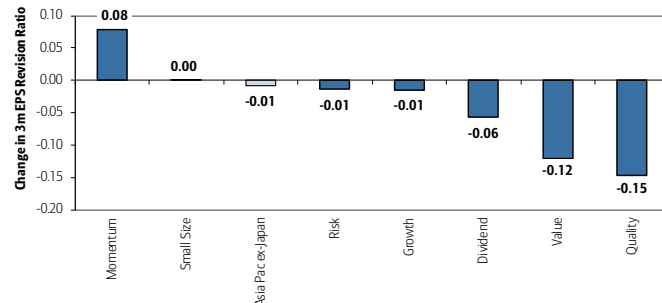
Chart 42: 3m Earnings Revision Ratio by Asia Pac ex-Japan Styles
Among Styles, Momentum has the highest 3-month ERR



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, ExShare

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Chart 43: 1m change in 3m Earnings Revision Ratio by APxJ Styles
Momentum 3-month ERR improved the most



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, ExShare

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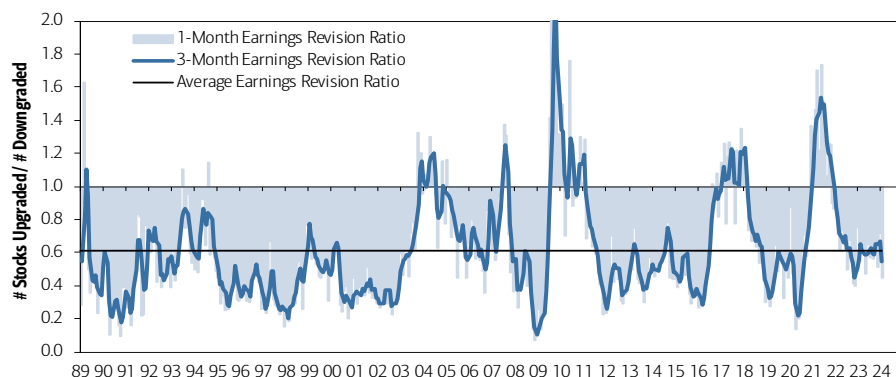
Table 3: Asia Pac ex-Japan Style Earnings Revision Ratio
Among Styles, Momentum has the highest 3-month ERR

Style	Nov-23	Dec-23	Jan-24	Last 3 Months
Value	0.51	0.71	0.45	0.55
Growth	0.80	0.97	1.22	0.99
Quality	0.81	1.06	0.71	0.85
Risk	0.66	0.64	0.59	0.63
Momentum	1.12	1.25	1.44	1.26
Dividend	0.70	0.88	0.81	0.79
Small Size	0.47	0.43	0.57	0.49
Asia Pac ex-Japan	0.49	0.69	0.63	0.60

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, ExShare

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Chart 44: Quantessential Value: Earnings Revision Ratio
ERR fell in Value last month and the trend moderated

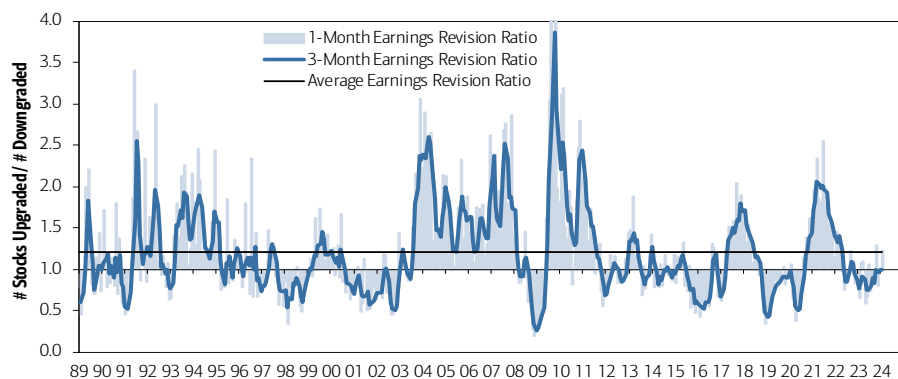


Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI, ExShare

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Chart 45: Quantessential Growth: Earnings Revision Ratio

Earnings revisions improved for Growth last month and remains above long-term average

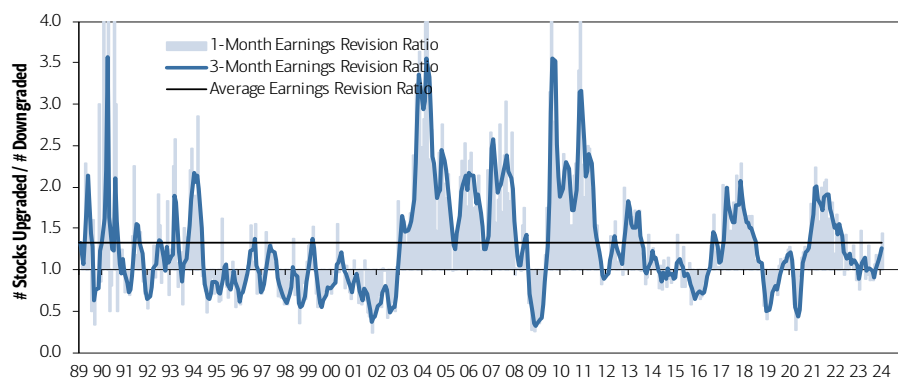


Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI, Exshare

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Chart 46: Quantessential Momentum: Earnings Revision Ratio

Earnings revisions improved in Momentum last month

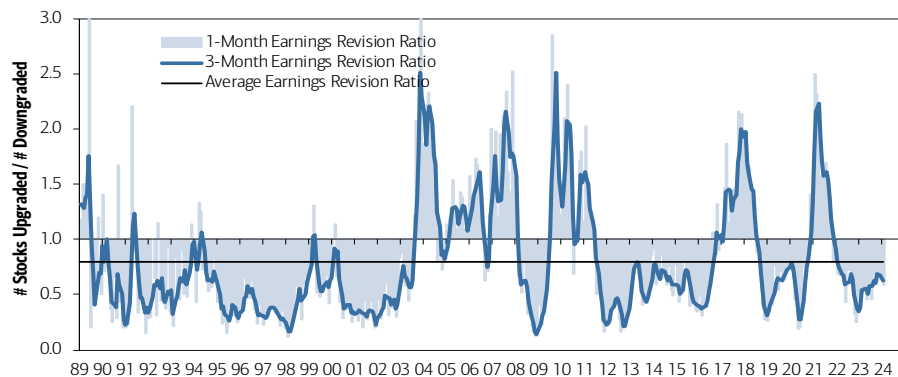


Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI, Exshare

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Chart 47: Quantessential Risk: Earnings Revision Ratio

