Japan Macro Watch

BoJ preview: The Last Dance

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Macro
Japan

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How will the story end?

The BoJ board concludes its next monetary policy meeting (MPM) on Friday, 10 March. This will be the last MPM under Governor Kuroda. We expect no change in the BoJ's key policy targets, including the +/-50bp band around the zero% 10yr JGB long rate target.

At its last MPM, on 18 January, the BoJ doubled down on its defense of yield curve control (YCC) by expanding the rules around its Funds-Supplying Operations Against Pooled Collateral (see BoJ review: Governor Kuroda's last stand, 18 January 2023). The move came in response to upward pressure on rates following the BoJ's surprise widening of the 10yr target band at its 20 December policy meeting (see BoJ review: BoJ review: BoJ tweaks YCC, expands 10yr trading band, 20 December 2022).

Since then, the deterioration in Japan's bond market functioning—the sole reason[1] that the BoJ provided for its Dec '22 YCC modifications—has failed to improve, and have arguably worsened: the results of the BoJ's latest quarterly Bond Market Survey, showed market participants' perception of Japan's bond market functioning dropping further, to the lowest level since the survey began in 2015 (see rates section for more on this).

This, coupled with the likelihood that long-end yields/YCC is likely to remain under pressure over the coming months, reflecting 1) expectations of normalization around the BoJ leadership transition; and 2) on-going strength in both the domestic and overseas inflation data, have led to speculation that Governor Kuroda may flexibilize YCC further, or even abolish the framework altogether, as a "parting gift" to his successor before his term ends on 8 April (Exhibit 1).

While such a scenario cannot be ruled out, we think that the likelihood that Governor Kuroda delivers one last "surprise" policy change before his departure is low (see strategists' section for possible "tail-risk" March YCC scenarios and implications).

Although we think that the likelihood of a March policy change is low, we continue to think that further YCC adjustment is a matter of time, given the 1) rise in Japan's underlying inflation pressures; 2) operational limits to large-scale JGB buying under YCC and the negative impact on market functioning; and 3) the communications difficulties posed by the framework, which makes it risky to upgrade the inflation view substantially or telegraph rates changes in advance. We have been warning of the high risks of an early YCC adjustment in 2Q CY23, under the new BoJ governor, and now make a move at the 16 June MPM our base case.

[1] See, for example, this one page accompanying release: Bank of Japan, "Modification of the Conduct of Yield Curve Control (YCC), 20 December 2022.

Three reasons why March policy change is unlikely…

We see at least three reasons why the BoJ would be reluctant to move in March:

1) Insufficient economic data: Even if the BoJ were to justify further YCC long-rate flexibilization or outright removal of the yield curve control on the grounds that the "side effects" are now exceeding the costs, we don't think the decision can be divorced from an assessment of Japan's economic fundamentals: to the extent that further YCC changes will likely result in a 30-50bp rise in 10yr JGB yields from current levels (see strategists' section and Exhibit 2 below), the BoJ needs to be able to argue convincingly that the economy and underlying inflation has sufficient momentum to withstand the rise in interest rates.

The degree of wage hikes in the on-going spring wage negotiations will be a critical piece in the BoJ's assessment of the FY23 growth/inflation outlook. At minimum, the BoJ will likely want to point to the initial Shunto results, but the first round of responses won't be available until 17 March (see Shunto update: Union pressure to drive 1.5% base pay increase, 6 March 2023).

2) Interplay with the US data/Fed outlook: The current global rates backdrop is also unfavorable for YCC policy change at Friday's BoJ MPM.

Surprisingly strong January US data has prompted markets to re-price front-end rates, and put upward pressure on long-end yields (strong February inflation data out of Europe didn't help).

In an ideal world, the BoJ would probably prefer to wait until US data weakens and long-end yields are in decline, pulling down 10year JGB yields below the 50bp cap. Acknowledging that the BoJ may not have the luxury of time, Japanese officials will probably want to wait until US rates are at least back to trading in a stable range to minimize the risk of an overshoot in Japanese yields following further YCC flexibilization.

This week's February US jobs report is likely to prove pivotal in this regard. A weak result could allay fears of a re-acceleration in US labor markets. On the other hand, another strong reading would bolster 2023 US "no-landing" views and risk another re-pricing of the terminal Fed Funds rate. Unfortunately for the BoJ, the release comes after the March MPM, making a move this week risky for Governor Kuroda and the policy board.

