

KE Holdings

2024 keyword: Growth

Reiterate Rating: NEUTRAL | PO: 21.00 USD | Price: 14.86 USD

The underlying industry: recovery, structure change

We expect overall housing market demand to largely stabilize in 2024 with risk coming more from housing price. Therefore, we expect existing home market's sales value may grow in the range of 5-15% YoY, offsetting the 10-18% YoY decline in new home market value, and representing over 40% of the total home market transactions. We believe KE Holding is well positioned for the structural change of the housing market – 1) from new home to existing home, 2) bargain power shift from home sellers to home buyers, 3) from home transaction to home living services, thanks to its strong market leadership in home brokerage industry, balanced exposure to existing home/new home/home renovation & rental services. **Please contact us for upcoming home brokerage expert calls at 11 am Jan 19 and 4pm Jan 25 HKT.**

Transaction business: pursue growth, market share gain

QuestMobile data shows KE Holding has gained traffic share. For 2024, we expect KE Holding to shift focus from profitability and risk control to market share gain and growth. We expect company to 1) accelerate the expansion of connected store network, and 2) increase the coverage of new home projects. We expect its existing home/new home GTV to grow 17%/10% YoY and increase market share by 2+ppt YoY in 2024. We increase 2024E topline to RMB88.2bn (15% YoY) from RMB87.6bn and maintain adjusted net profit at RMB8.7bn because we model higher costs to push for growth. We believe visibility will be better post Chinese New Year. Maintain PO at USD21/HKD54, but we adjust our basis to 16x 2024E EV/adjusted EBITDA (previously 18x 2023E EV/EBITDA). We reiterate Neutral rating due to uncertainties from the property market.

Home renovation and rental: high quality fast growth

For home living services, we expect them to remain on the fast growth track with a slight narrow of loss in 2024. For home renovation business, we expect company to focus more on building capabilities and scaling up operations in existing cities, therefore we model home renovation GTV to grow 40% in 2024.

Estimates (Dec) (CNY)	2021A	2022A	2023E	2024E	2025E
Net Income (Adjusted - mn)	2,295	2,854	9,553	8,693	9,256
EPS	1.92	2.38	8.03	7.31	7.78
EPS Change (YoY)	-82.9%	24.3%	236.9%	-9.0%	6.5%
Dividend / Share	0	0	0	0	0
Free Cash Flow / Share	1.83	6.45	4.03	8.92	8.60
Common EPS (CNY)	0.639	0.794	2.68	2.44	2.59
Common Dividend / Share (CNY)	0	0	0	0	0
Valuation (Dec)					
P/E	49.40x	43.34x	13.12x	14.56x	13.68x
EV / EBITDA*	NM	163.31x	16.37x	13.98x	12.76x
Free Cash Flow Yield*	1.71%	6.06%	3.74%	8.28%	7.98%

* For full definitions of *IQmethod*SM measures, see page 8.

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Refer to important disclosures on page 9 to 12. Analyst Certification on page 6. Price Objective Basis/Risk on page 6.

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Timestamp: 10 January 2024 04:33AM EST

10 January 2024

Equity

Key Changes

(CNY)	Previous	Current
2024E EPS	7.30	7.31
2025E EPS	7.76	7.78

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Stock Data

Price (ADR / Common)	14.86 USD / 38.60 HKD
Price Objective	21.00 USD / 54.00 HKD
Date Established	8-Nov-2023 / 19-May-2023
Investment Opinion	C-2-9 / C-2-9
52-Week Range	13.56 USD-20.86 USD
Market Value (mn)	17,670 USD
Shares Outstanding (mn)	1,189.1 / 3,567.6
Average Daily Value (mn)	93.28 USD
Free Float	0.6%
BofA Ticker / Exchange	BEKE / NYS
BofA Ticker / Exchange	XSQRF / HKG
Bloomberg / Reuters	BEKE US / BEKE.N
ROE (2023E)	13.0%
Net Dbt to Eqty (Dec-2022A)	-17.7%