Earnings revisions for Risk fell last month and remains below long term trend

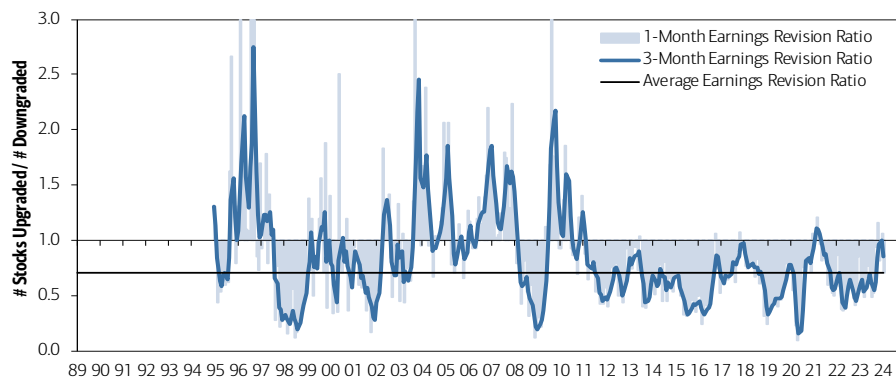


Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI, Exshare

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Chart 48: Quantessential Quality: Earnings Revision Ratio

Earnings revisions fell in Quality last month

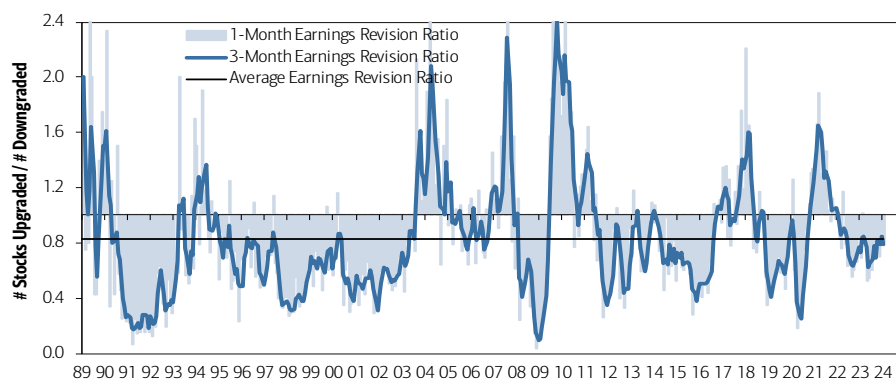


Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI, Exshare

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Chart 49: Quantessential Dividends: Earnings Revision Ratio

ERR fell in Dividend last month and the trend moderated

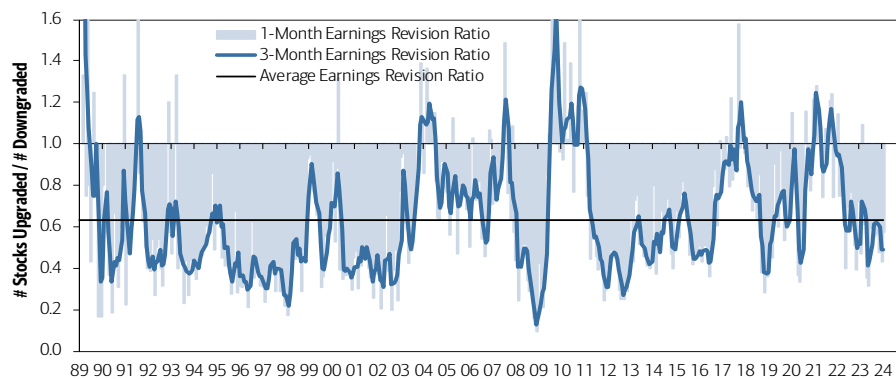


Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI, Exshare

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Chart 50: Quantessential Small Size: Earnings Revision Ratio

Earnings trend improved in Small Size in the last three months



Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI, Exshare

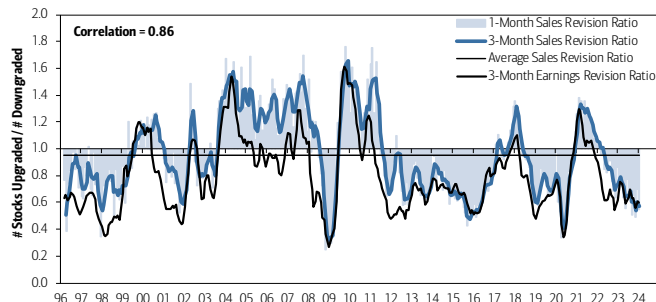
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Sales Revision Ratio

Sales Revision Ratio: Asia Pac ex-Japan Countries

Chart 51: Sales Revision Ratio - Asia Pac ex-Japan

Sales revisions fell in Asia Pac ex-Japan last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Table 4: Sales Revision Ratio - Asia Pac ex-Japan Countries

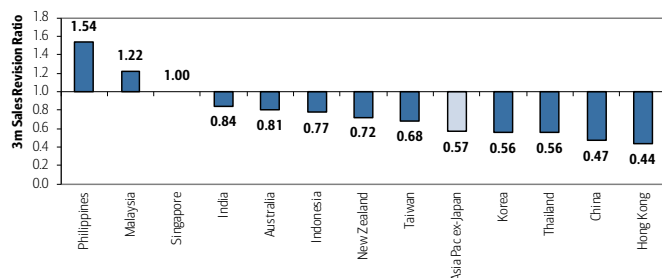
Among countries, Philippines has the highest 3-month SRR

	Nov-23	Dec-23	Jan-24	Last 3 Months
Australia	0.71	0.84	0.88	0.81
China	0.37	0.60	0.48	0.47
Hong Kong	0.39	0.51	0.41	0.44
India	0.97	0.96	0.64	0.84
Indonesia	0.82	0.85	0.67	0.77
Korea	0.52	0.70	0.47	0.56
Malaysia	1.14	1.23	1.31	1.22
New Zealand	0.56	0.67	1.33	0.72
Philippines	2.71	1.00	1.30	1.54
Singapore	0.76	1.36	1.00	1.00
Taiwan	0.55	0.86	0.67	0.68
Thailand	0.48	0.78	0.45	0.56
Asia Pac ex-Japan	0.49	0.70	0.55	0.57

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

Chart 53: Sales Revision Ratio by Asia Pac ex-Japan Countries - Last 3 months

Among countries, Philippines has the highest 3-month SRR

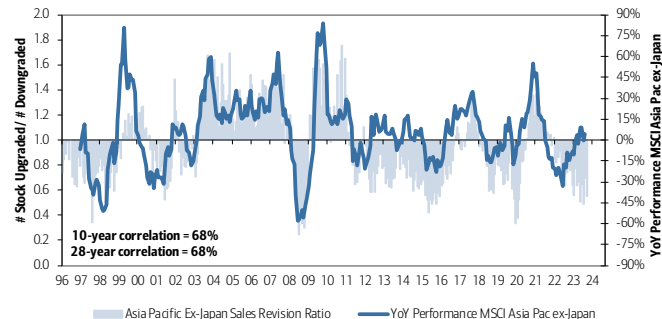


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 52: Sales Revisions Ratio vs. YoY Market Perf