3) Japanese fiscal year-end timing: The timing of the Japanese fiscal year end (31 March), also makes a move at the 10 March MPM risky.

To be clear, domestic financial institutions as a whole have been making progress in preparing for a possible end to yield curve control (YCC) and further rise in JGB yields. According to our Bank analysts, large, Japanese banks have significantly reduced the duration exposure of their JPY portfolio over the past year, making them well positioned to withstand the rise in yields (see Japan Bank Industry: 3Q results ranking: Majors: Shinsei>SMFG> MUFG; Regionals: look to Chiba and Kyoto, 17 February 2023).

Meanwhile, on 27 January, Bloomberg reported that Japan's Financial Services Agency (FSA) had been urging top management at regional banks to analyze the impact of rising domestic interest rates on their portfolio and credit costs, and to bolster their capacity to withstand increased volatility in both domestic and overseas bond markets.

However, we are concerned that there hasn't been enough time for contingency planning and that an abrupt bond sell-off means that some domestic financial institutions—particularly smaller regional banks—may face a one-time hit to BPS (book value per share) from valuation losses on yen bonds, making YCC changes risky at fiscal year-end.

Governor Kuroda unlikely to bend

Finally, it's worth mentioning that Governor Kuroda has spent the past decade in unwavering defense of the 2% price stability target and the benefits of monetary easing.

While it may be tempting to imagine an ending to this story where the hero declares partial victory on 2% inflation and rides off into the sunset having freed the bond markets of yield curve control, we think it is more likely that he will stress that the job is unfinished, and underscore that the battle to re-anchor inflation faces a long road ahead.

...but YCC adjustment still a matter of time

Although we think that the likelihood of YCC adjustment in March is low, we continue to think that further YCC adjustment is a matter of time, given the 1) rise in Japan's underlying inflation pressures; 2) operational limits to large-scale JGB buying under YCC and the negative impact on market functioning; and 3) the communications difficulties posed by the framework, which makes it hard to telegraph rates changes in advance or even upgrade the inflation view substantially.

BoJ governor nominee Kazuo Ueda's remarks in his Diet hearings also suggest that normalizing yield curve is likely the highest priority for the Bank of Japan (see BoJ Watch: Ueda Diet hearing—quick take, 24 February 2023). Whereas Ueda sounded relatively sanguine about the side effects of negative interest rate policy (NIRP), he was much more explicit in acknowledging the side effects of yield curve control. He also set a lower bar for YCC changes, stating that even if the underlying inflation outlook does not improve, "the BoJ may need to consider a more sustainable format for monetary easing, taking into account the side effects [caused by current YCC policy]" (Exhibit 6).

Change in call: We now expect further YCC adjustments at the 16 June MPM

We have been warning of the high risks of an early YCC adjustment in 2Q CY23, under the new BoJ governor. However, given 1) the on-going deterioration in bond-market functioning; 2) Ueda's statements in the Diet, 3) the rise in domestic inflation risks (our inflation forecasts remain well above that of the consensus/BoJ[2]), and 4) likelihood of a solid Shunto result and expected resilience in domestic spending, we now make it our base case.

In terms of the content of the adjustment, we expect either 1) another widening of the 10yr target permissible trading band, to +/-100bp; or 2) shortening the duration of the YCC long-rate target from the current 10year point to 5years, while keeping the level of the target and the permissible unchanged at zero% +/-50bp. Though we lean towards the latter (duration shortening to 5years), we do not have a super strong conviction.

Why not April?

In terms of the timing, our base case is for the changes to be announced at the 16 June MPM. While a move at incoming Governor Ueda's first meeting certainly cannot be ruled out, we attach a lower probability than June due to the following reasons:

1) The meeting comes immediately before the long, Golden Week holiday period (29 April – 5 May), causing the risk that thin liquidity amplifies the volatility following the YCC changes.

2) In his Diet hearings, Professor Ueda stated that there'd be ample time between the start of his potential term as BoJ governor (from 10 April) and the 28 April to conduct the required assessment of current policy settings and make changes, if necessary, at the April MPM (Exhibit 6). But he also shared his desire to have "careful discussions" with the policy board regarding the outlook for the economy/prices and conduct of YCC, pointing to slightly later changes, in our view.