GTV: Gross transaction value

CNY: Chinese New Year

iQprofileSM KE Holdings

Key Income Statement Data (Dec)	2021A	2022A	2023E	2024E	2025E
(CNY Millions)					
Sales	80,752	60,669	76,642	88,232	99,010
Gross Profit	15,819	13,781	21,128	23,624	25,597
Sell General & Admin Expense	(13,234)	(11,920)	(13,886)	(15,214)	(16,339)
Operating Profit	(1,355)	(833)	5,315	6,464	7,215
Net Interest & Other Income	2,442	754	2,779	1,301	1,301
Associates	53	371	32	0	0
Pretax Income	1,141	292	8,126	7,765	8,516
Tax (expense) / Benefit	(1,665)	(1,690)	(2,396)	(2,898)	(3,085)
Net Income (Adjusted)	2,295	2,854	9,553	8,693	9,256
Average Fully Diluted Shares Outstanding	1,197	1,197	1,190	1,190	1,190

Key Cash Flow Statement Data

Net Income	(524)	(1,386)	5,724	4,868	5,431
Depreciation & Amortization	1,371	1,506	1,400	1,400	1,400
Change in Working Capital	32	5,036	(4,822)	1,898	1,060
Deferred Taxation Charge	NA	NA	NA	NA	NA
Other Adjustments, Net	2,716	3,304	3,195	3,195	3,195
Cash Flow from Operations	3,595	8,461	5,497	11,361	11,085
Capital Expenditure	(1,430)	(793)	(766)	(882)	(990)
(Acquisition) / Disposal of Investments	(18,792)	(6,233)	0	0	0
Other Cash Inflow / (Outflow)	(4,662)	(1,447)	0	0	0
Cash Flow from Investing	(24,884)	(8,472)	(766)	(882)	(990)
Shares Issue / (Repurchase)	0	0	0	0	0
Cost of Dividends Paid	0	0	(207)	0	0
Cash Flow from Financing	(1,074)	(1,155)	(207)	0	0
Free Cash Flow	2,165	7,668	4,731	10,478	10,095
Net Debt	(15,883)	(12,194)	(16,697)	(27,303)	(37,317)
Change in Net Debt	23,065	1,497	(4,503)	(10,606)	(10,015)

Key Balance Sheet Data

Property, Plant & Equipment	1,972	2,037	2,031	2,141	2,358
Other Non-Current Assets	28,421	36,886	36,908	36,908	36,908
Trade Receivables	9,325	4,163	7,454	7,764	8,072
Cash & Equivalents	20,446	19,413	23,916	34,522	44,536
Other Current Assets	40,155	46,848	45,209	45,310	45,410
Total Assets	100,319	109,347	115,517	126,644	137,284
Long-Term Debt	0	0	0	0	0
Other Non-Current Liabilities	24	352	352	352	352
Short-Term Debt	260	619	619	619	619
Other Current Liabilities	28,676	32,722	29,551	31,861	33,328
Total Liabilities	33,263	40,293	37,122	39,432	40,899
Total Equity	67,055	69,054	78,395	87,213	96,385
Total Equity & Liabilities	100,319	109,347	115,517	126,644	137,284

iQmethodSM - Bus Performance*

Return On Capital Employed	-0.7%	-0.1%	5.7%	5.4%	5.5%
Return On Equity	3.4%	4.2%	13.0%	10.5%	10.1%
Operating Margin	-1.7%	-1.4%	6.9%	7.3%	7.3%
EBITDA Margin	0%	1.1%	8.8%	8.9%	8.7%

iQmethodSM - Quality of Earnings*

Cash Realization Ratio	1.6x	3.0x	0.6x	1.3x	1.2x
Asset Replacement Ratio	1.6x	0.9x	1.0x	1.1x	1.3x
Tax Rate (Reported)	146.0%	578.0%	29.5%	37.3%	36.2%
Net Debt-to-Equity Ratio	-23.7%	-17.7%	-21.3%	-31.3%	-38.7%
Interest Cover	NA	NA	NA	NA	NA

Key Metrics

* For full definitions of iQmethodSM measures, see page 8.