YoY APxJ Equity Market Performance vs APxJ SRR has correlation of 0.68

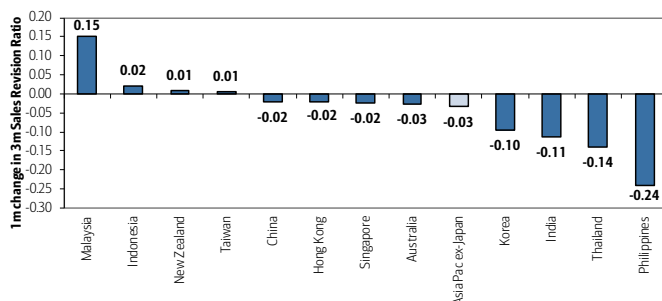


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Exshare

BofA GLOBAL RESEARCH

Chart 54: 1-month change in three-month Sales Revision Ratio by Asia Pac ex-Japan Countries

Malaysia 3-month SRR improved the most

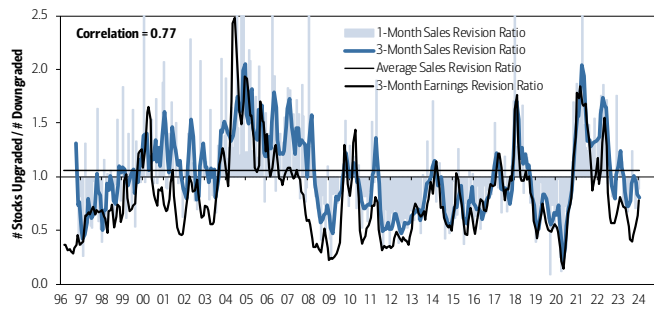


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 55: Sales Revision Ratio - Australia

Sales revisions improved in Australia last month

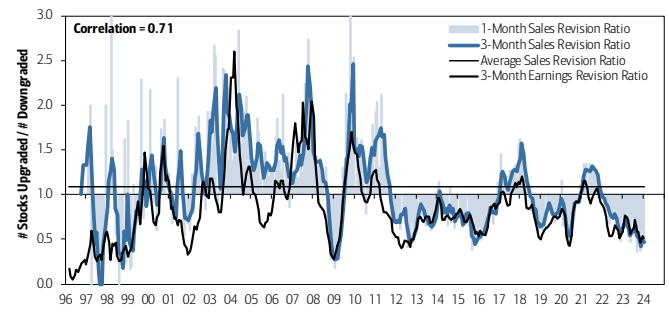


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 56: Sales Revision Ratio - China

SRR fell in China last month and the trend moderated

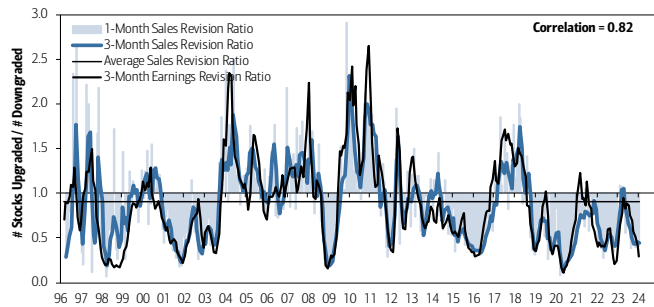


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 57: Sales Revision Ratio - Hong Kong

SRR fell in Hong Kong last month and the trend moderated

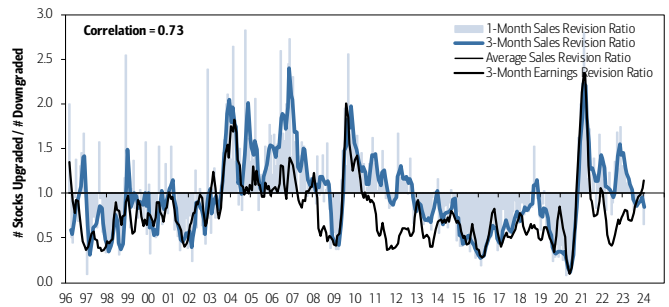


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 58: Sales Revision Ratio - India

SRR fell in India last month and the trend moderated

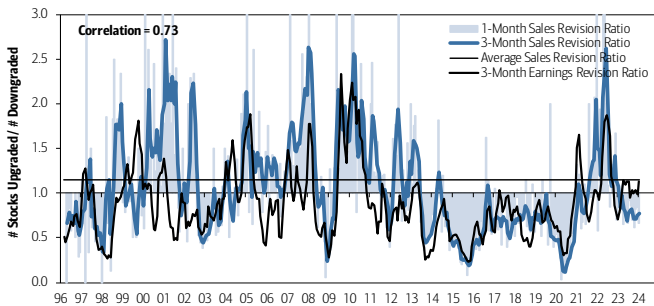


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 59: Sales Revision Ratio - Indonesia

Sales revisions fell in Indonesia last month

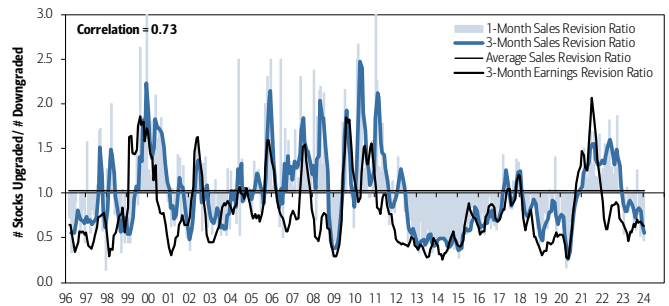


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 60: Sales Revision Ratio - Korea

SRR fell in Korea last month and the trend moderated

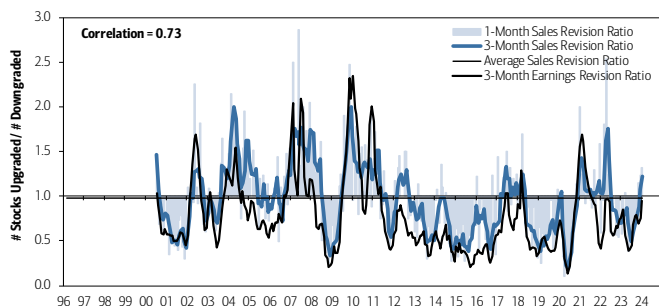


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 61: Sales Revision Ratio - Malaysia

Sales revisions improved in Malaysia last month

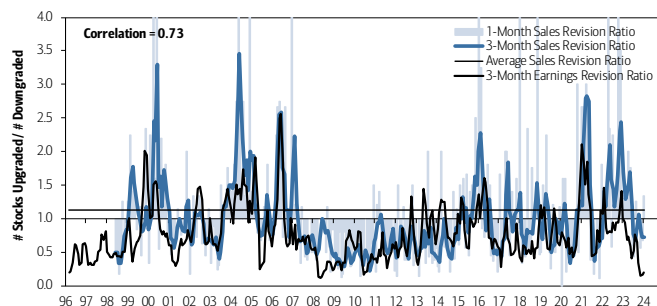


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 62: Sales Revision Ratio - New Zealand