3) Though we should get a clearer picture of momentum in the FY23 Shunto by the 28 April MPM, we should get an even better read in June, when the negotiations will be largely complete. Meanwhile, the expected acceleration in inbound tourism in the coming

[2] For details, please see Japan Watch: February CPI: Slowing on government subsidies but price pressures remain, 3 March 2023).

months will provide the BoJ with more confidence in the resilience of FY23 growth (see also Japan Watch: Chartbook #71: Continued reopening momentum, 2 March 2023).

4) A change at the new BoJ leadership's very first policy meeting—even if warranted—may create the sense that policy is moving on a pre-set agenda and is not data dependent, an impression that Professor Ueda may want to avoid.

Having said this, we see the April MPM as very much "live" and also wouldn't rule out the possibility that the Ueda BoJ announces the changes at an emergency MPM between the April and June meetings. We find it notable that Professor Ueda acknowledged the possibility of surprise YCC adjustments in his Diet hearings stating that, while "dialogue with the markets is extremely important, it is inevitable that policy revisions may come as a surprise from time to time."

Either way, we see a high chance that the BoJ, under the new leadership, flexibilizes YCC further by the middle of the year (i.e. by the 28 July MPM). Please see Exhibit 4 – Exhibit 5 in the Appendix for a calendar of the BoJ's policy meetings in 2023 and their interplay with Fed/ECB meetings.

NIRP/YCC removal likely to be delayed till 2024 or later

Finally, we have not changed our view that bigger changes to the policy framework, including the removal of NIRP and YCC, will be delayed until mid-2024 or later as we think it will be 1) contingent on further improvements to the output gap and underlying inflation or 2) require a much lengthier review process if the changes are to be justified on side effect/sustainability concerns.

Normalizing YCC and NIRP in steps, as opposed to making the move in one shot, will also allow the BoJ an opportunity to assess the impact of its policy changes, ensuring that they do not derail the recovery in growth and inflation.

Exhibit 1: Calendar of BoJ-related events through June 2023

We expect the new BoJ leadership to deliver adjustments to YCC by July 2023

Date	Event
Mar 9	Lower house approval of BoJ leadership nominations (expected)
Mar 10	Upper house approval of BoJ leadership nominations (expected)
Mar 10	March MPM (last meeting for Governor Kuroda and deputy governors)
Mar 17	FY23 Shunto spring wage negotiations 1st response round
Mar 19	End of term for deputy governors Amamiya and Wakatabe
Mar 20-22?	Inaugural press conference of new deputy governors
Apr 8	End of term for Governor Kuroda
Apr 9	New BoJ governor's term starts
Apr 10-11?	Inaugural press conference of the new governor
Apr 9 & Apr 23	Unified local elections
Apr 28	April MPM, Outlook Report (new BoJ leadership's first MPM)
Apr 29 - May 5	Golden Week Holidays (Apr 29 & May 3-5 are public holidays)
May 11	Summary of Opinions for the 27-28 April MPM
May 19	G7 Summit (Hiroshima) (PM Kishida's hometown)
Jun 6	June MPM
Jun 21	Release of the 27-28 April MPM minutes
Jun 26	Summary of Opinions for the 15-16 Jun MPM
Jul 28	July MPM, Outlook Report

Source: BofA Global Research, Nikkei Shimbun, Bloomberg

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- Izumi Devalier and Takayasu Kudo, Japan Economists

Market implications

As we head into this week's BoJ MPM, we summarize the expected reaction in yen markets under our base case scenario of "no policy change" as well as tail risk scenarios of another surprise YCC change (read on further for detailed views by asset class):

Exhibit 2: Scenarios for the 10 March MPM

We expect USDJPY at 136, 10yr JGB yield at 0.5%, and TOPIX flat to mildly positive on base case of no YCC change at the March MPM

	Base case	Tail risk scenarios – "Surprise" YCC change		
	No change	YCC target shortened from 10yr to 5yr	Raising 10yr target band ceiling to +1% from +0.5%	YCC abolished
USD/JPY	136	133-135	131-133	128-130
10yr JGB Yield	0.50%	0.70%	0.80%	0.80%
TOPIX	flat to mildly positive (~2,100)	up to 1% dip (2,000)	up to 3% decline (1,975)	3-5% correction (around 1,950)

Source: BofA Global Research

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Rates: Possible change to rules on BoJ's Securities Lending Facility

As noted above, monetary policy revision at the March MPM is not our main scenario. That said, the BoJ's quarterly Bond Market Survey released on 1 March (survey period: 1-7 February) showed the diffusion index (DI) for each survey item had deteriorated further from the November survey.