Company Sector

Internet/e-Commerce

Company Description

KE Holdings is a leading integrated online and offline platform for housing transactions and services incl. existing home sales, home rentals, new home sales, home renovation and real estate financial solutions. The company is the largest housing transaction platform in China. It primarily monetizes from existing home and new home transaction commissions, as well as from service fees and other emerging services.

Investment Rationale

KE Holdings is a leader in China's housing market with solid quality in terms of higher efficiency, pricing power, and resilience. It achieves higher efficiency with its unique Agent Collaboration Network and advanced tech incl. SaaS and data and AI applications. We expect company to outperform housing market growth, but the recovery may be of uncertainties and volatilities.

Stock Data

Shares / Common	0.33
Price to Book Value	1.6x

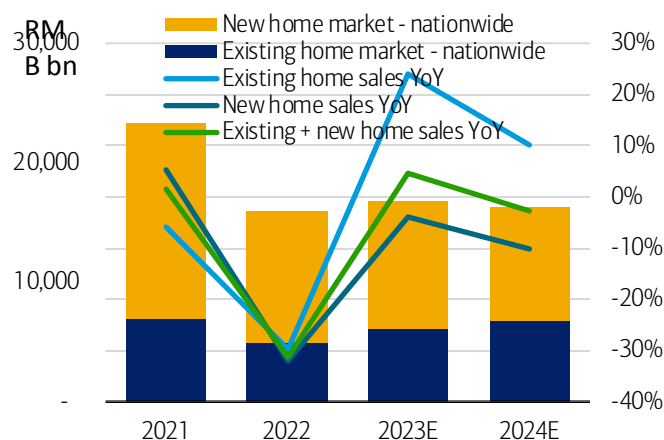
Key Changes

(CNY)	Previous	Current
2024E EPS	2.43	2.44

Key charts

Exhibit 1: Overall housing market demand may stabilize in 2024E

Existing home sales to grow, largely offsetting the weak new home market

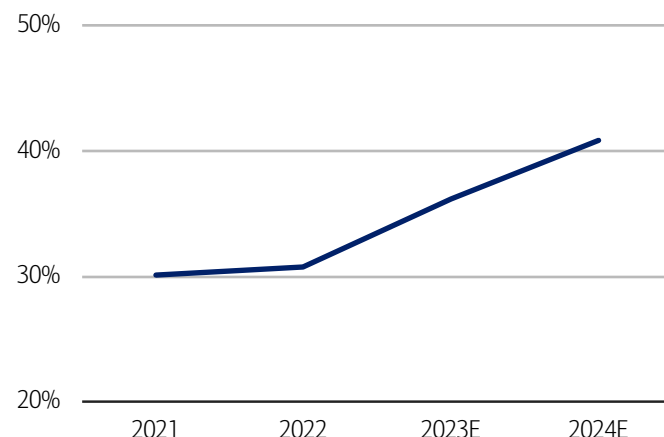


Source: BofA Global Research estimates

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Exhibit 2: Existing home sales penetration in total home market

Increasing penetration of existing home to fulfill housing demand

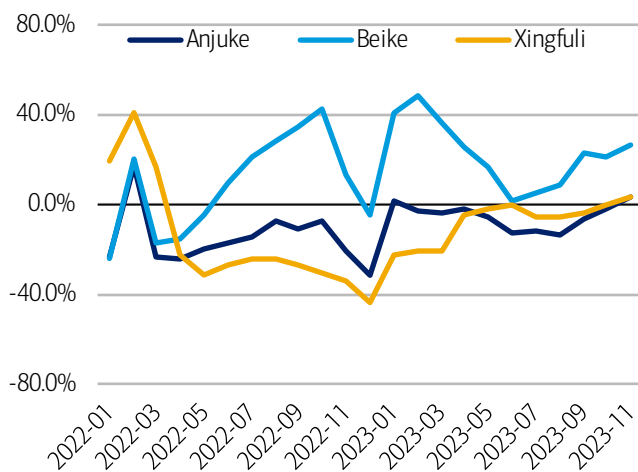


Source: BofA Global Research estimates

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Exhibit 3: Beike's mobile user time spent growth has outperformed