Sales trend improved in New Zealand in the last three months

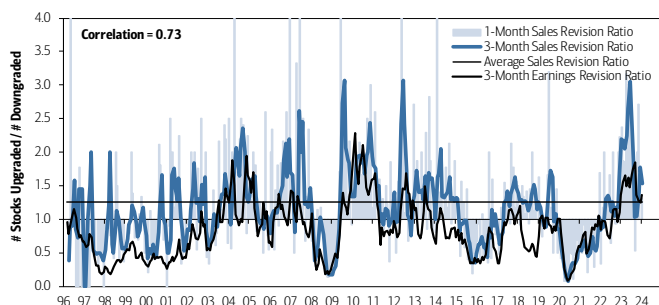


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 63: Sales Revision Ratio - Philippines

The trend is weak but Sales revisions improved in Philippines last month

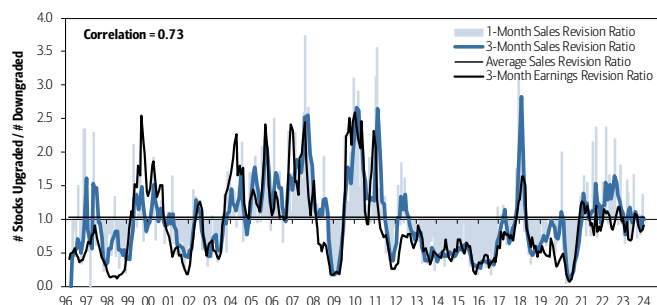


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 64: Sales Revision Ratio - Singapore

SRR fell in Singapore last month and the trend moderated

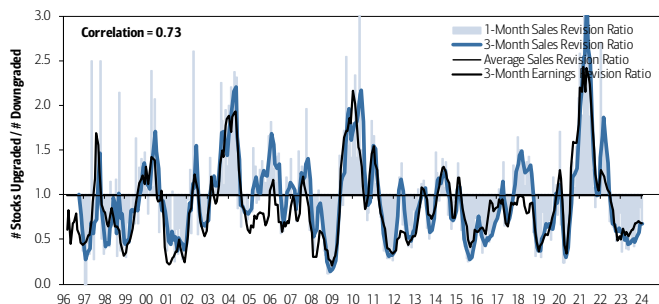


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 65: Sales Revision Ratio - Taiwan

Sales revisions fell in Taiwan last month, but the trend remains strong

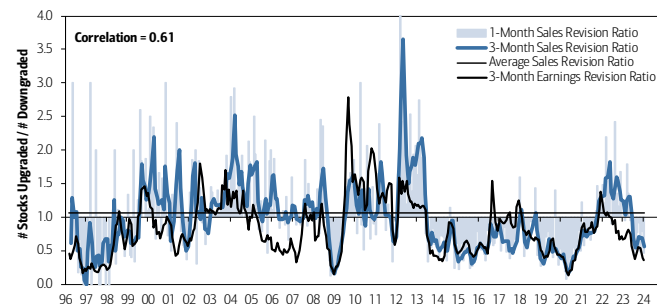


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 66: Sales Revision Ratio - Thailand

Sales revisions fell in Thailand last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Sales Revision Ratio: Asia Pac ex-Japan Sectors

Table 5: Sales Revision Ratio - Asia Pac ex-Japan Sectors

Among sectors, Energy has the highest 3-month SRR

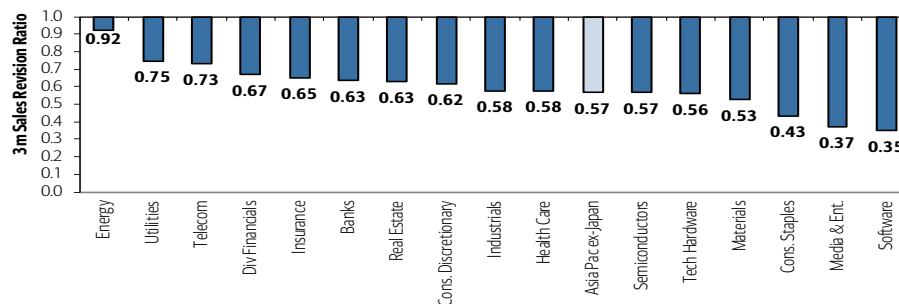
	Nov-23	Dec-23	Jan-24	Last 3 Months
Energy	2.05	0.77	0.41	0.92
Materials	0.45	0.67	0.50	0.53
Industrials	0.48	0.74	0.57	0.58
Cons. Discretionary	0.54	0.73	0.60	0.62
Cons. Staples	0.39	0.65	0.31	0.43
Health Care	0.43	0.75	0.60	0.58
Banks	0.58	0.70	0.63	0.63
Div Financials	0.54	0.89	0.64	0.67
Insurance	0.82	0.62	0.56	0.65
Software	0.27	0.36	0.45	0.35
Tech Hardware	0.38	0.72	0.65	0.56
Semiconductors	0.35	0.79	0.64	0.57
Telecom	0.29	1.20	1.06	0.73
Media & Ent.	0.36	0.33	0.44	0.37
Utilities	0.60	0.81	0.91	0.75
Real Estate	0.84	0.76	0.38	0.63
Asia Pac ex-Japan	0.49	0.70	0.55	0.57

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 67: Sales Revision Ratio by Asia Pac ex-Japan Sectors - Last 3 months

Among sectors, Energy has the highest 3-month SRR

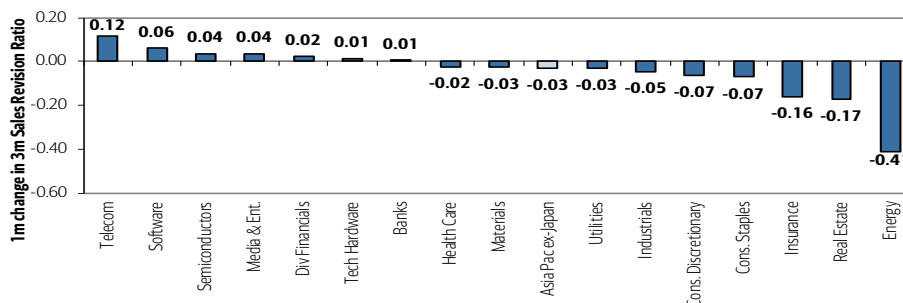


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 68: Sales Revision Ratio by Asia Pac ex-Japan Sectors - 1-month change in 3-month Ratio