Particularly worth noting is the deterioration in the DI for determining the degree of bond market functioning, which fell to a record low of -64. In December-2022, the BoJ expanded its tolerable band for the 10yr JGB yield to ±50bp as a response to the decline in bond market functioning. From that perspective, it can be said that there remains some risk of policy revisions at the March MPM meeting. Our expectations for the impact on the rates market from a potential YCC revision are as follows.

•**10yr JGB yield band extended to ±100bp:** The yield on the 10yr JGB may rise to the new upper limit of 1.0%, but then would probably fall to 80bp, which we see as the fair value for 10yr JGB. The impact on superlong JGBs, for which BoJ holdings account for a rather small share, would likely be relatively light, with the yield on the 30yr JGB likely to rise to only around 1.6%. We think the impact of band expansion on 5yr JGBs would be greater than the impact on the 30yr bond and lesser than that on the 10yr bond. Accordingly, we would expect the 5yr yield to rise to about 0.4%. As a result, the curvature for 5-10-30yr JGB yield curve would likely increase.

• **Shortening YCC target maturity from 10yr JGBs to 5yr JGBs:** If the JGB maturity targeted by YCC is shortened to the 5yr bond, the current tolerable band of ±50bp from 0% for the 10yr yield would be applied to the 5yr yield. In that case, we would expect the yield on the 5yr JGB to rise temporarily to +0.5%, as investors factor in further policy revisions in the future. Meanwhile, the yield on 10yr JGBs, which would no longer be subject to YCC, would likely rise to around 0.8%, which we regard as an appropriate level. The 30yr JGB yield would likely rise to around 1.6%, same as in the band expansion scenario above. The result would be a bear-flattening of the 10-30yr JGB curve.

The above scenarios are our estimates of the financial market's reaction to a revision of BoJ's YCC. Alternatively, the BoJ could respond to the deterioration in bond market functions by revising the rules for its Securities Lending Facility (SLF) without changing the current monetary policy framework. The SLF is used as a supplementary secondary source of Japanese government securities. On 16 February, the BoJ revised the Minimum Fee Rate for the three current on-the-run issues of 10yr JGBs and lowered the upper limit on the amount of sales for each issue, which makes it difficult for delivering JB367 and JB368. Therefore, the BoJ may tweak rules on its SLF at the March MPM.

- Tomonobu Yamashita, Rates Strategist

FX: a move by Kuroda will be a surprise

For the upcoming MPM, based on our discussion with investors, the consensus is no change although minority of investors appear to be expecting policy adjustments by Kuroda at his last MPM. We think policy adjustments by Kuroda would be seen more hawkish than by Ueda as Kuroda's policy shift would be seen as a set up for something more from Ueda – if Kuroda makes policy adjustments at his departing MPM, we must assume it has been agreed by Ueda. It would be challenging for Kuroda to make adjustments to YCC and credibly sound dovish on the front end at the same time while it would be possible for Ueda (see: JPY – structural headwinds limiting JPY's cyclical rebound 16 February 2023).

For this reason, we doubt the BoJ would make policy adjustments at the March MPM even though these are long due. That said, anything cannot be ruled out given precedence. We summarize expected market reactions to tail risks:

- No change: the market to awaits Ueda (USD/JPY 136)
- Shortening target from 10yr to 5yr: It could eventually be bearish for JPY if Ueda confirms dovish stance on the front-end as a 5yr ceiling can work as forward guidance (USD/JPY 133-135).
- Raising 10yr target band ceiling to 1% from 0.5%: Policy uncertainty to remain high (USD/JPY 131-133).
- YCC removal: Market may price in earlier and faster rate hikes on the front-end (USD/JPY 128-130).