User time spent YoY growth improved since Sept 2023

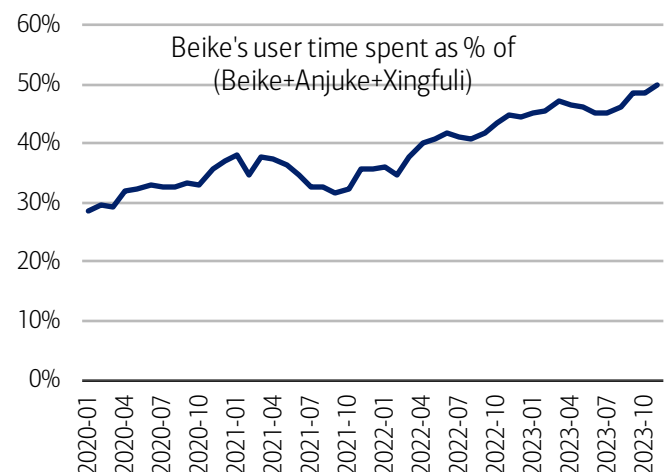


Source: QuestMobile

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Exhibit 4: Beike has been increasing traffic market share

Beike's user time spent as % of (Beike+Anjuke+Xingfuli)

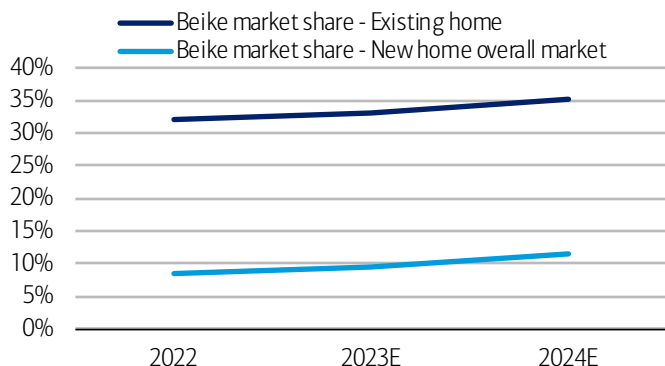


Source: QuestMobile

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Exhibit 5: We expect Beike to grow market share in terms of GTV

Beike will continue to outperform property market

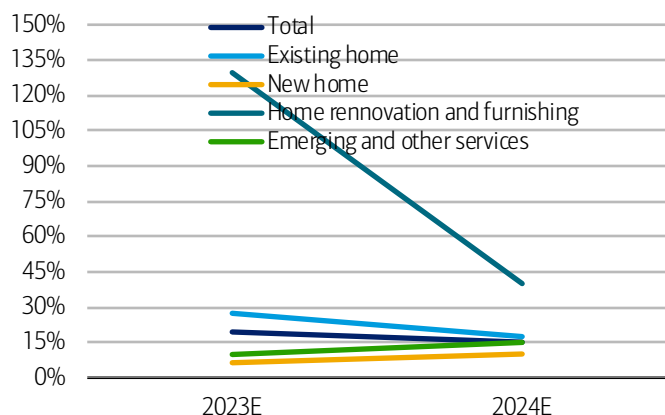


Source: BofA Global Research estimates

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Exhibit 6: Beike's GTV growth

We expect Beike's GTV growth to outperform housing market

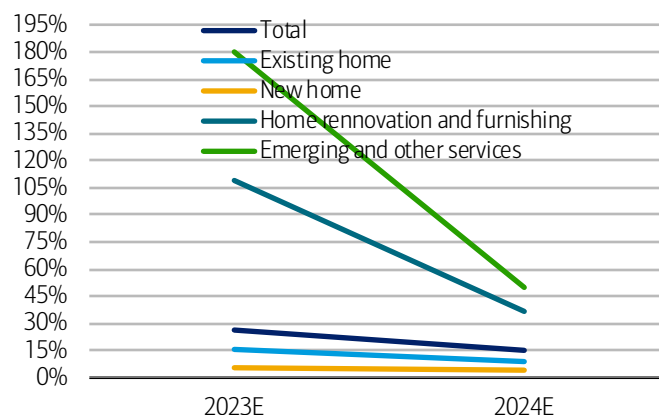


Source: BofA Global Research estimates

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Exhibit 7: Beike's revenue growth