Telecom 3-month SRR improved the most

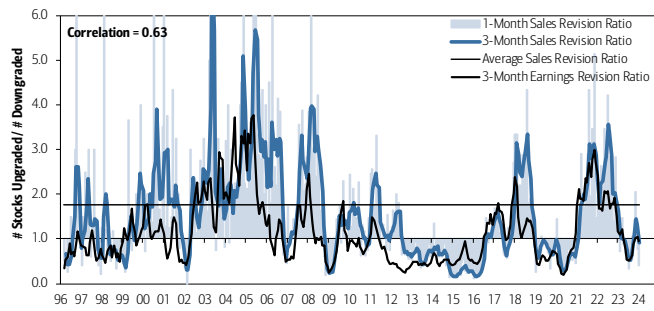


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 69: Sales Revision Ratio - Energy

SRR fell in Energy last month and the trend moderated

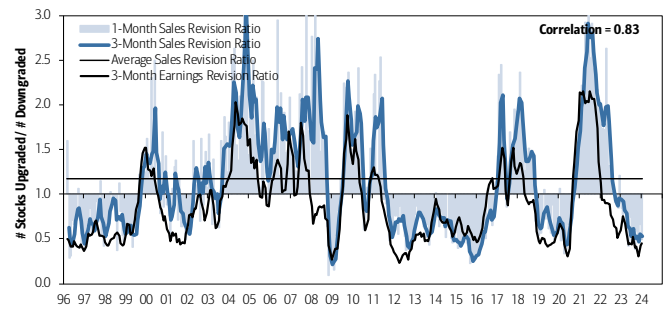


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 70: Sales Revision Ratio - Materials

Sales revisions fell in Materials last month

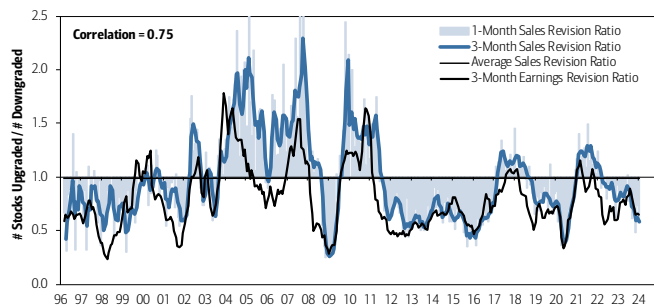


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 71: Sales Revision Ratio - Industrials

SRR fell in Industrials last month and the trend moderated

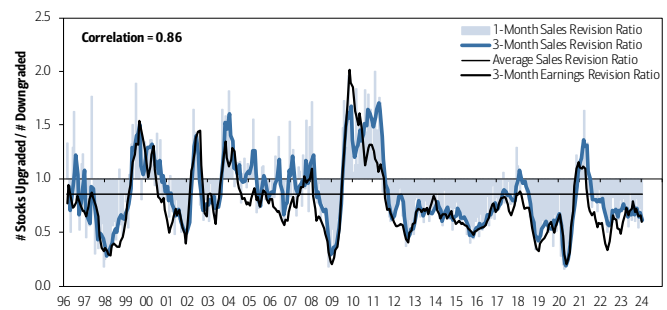


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 72: Sales Revision Ratio - Consumer Discretionary

Sales revisions for Cons. Discretionary fell last month and remains below long term trend

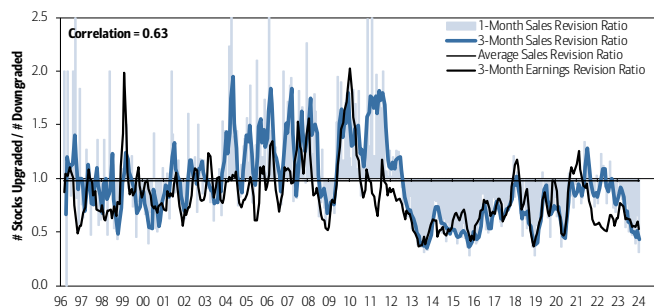


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 73: Sales Revision Ratio - Consumer Staples

Sales revisions fell in Cons. Staples last month

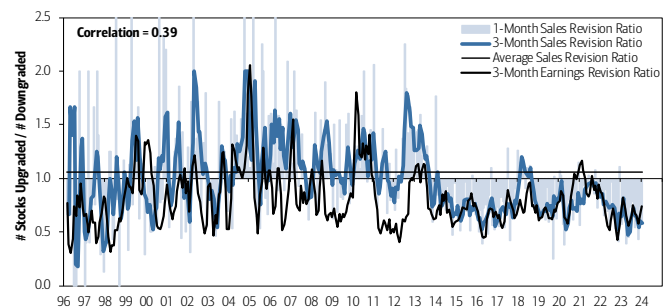


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 74: Sales Revision Ratio - Health Care

Sales revisions fell in Health Care last month

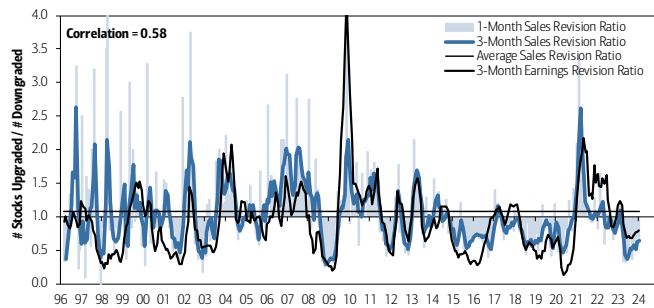


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 75: Sales Revision Ratio - Banks

Sales revisions for Banks fell last month and remains below long term trend

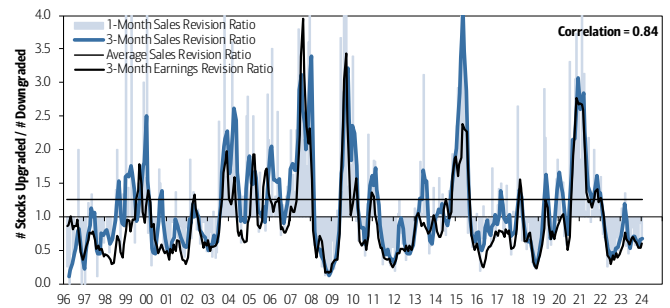


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 76: Sales Revision Ratio - Diversified Financials

Sales revisions fell in Div Financials last month, but the trend remains strong

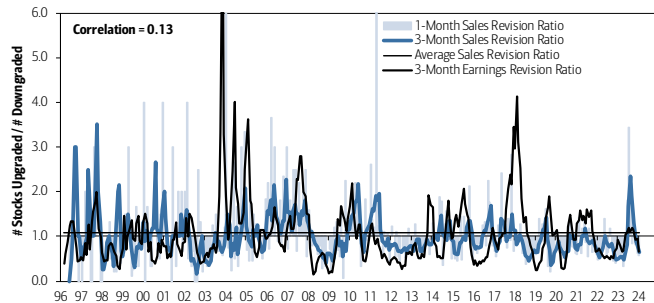


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 77: Sales Revision Ratio - Insurance