- Shusuke Yamada, FX/Rates Strategist

Equity: neutral-to-positive if no policy changes; medium-term value upside

We expect our base case -- no policy change at this week's BoJ MPM -- to be neutral-to-positive for equities. The passage of event, coupled with the yen depreciation bias as we have highlighted above, should underpin the market in the near term as some market participants still expect further YCC twists given the deterioration in market functioning.

Also, we see more upside in value stocks over the medium term (Japan Equity Strategy: The changing landscape for value stocks in Japan 24 February 2023). While the value momentum is likely to slow in mid-March due to the waning dividend yield factor from a seasonality perspective, we think both the TSE policies (Exhibit 3) and labor shortage should help incentivize value investments in Japan over time.

Lastly, we conduct a scenario analysis on the near-term market impact following Mar BoJ MPM. In our base case, the market focus will likely shift to US job data, such as nonfarm payrolls, following the BoJ's status-quo policy decision. In a risk scenario of YCC adjustment (note this is our base case in June), we think the near-term knee-jerk market selloff (down 1-3% for TOPIX) should be bought medium-term, especially in the absence of sustained inflationary pressures[3].

Exhibit 3: Motivate efforts to enhance medium- to long-term corporate value
These efforts should help sustain TSE market reforms and corporate governance reforms

Actions	Purpose
Raise Awareness and Literacy regarding Cost of Capital and Stock Price	Encourage listed companies to raise awareness and literacy regarding cost of capital and stock price/market capitalization and promote efforts to improve them
Improve the Quality of Corporate Governance	Promote listed companies' efforts to improve the "quality" of corporate governance
Further Expansion of English Disclosure Practices	Encourage companies listed in the Prime Market to expand the coverage of English disclosure practices and eliminate the time lag between the publication of documents in Japanese and English, with a view to making English disclosure of

[3] Okubo and others. "Summarizing the key points regarding the wage dynamics in Japan". February 15, 2015.

Exhibit 3: Motivate efforts to enhance medium- to long-term corporate value
These efforts should help sustain TSE market reforms and corporate governance reforms

Actions	Purpose
	necessary information mandatory as the transitional measures expire Promote voluntary English disclosure practices in the Standard Market and Growth Market as well
Improve the Effectiveness of Dialogue with Investors	1) Promote constructive dialogue with investors in the Prime Market 2) Encourage independent directors to fully understand their role 3) Expand the base of investors who are responsible for dialogue, while maintaining their quality

Source: BofA Global Research, JPX

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- Tony Lin, Equity Strategist

Appendix

Exhibit 4: Schedule of BoJ monetary policy meetings and key releases
2023

Date of MPM (start & end dates)		Outlook Report	Summary of opinions	MPM Minutes
17 Jan (Tue)	18 Jan (Wed)	18 Jan (Wed)	26 Jan (Thu)	15 Mar (Wed)
9 Mar (Thu)	10 Mar (Fri)	-	20 Mar (Mon)	8 May (Mon)
27 Apr (Thu)	28 Apr (Fri)	28 Apr (Fri)	11 May (Thu)	21 Jun (Wed)
15 Jun (Thu)	16 Jun (Fri)	-	26 Jun (Mon)	2 Aug (Wed)
27 Jul (Thu)	28 Jul (Fri)	28 Jul (Fri)	7 Aug (Mon)	27 Sep (Wed)
21 Sep (Thu)	22 Sep (Fri)	-	2 Oct (Mon)	6 Nov (Mon)
30 Oct (Mon)	31 Oct (Tue)	31 Oct (Tue)	9 Nov (Thu)	22 Dec (Fri)
18 Dec (Mon)	19 Dec (Tue)	-	27 Dec (Wed)	TBA

Source: BofA Global Research, Bank of Japan

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Exhibit 5: G3 central bank decision calendar
2023

	2023											
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
BoJ	18 (Wed)		10 (Fri)	28 (Fri)		16 (Fri)	28 (Fri)		22 (Fri)	31 (Tue)		19 (Tue)
Fed		01 (Wed) [T+1]	22 (Wed) [T+1]		03 (Wed) [T+1]	14 (Wed) [T+1]	26 (Wed) [T+1]		20 (Wed) [T+1]		01 (Wed) [T+1]	13 (Wed) [T+1]
ECB		02 (Thu)	16 (Thu)	05 (Wed)		15 (Thu)	27 (Thu)		14 (Thu)	26 (Thu)		14 (Thu)

Source: BofA Global Research, Bloomberg
Note: Blue shaded dates represent decisions associated with Summary of Economic Projections (SEP) for the FOMC, Staff projections for the ECB, and Outlook Report for the BoJ.