We expect Beike's revenue growth to outperform housing market



Source: BofA Global Research estimates

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Forecasts, PO, catalysts and risks

We increase 2024E topline to RMB88.2bn (15% YoY) from RMB87.6bn, as we expect company to focus more on growth. We maintain adjusted net profit at RMB8.7bn because we model higher costs to push for growth. We believe visibility will be better post Chinese New Year, which is traditionally a peak season for housing market.

We maintain PO at USD21/HKD54, but we adjust our basis to 16x 2024E EV/adjusted EBITDA (previously 18x 2023E EV/EBITDA) as we mark to market. Our target multiple remains based on the average of online property vertical peers globally and online transaction based life services platforms in China. We roll forward base year to 2024E from 2023E.

We reiterate our Neutral rating due to uncertainties from the property market. We believe the stock has been traded as a property market proxy, and the situation may be able to improve if the company delivers material growth outperformance vs. the underlying property market.

Catalysts and risks: 1) lower commission rate due to rate cut or faster mix shift towards high quality developers, 2) lower gross margin due to higher revenue share to agents, lower charges from connected stores, to better incentivize them, 3) lower

profitability due to higher S&M spending for more traffic, 4) better housing market thanks to macro or policy.

Exhibit 30: Comp table
We change target multiple to 16x 2024 EV/EBITDA

Category	Company	Ticker	EV/EBITDA		EV/EBITDA growth		Non-GAAP P/E	
			24E	25E	24E	25E	24E	25E
Other online transaction based services leaders in China	Full Truck Alliance	YMM US	12	8	82%	51%	15	12
	Meituan	3690 HK	9	6	57%	48%	13	9
	Pinduoduo	PDD US	14	11	41%	22%	20	15
Average			12	8	60%	45%	12	10
Online property service platforms overseas	Rightmove	RMV.LN	16	15	4%	9%	21	19
	Zillow	ZG US	24	18	28%	35%	49	32
Average			20	16	16%	22%	35	26
Average of peers			16	12			24	18

Source: Bloomberg consensus, BofA Global Research estimates

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Price objective basis & risk

KE Holdings (BEKE / XSQRF)

Our PO of USD21 (HKD54) is based on EV/adjusted EBITDA of 16x our 24E. Our target multiple is based on the average of online property vertical peers globally and online transaction based life services platforms in China. We use EV/EBITDA method to better factor in Beike's rich cash position.

Upside risks: 1) faster-than-expected home market recovery, 2) more policy easing

Downside risks: 1) macro economy and weaker housing market recovery, 2) home transaction commission regulation and lower commission rates, 3) risk to profit due to spend for business growth

Analyst Certification

I, Miranda Zhuang, CFA, 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.