Sales revisions for Insurance fell last month and remains below long term trend

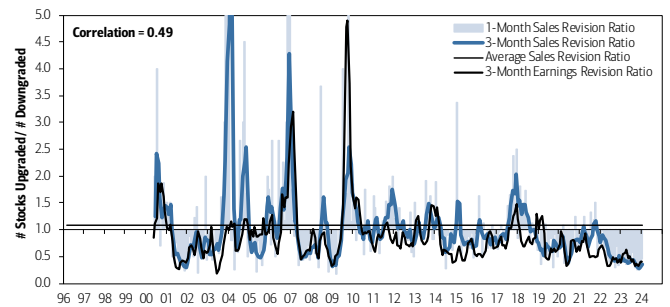


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 78: Sales Revision Ratio - Software

Sales revisions improved in Software last month

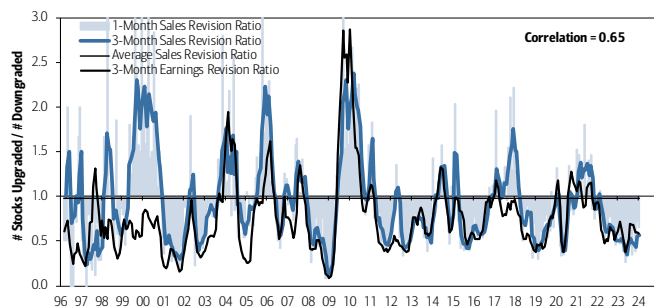


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 79: Sales Revision Ratio - Tech Hardware

Sales revisions fell in Tech Hardware last month

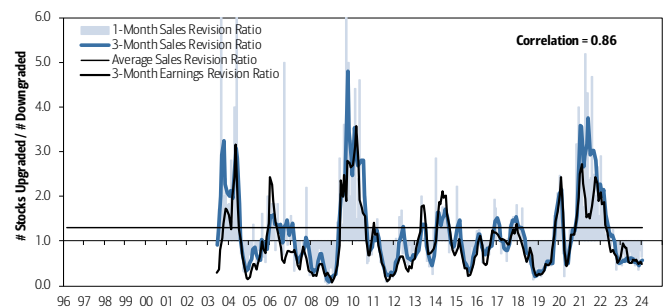


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 80: Sales Revision Ratio - Semiconductors

Sales revisions fell in Semiconductors last month

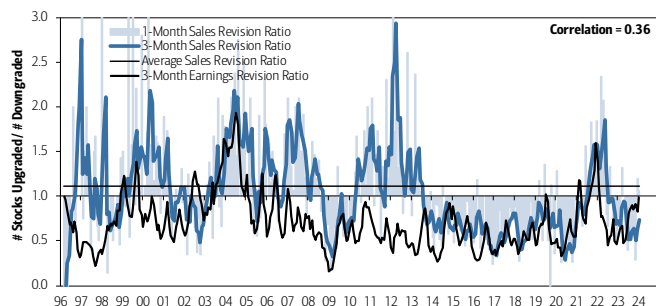


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 81: Sales Revision Ratio - Telecom

Sales revisions fell in Telecom last month, but remains above 1.0

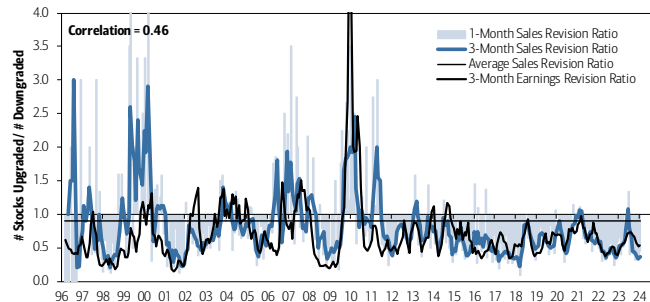


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 82: Sales Revision Ratio - Media & Entertainment

Sales revisions improved in Media & Ent. last month

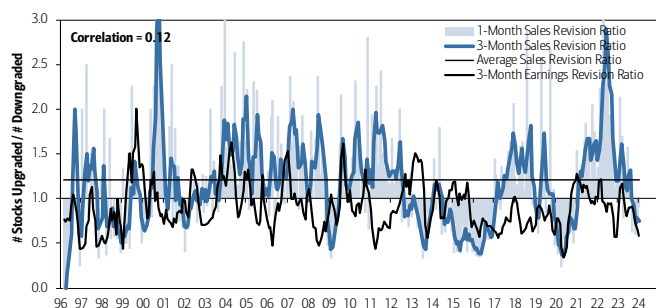


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Chart 83: Sales Revision Ratio - Utilities

Sales revisions improved in Utilities last month but remains below long term average

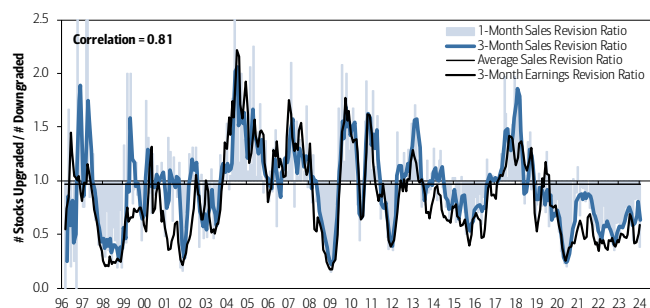


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Chart 84: Sales Revision Ratio - Real Estate

Sales revisions for Real Estate fell last month and remains below long term trend



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

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Appendix A: Country-Sector Earnings Revision Ratio Matrix