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Exhibit 6: Key takeaways from BoJ governor candidate Kazuo Ueda's Diet confirmation hearings (Translation by BofA)
Conducted 24 February (Lower House) and 27 February (Upper House)

Summary
On the inflation outlook
• "CPI inflation to fall below 2% by mid-FY23"
• "Inflation reflects the cost-push impact of rising import prices and is not the result of strong demand"
• [These cost-push factors are] "set to fade going forward"; "The inflation data (YoY CPI increase) should fall substantially" [from the February CPI onwards]
• "Positive signs are emerging in the underlying inflation trend, but it will take a little more time until we can comfortably say that inflation has reached 2%"
• Changes in monetary policy "take time to have an impact; decisions need to carefully consider a variety of indicators"
On policy normalization
Overall views on policy normalization
• A shift in monetary policy toward tightening "would require a substantial improvement in the outlook for underlying inflation"
• Would conduct review/assessment of QQE "if necessary". However, the need to discuss a broad range of issues may mean that "assessment should be conducted carefully over a long period"
• On whether the BoJ should conduct a review of its easing program at the new BoJ leadership's first MPM In April "There will be ample scope from April to conduct the required assessment of near-term monetary policy conduct ahead of each MPM"
On Yield Curve Control (YCC)
• There are "a variety of future possibilities" for YCC. After taking over as governor, "I will decide what form policy should take after a lengthy debate with Financial Markets Department and policy board members."
• "If the underlying inflation outlook improves further, we would need to consider changes [to monetary policy] towards the direction of normalization"
• [On what would constitute a "further improvement" in the underlying inflation outlook] "The point at which we can foresee the achievement of sustained and stable 2% inflation or thereabouts"
• Even if the underlying inflation outlook does not improve "the BoJ may need to consider a more sustainable format for monetary easing that takes into account side effects and other factors"
• "Current policy is undeniably resulting in a variety of side effects." "The BoJ has adopted a variety of measures since December 2022 with the aim of mitigating these as much as possible." "We are currently in the stage where we are monitoring the effects of the changes"
• "The approach of having yield-curve control target a shorter maturity than 10 years is one future option, but there are a variety of other options"
• On the idea of shortening YCC long-rate target maturity from the current 10 years: "Even under the current 10yr YCC, 3yr-5yr yields can be maintained at low levels, provided there is no distortion in the yield curve"
• "Dialogue with the markets is extremely important." But it is "inevitable that [policy revisions] may come as a surprise from time to time." "I intend to carefully explain the thinking behind our policies"
On negative interest rate policy (NIRP)
"I do not think negative rates have impeded the financial intermediary function, and we have yet to reach the reversal rate"
On QE & outlook for Quantitative Tightening (QT)
• "When [the BoJ's 2% inflation target] is reached, it would need to take the decision to terminate its large-scale JGB purchases"
• With yields near zero and no further room to fall, "simply increasing the volume of [bond] purchases is unlikely to increase demand for goods and services, and would not create an overall impact from monetary factors"
• The 2% inflation overshooting commitment "should remain in place for now"
• "The approach will be to raise interest rates on BoJ current account deposits during a phase of monetary tightening"
• "I do not think the BoJ would need to conduct operations to sell JGBs"
On the ETF purchase program
• Future disposal of exchange-traded funds (ETFs) purchased by BoJ "a major issue"
• Should monetary policy shift toward an exit, "we will need to consider the specifics [of the future for the BoJ's ETF purchases], but we there is some time before we get to that point."
On the 2% price stability target and 2013 BoJ-government joint statement
• "I see no urgent need at this point to review" the joint statement
• "I see no need to change the wording of the current inflation target in the near term given the favorable trend in underlying inflation"
• On the need for a wage growth target: "I question the appropriateness of the BoJ setting a target for wage growth." "It is not as if the central bank has a way to directly influence wages"

Source: BofA Global Research, Nikkei Shimbun, Reuter, Bloomberg, House of Representatives, House of Councillors

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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]
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Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

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