APR - Internet, Media and Software Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Agora	API	API US	Daley Li, CFA
	AiHuiShou	RERE	RERE US	Joyce Ju
	Alibaba Group	BABA	BABA US	Joyce Ju
	Alibaba Group	BABAF	9988 HK	Joyce Ju
	Alibaba Health	ALBHF	241 HK	Miranda Zhuang, CFA
	Baidu.com	BIDU	BIDU US	Miranda Zhuang, CFA
	Baidu.com	BAIDF	9888 HK	Miranda Zhuang, CFA
	Bilibili	BILI	BILI US	Lei Zhang
	Bilibili	BLBLF	9626 HK	Lei Zhang
	CAR Group	CRSLF	CARAU	Sriharsh Singh
	Chinasoft International	CFTLF	354 HK	Daley Li, CFA
	Cloud Music	XWJF	9899 HK	Lei Zhang
	Com2uS Corp	XOYAF	078340 KS	Jeehoon Jeong, CFA
	DBAPPSecurity	XDBAF	688023 CH	Daley Li, CFA
	Delhivery	XDVLf	DELHIVER IN	Sachin Salgaonkar
	Dingdong	DDL	DDL US	Joyce Ju
	East Money	XEQTF	300059 CH	Michael Li
	Grab Holdings	GRAB	GRAB US	Sachin Salgaonkar
	Hello Group	MOMO	MOMO US	Lei Zhang
	Huntsun Technologies	XYTGF	600570 CH	Daley Li, CFA
	HYBE	XBGOF	352820 KS	Susie Lee
	iQIYI	IQ	IQ US	Lei Zhang
	JD Health	JDHIF	6618 HK	Miranda Zhuang, CFA
	JD.com	JD	JD US	Joyce Ju
	JD.com	JDCMF	9618 HK	Joyce Ju
	JYP Entertainment	ALNNF	035900 KS	Susie Lee
	Kingdee International Software	KGDEF	268 HK	Daley Li, CFA
	Kingsoft Corporation	KSFTF	3888 HK	Daley Li, CFA
	Kuaishou	KUASF	1024 HK	Lei Zhang
	Makemytrip Limited	MMYT	MMYT US	Sachin Salgaonkar
	Meituan	MPNGF	3690 HK	Lei Zhang
	Naver Corporation	NHNCF	035420 KS	Susie Lee
	NetEase	NETTF	9999 HK	Lei Zhang
	NetEase, Inc	NTES	NTES US	Lei Zhang
	Nine Entertainment Company	NNMTF	NEC AU	Alice Lei, CFA
	Paytm	XUXBF	PAYTM IN	Sachin Salgaonkar
	Pinduoduo Inc.	PDD	PDD US	Joyce Ju
	Plan B Media PCL	XMKTF	PLANB TB	Thititthep Nophaket

APR - Internet, Media and Software Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	PT Bukalapak.com	BKLPF	BUKA J	Sachin Salgaonkar
	PVR-Inox Ltd	PVRLF	PVRINOX IN	Sachin Salgaonkar
	REA Group	RPGRF	REA AU	Sriharsh Singh
	Tencent Holdings	TCTZF	700 HK	Miranda Zhuang, CFA
	Tencent Music	TME	TME US	Lei Zhang
	Tencent Music	XWFWF	1698 HK	Lei Zhang
	Tongcheng Travel	TNGCF	780 HK	Janet Yang
	Trip.com Group	TCOM	TCOM US	Joyce Ju
	Trip.com Group	TRPCF	9961 HK	Joyce Ju
	TUHU Car	XTCRF	9690 HK	Miranda Zhuang, CFA
	Venustech	XVCGF	002439 CH	Daley Li, CFA
	Vipshop Holdings	VIPS	VIPS US	Joyce Ju
	Weibo Corporation	WB	WB US	Miranda Zhuang, CFA
	Weibo Corporation	WEIBF	9898 HK	Miranda Zhuang, CFA
	Xero Limited	XROLF	XRO AU	Sriharsh Singh
	YG Entertainment	XYEIF	122870 KS	Susie Lee
	Yonyou Network	XYNIF	600588 CH	Daley Li, CFA
	YY	YY	YY US	Lei Zhang
	Zee Entertainment Enterprises	XZETF	Z IN	Sachin Salgaonkar
	Zomato Limited	XMWRF	ZOMATO IN	Sachin Salgaonkar
NEUTRAL				
	AfreecaTV	WNTHF	067160 KS	Susie Lee
	Autohome	ATHM	ATHM US	Miranda Zhuang, CFA
	Autohome	XXYZF	2518 HK	Miranda Zhuang, CFA
	Baozun	BZUN	BZUN US	Joyce Ju
	Coupang	CPNG	CPNG US	Susie Lee
	Glodon Company	XGCOF	002410 CH	Daley Li, CFA
	GoTo Group	GTOFF	GOTO J	Sachin Salgaonkar
	Huya	HUYA	HUYA US	Lei Zhang
	Kakao Corp.	DAUCF	035720 KS	Susie Lee
	KE Holdings	BEKE	BEKE US	Miranda Zhuang, CFA
	KE Holdings	XSQRF	2423 HK	Miranda Zhuang, CFA
	Kingsoft Cloud	KC	KC US	Daley Li, CFA
	Kingsoft Cloud	KCLHF	3896 HK	Daley Li, CFA
	Krafton	XKINF	259960 KS	Susie Lee
	NCSOFT	NCSCF	036570 KS	Susie Lee
	Nykaa	XQQGF	NYKAA IN	Sachin Salgaonkar
	PB Fintech	XPFXF	POLICYBZ IN	Sachin Salgaonkar
	PropertyGuru	PGRU	PGRU US	Sachin Salgaonkar
	Sea Limited	SE	SE US	Sachin Salgaonkar
	Seek Limited	SKLTF	SEK AU	Sriharsh Singh
	Seven West Media	WANHF	SWM AU	Alice Lei, CFA
	The ONE Enterprise	XUFCF	ONEE TB	Thititthep Nophaket
	VGI Public Company Limited	XZQHF	VGI TB	Thititthep Nophaket
	Weimob	WEMXF	2013 HK	Daley Li, CFA
	WiseTech Global Limited	WTCHF	WTC AU	Ware Kuo
	XD Inc.	XDNCF	2400 HK	Lei Zhang
UNDERPERFORM				
	Altium Limited	ALMFF	ALU AU	Ware Kuo
	Appen Ltd	APPEF	APX AU	Ware Kuo
	BEC World	XBJHF	BEC TB	Thititthep Nophaket
	CJ ENM	CJHOF	035760 KS	Susie Lee
	Douyu	DOYU	DOYU US	Lei Zhang
	Indiamart InterMesh Limited	XEITF	INMART IN	Sachin Salgaonkar
	Info Edge	IFOEF	INFOE IN	Sachin Salgaonkar
	Kakao Games	XKKGf	293490 KS	Susie Lee
	Kingsoft Office	XBKOF	688111 CH	Daley Li, CFA
	Ming Yuan Cloud	XWTAf	909 HK	Daley Li, CFA
	NavInfo	XWLHF	002405 CH	Daley Li, CFA
	Netmarble	XLGHF	251270 KS	Susie Lee
	Pearl Abyss Corp	XEPAF	263750 KS	Susie Lee
	Ping An Healthcare and Technology	PANHf	1833 HK	Miranda Zhuang, CFA
	Qi An Xin	XQTDf	688561 CH	Daley Li, CFA
	Technology One Limited	THNOF	TNE AU	Ware Kuo