Table 6: Asia Pac ex-Japan Country-Sector 1-month Earnings Revision Ratios

Majority of APxJ country-sector 1-month Earnings Revision Ratio below 1.0

	Energy	Materials	Industrials	Cons. Discretionary	Cons. Staples	Health Care	Banks	Div Financials	Insurance	Software	Tech Hardware	Semiconductors	Telecom	Media & Ent.	Utilities	Real Estate	Country
Australia	1.00	0.70	0.20	0.50	1.00	0.67	5.00	3.00	2.00	-	-	-	-	1.00	2.00	5.00	0.76
China	1.00	0.47	0.54	0.74	0.31	0.61	0.67	0.67	-	0.48	0.63	0.42	1.00	0.83	0.85	0.48	0.66
Hong Kong	-	-	0.17	0.20	-	-	0.50	-	-	-	-	-	1.00	-	0.33	-	0.55
India	1.67	0.81	2.43	1.08	1.00	2.20	0.75	0.78	1.00	0.29	-	-	3.00	0.50	1.67	1.50	0.87
Indonesia	3.00	0.67	1.00	3.00	1.25	-	1.00	-	-	-	-	-	2.00	-	-	3.00	0.85
Korea	-	0.25	0.63	0.29	0.30	2.33	0.14	0.60	1.00	-	0.33	0.50	2.00	0.30	1.00	-	0.58
Malaysia	-	-	4.00	0.67	3.00	-	4.00	-	-	-	-	1.00	2.00	-	-	2.00	0.80
New Zealand	-	-	-	-	-	1.00	-	-	-	-	-	-	-	-	-	-	0.33
Philippines	-	-	1.50	1.00	-	-	-	-	-	-	-	-	-	-	-	-	1.42
Singapore	-	-	-	-	-	-	2.00	-	-	-	-	-	-	-	-	0.20	1.40
Taiwan	-	0.57	0.88	0.20	1.00	-	0.75	-	0.33	-	1.06	0.59	2.00	-	-	-	0.43
Thailand	0.50	0.75	0.50	0.13	0.60	-	0.75	0.50	-	-	-	-	-	-	-	2.00	0.68
Asia Pac ex-Japan	0.88	0.62	0.74	0.47	0.67	0.71	1.27	0.66	1.00	0.45	0.63	0.60	0.90	0.54	1.14	0.41	

Key:

1-month Earnings Revision Ratio greater than 1.00

Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI

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Table 7: Asia Pac ex-Japan Country-Sector 3-month Earnings Revision Ratios

Majority of APxJ country-sector 3-month Earnings Revision Ratio below 1.0

	Energy	Materials	Industrials	Cons. Discretionary	Cons. Staples	Health Care	Banks	Div Financials	Insurance	Software	Tech Hardware	Semiconductors	Telecom	Media & Ent.	Utilities	Real Estate	Country
Australia	0.64	0.97	0.71	0.58	0.50	0.56	2.20	0.33	2.00	0.50	-	-	1.00	0.30	0.80	1.29	0.70
China	0.73	0.39	0.52	0.59	0.43	0.69	0.51	0.48	0.25	0.39	0.55	0.37	3.67	0.55	0.51	0.51	0.58
Hong Kong	-	-	0.62	0.28	0.25	-	0.67	0.50	-	-	0.50	2.00	0.40	1.00	0.22	0.05	0.38
India	3.17	0.82	1.67	1.00	1.26	1.47	1.05	0.96	1.40	0.29	1.00	-	0.86	1.25	2.29	1.50	0.75
Indonesia	1.40	0.36	2.00	2.00	0.80	-	1.00	-	-	-	-	-	1.25	2.00	-	5.00	0.70
Korea	0.80	0.19	0.65	0.59	0.77	0.94	0.85	0.85	1.25	2.00	0.20	0.80	0.75	0.63	0.50	-	0.67
Malaysia	1.50	0.14	3.00	0.60	0.75	1.20	1.22	-	-	-	-	0.40	1.00	-	0.50	2.50	0.75
New Zealand	-	1.00	-	-	-	0.33	-	-	-	-	-	-	-	-	0.25	-	1.00
Philippines	-	-	2.40	1.50	0.57	-	1.00	-	-	-	-	-	1.00	-	1.50	4.50	1.36
Singapore	-	-	2.80	-	0.25	-	0.80	1.00	-	-	1.00	-	-	-	-	0.27	1.03
Taiwan	0.50	0.52	0.78	0.48	0.20	-	0.82	0.50	0.25	-	0.80	0.90	0.80	-	-	-	0.50
Thailand	0.80	0.50	0.23	0.08	0.33	2.00	0.62	0.38	2.00	-	0.40	-	0.13	-	0.05	1.00	0.66
Asia Pac ex-Japan	1.16	0.60	0.61	0.49	0.63	0.66	1.16	0.48	0.92	0.39	0.60	0.65	0.52	0.43	0.74	0.42	

Key:

3-month Earnings Revision Ratio greater than 1.00

Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI

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Table 8: Asia Pac ex-Japan Country-Sector - Earnings Upgrades / Downgrades

Majority of APxJ country-sectors' downgrades outnumber upgrades

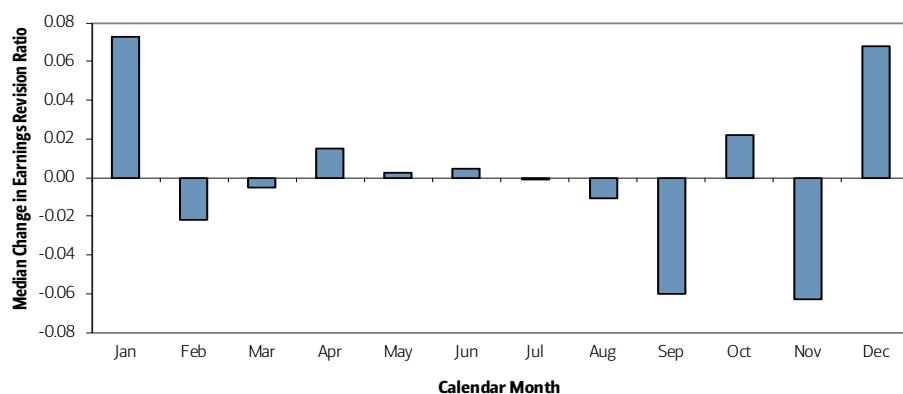
	Energy	Materials	Industrials	Cons. Discretionary	Cons. Staples	Health Care	Banks	Div Financials	Insurance	Software	Tech Hardware	Semiconductors	Telecom	Media & Ent.	Utilities	Real Estate	Country
Australia	3 / 3	7 / 10	1 / 5	2 / 4	2 / 2	2 / 3	5 / 1	3 / 1	2 / 1	0 / 0	0 / 0	0 / 0	0 / 0	2 / 2	2 / 1	5 / 1	36 / 34
China	12 / 12	48 / 103	72 / 133	55 / 74	21 / 67	50 / 82	12 / 18	14 / 21	0 / 8	16 / 33	32 / 51	22 / 53	2 / 2	20 / 24	17 / 20	14 / 29	407 / 730
Hong Kong	0 / 0	0 / 0	1 / 6	2 / 10	0 / 3	0 / 0	1 / 2	0 / 2	0 / 1	0 / 0	0 / 1	1 / 0	1 / 1	0 / 0	1 / 3	0 / 14	7 / 43
India	5 / 3	13 / 16	17 / 7	14 / 13	7 / 7	11 / 5	6 / 8	7 / 9	2 / 2	2 / 7	2 / 0	0 / 0	3 / 1	1 / 2	5 / 3	3 / 2	98 / 85
Indonesia	6 / 2	2 / 3	1 / 1	3 / 1	5 / 4	0 / 2	3 / 3	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	4 / 2	2 / 0	1 / 0	3 / 1	30 / 19
Korea	0 / 3	3 / 12	17 / 27	4 / 14	3 / 10	7 / 3	1 / 7	3 / 5	3 / 3	3 / 0	2 / 6	1 / 2	2 / 1	3 / 10	1 / 1	0 / 0	53 / 104
Malaysia	0 / 0	0 / 2	4 / 1	2 / 3	3 / 1	5 / 0	4 / 1	1 / 0	0 / 0	0 / 0	0 / 0	1 / 1	2 / 1	0 / 1	0 / 1	2 / 1	24 / 13
New Zealand	0 / 0	0 / 0	0 / 1	0 / 0	0 / 0	1 / 1	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 2	0 / 0	1 / 4
Philippines	0 / 1	0 / 0	3 / 2	1 / 1	0 / 3	0 / 0	0 / 4	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	2 / 0	0 / 0	0 / 2	4 / 0	10 / 13
Singapore	0 / 0	0 / 0	5 / 0	0 / 0	0 / 2	0 / 0	2 / 1	0 / 1	0 / 0	0 / 0	0 / 0	0 / 0	0 / 0	0 / 1	1 / 0	1 / 5	9 / 10
Taiwan	0 / 1	4 / 7	7 / 8	2 / 10	1 / 1	0 / 1	3 / 4	0 / 2	1 / 3	0 / 0	18 / 17	10 / 17	2 / 1	0 / 0	0 / 0	0 / 0	48 / 72
Thailand	2 / 4	3 / 4	2 / 4	1 / 8	3 / 5	2 / 0	3 / 4	2 / 4	0 / 1	0 / 0	0 / 3	0 / 0	0 / 3	0 / 2	0 / 6	2 / 1	20 / 49
Asia Pac ex-Japan	28 / 29	80 / 157	130 / 195	86 / 138	45 / 105	78 / 97	40 / 53	30 / 45	8 / 19	21 / 40	54 / 78	35 / 73	18 / 12	28 / 42	28 / 39	34 / 54	

Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI

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Chart 85: Seasonality of Asia Pac ex-Japan Earnings Revision Ratio

Median change in ERR the highest in January

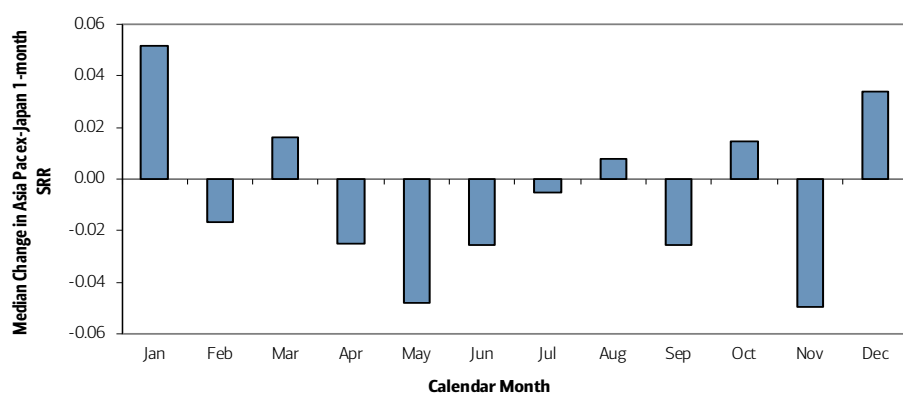


Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI

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Chart 86: Seasonality of Asia Pac ex-Japan Sales Revision Ratio

Median change in SRR the highest in January



Source : BofA Asia Pac Quantitative Strategy, IBES, MSCI

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Global Quant Publications

Monthly reports schedule

Day 1: Contenders & Defenders

A popular visual stock selection model. For each stock, this report graphically shows how consensus earnings expectations have changed over the long term versus the market, and whether recent earnings revisions appear to have been reflected in relative share price performance. Popular ways of using this analysis include 1) reviewing the Contenders (buys) and Defenders (Sells) lists, 2) perusing individual stock charts, 3) monitoring region, country and sector themes using the “quadrant charts”, and 4) reviewing stock rankings. Regional versions are published monthly in these linked reports for [Global Contenders & Defenders](#) and Asia Pac ex-Japan Contenders & Defenders.

Day 1: [Global Performance Monitor](#)

The above linked monthly report analysing the performance of global regions, countries, sectors and identifying the major stock contributors to global equity market performance.

Day 2/3: Quantessential Style

Style rotation. Different investment styles outperform at various stages of the cycle. This investment style analysis relates performance of seven Quantessential Styles (Value, Growth, Quality, Risk, Momentum, Dividend and Size) to trends in global macro data. Popular uses include 1) when to buy “Deep Value”, “Growthiest of Growth”, and other styles, 2) identifying stocks with various style characteristics, 3) monitoring style performance, and 4) explaining out/under-performance due to style tilts. Regional versions are published in these linked monthly reports for [Global Quantessential Style](#) and [Asia Pac ex-Japan Quantessential Style](#).

Week 1: [Global Fund Performance Monitor](#)

The above linked monthly report analysing the relative returns of large long-only equity funds in order to help fund managers understand how returns have been affected by fund characteristics. Funds are grouped by Region, Investment Style, Active/Passive, Active Share Ratio, Funds Under Management, Stock Size, Number of Stocks, and Portfolio Turnover.

Week 2: [Global Wave](#)

The Global Wave (report link above) quantifies turning points and multi-year trends in global economic activity. The direction of the global cycle influences equity market performance, regional allocation, country allocation, style allocation, and stock selection. The Bunkers are stocks for a downturn and the Boosters are stocks for an upturn.

Week 2: [NewsAlpha](#)

The above linked monthly report: 1) quantifies alpha opportunities using news for both short-term and long-term investors, 2) Leverages big data – a) to identify the most significant news events, b) to highlight which stocks are driven by news and c) to create an indicator- The Global News Pulse - to monitor trends in news sentiment globally.

Week 2: Positioning in Stocks

Quantifies how large investors are positioned in terms of stocks, regions, countries and sectors. Popular uses include 1) identifying extreme positioning for contrarian trade ideas, and 2) identifying developing trends in investor positioning. Regional versions are published in these linked monthly reports for [Global Positioning in Stocks](#) and [Pacific Positioning](#).

Week 3: Quant Panorama

Summary report. In this monthly report, we present all our views and recent research on regional allocation, country and sector allocation, style allocation, and stock selection. One-stop shopping. Regional versions are published in these linked monthly reports for [Global Quant Panorama](#) and Asia Pac ex-Japan Quant Panorama.

Week 4: Earnings Revision Ratio

Shows trends in earnings expectations at the regional, country and sector level. Regional versions are published in these linked monthly reports for [Global Earnings Revision Ratio](#) and [Asia Pac ex-Japan Earnings Revision Ratio](#).

Weekly: [High Frequency Monitor](#)

In this above linked weekly report, we monitor high frequency data to help equity investors track short-term changes in market-moving data in order to swiftly identify hot topics and turning points.

Occasional: [Focus Point](#)

The report above contains brief comments on topical issues and new research.

Disclosures

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R1}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

^{R1} Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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