APR - Internet, Media and Software Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	ThunderSoft	XTSF	300496 CH	Daley Li, CFA
	Zip Co Limited	ZIZTF	ZIP AU	Ware Kuo
RVW				
	Dada Nexus	DADA	DADA US	Lei Zhang

iQmethodSM Measures Definitions**Business Performance**

Return On Capital Employed

Return On Equity

Operating Margin

Earnings Growth

Free Cash Flow

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

Denominator

Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill

Amortization

Shareholders' Equity

Sales

N/A

N/A

Quality of Earnings

Cash Realization Ratio

Asset Replacement Ratio

Tax Rate

Net Debt-To-Equity Ratio

Interest Cover

Numerator

Cash Flow From Operations

Capex

Tax Charge

Net Debt = Total Debt – Cash & Equivalents

EBIT

Denominator

Net Income

Depreciation

Pre-Tax Income

Total Equity

Interest Expense

Valuation Toolkit

Price / Earnings Ratio

Price / Book Value

Dividend Yield

Free Cash Flow Yield

Enterprise Value / Sales

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

Diluted Earnings Per Share (Basis As Specified)

Shareholders' Equity / Current Basic Shares

Current Share Price

Market Cap = Current Share Price × Current Basic Shares

Sales

EV / EBITDA

Basic EBIT + Depreciation + Amortization

iQmethodSM is the set of BofA Global Research standard measures that serve to maintain global consistency under three broad headings: Business Performance, Quality of Earnings, and validations. The key features of *iQmethod* are: A consistently structured, detailed, and transparent methodology. Guidelines to maximize the effectiveness of the comparative valuation process, and to identify some common pitfalls.

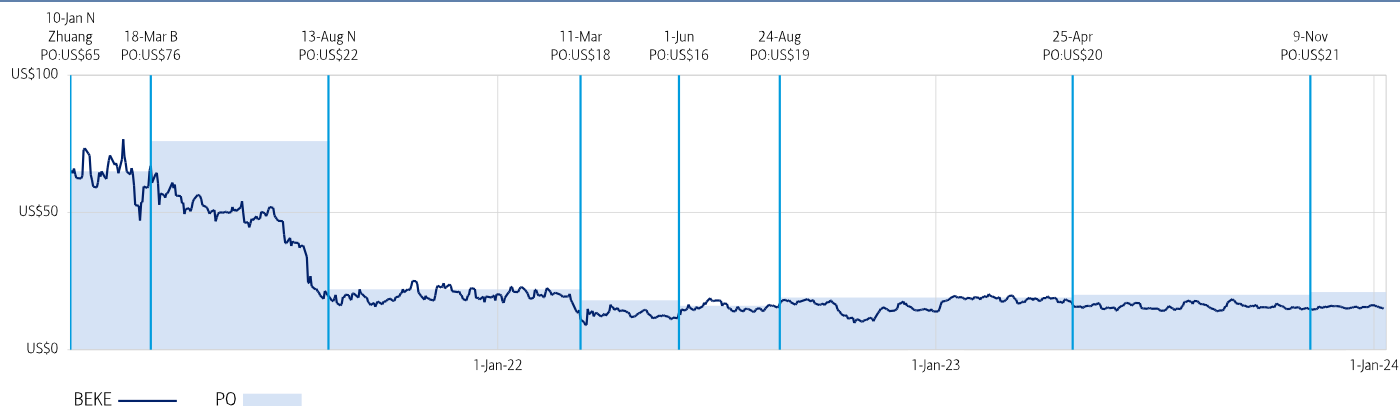
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Disclosures

Important Disclosures

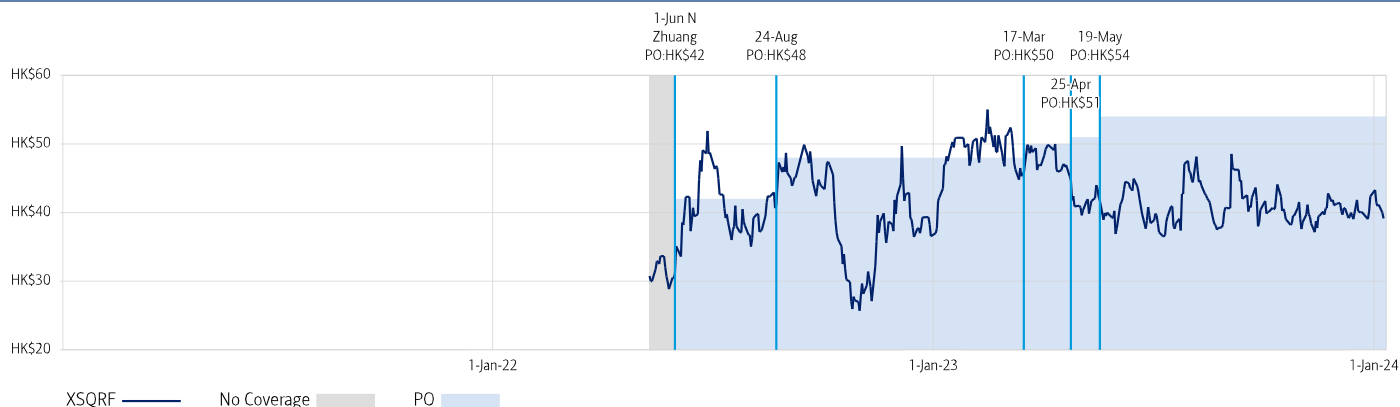
KE Holdings (BEKE) Price Chart



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.

KE Holdings (XSQRF) 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: Real Estate/Property Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	68	61.26%	Buy	22	32.35%
Hold	20	18.02%	Hold	6	30.00%
Sell	23	20.72%	Sell	7	30.43%

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%

^{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%

^{R2} 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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