

The EEMEA Equity Strategist

Shopping while waiting

Looking for opportunities as Fed wait continues

Robust US data continue to push the market to adjust to the “higher for longer” view on the Fed, as broader EM equities remain under pressure from the strong USD. We have raised our US growth outlook to 2.1% this year, but we still expect the Fed to cut rates by 75bp, starting in June (see: [US Economic Weekly 01 March 2024](#)). This assessment remains the key to our constructive baseline view on EEMEA equities from late 2Q24, which should eventually benefit the most from the weaker USD (see: [The EEMEA Equity Strategist 26 January 2024](#)). A weaker USD and stronger commodities should help South Africa the most, but we note risks from the approaching elections. Meanwhile, investors are following the strong USD to increase their exposure to the Gulf Cooperation Council and are also taking part in the continued policy normalization in Türkiye.

Inflows gain strength – to highest levels since last March

Tentative inflows to the EEMEA region earlier in the year strengthened in February to the highest levels since last March. In fact, the cyclical South African market was the only region to see outflows for the month, vs. inflows for all other markets. The biggest and most persistent inflows were in Türkiye, followed by Poland, Saudi and Qatar. Weekly data also point to further strengthening of the inflows in the end of the month. Positioning has not really changed since January and remains light to neutral across the region, with Hungary and South Africa the main overweight vs Saudi Arabia as the main underweight. The earnings revision ratio (ERR) declined across all regions in February, but EEMEA is still the only region where it remains above 1.

Egypt/Hungary in the lead, Türkiye slips

Robust earnings, valuations and positioning have boosted Egypt and Hungary, keeping them in the lead in our EEMEA markets screen, and pushing Türkiye further behind. Saudi Arabia remains at the bottom of our screen, although its ranking has improved on stronger price momentum and positioning. High inflation keeps the equity risk premium highest in Türkiye. Based on a Z-score, Hungary is still the cheapest in terms of P/E, Czechia on EV/EBITDA, South Africa on P/B and Qatar on EV/Sales. Egypt is the most expensive on PB and EV/Sales, and Saudi Arabia on P/E and EV/EBITDA. Egypt and Türkiye continue to offer the highest return on equity in EM, followed by Brazil.

Top: Türkiye/financials; bottom: Saudi Arabia/materials

A screen of the top-20 companies (based on the weighted average of six quantitative screens) is still heavily populated by financials and is now more dominated by Turkish names. According to our quant screen, the top-three names are PKO-BP, Anadolu Efes and Pekao S.A. Our bottom-20 screen remains dominated by Saudi Arabian names and is also more focused on materials now.

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Refer to important disclosures on page 26 to 27.

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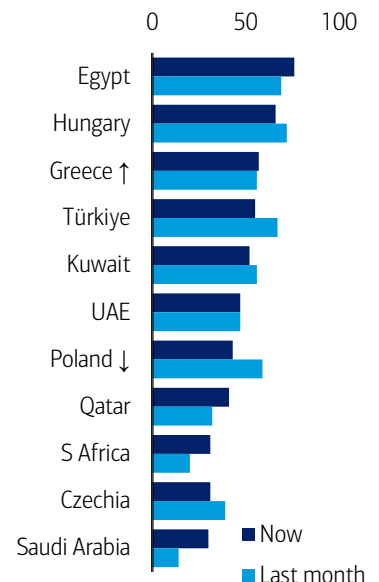
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Exhibit 1: EEMEA markets screen

Top-down ranking of markets (100 = best, 0 = worst)



Source: BofA Global Research

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Glossary:

rel. - relative

fwd. - forward

Top of the Pops

Exhibit 2: EMEA markets – Top-down ranking of markets (100 = best, 0 = worst)

Egypt at the top of our country quant screen

Country	Current valuations (10%)	Valuations vs history (10%)	Earnings growth (20%)	Price/EPS momentum (20%)	Dividends (20%)	GEM funds positioning upside (20%)	Weighted av of ranks
Egypt	10	30	100	90	70	100	76.0
Hungary	100	100	60	60	70	40	66.0
Greece	80	10	90	100	40	10	57.0
Türkiye	90	40	20	40	70	80	55.0
Kuwait	20	20	60	80	10	90	52.0
UAE	50	60	80	40	30	30	47.0
Poland	60	70	20	30	100	0	43.0
Qatar	30	80	50	20	60	20	41.0
S Africa	60	90	10	10	10	50	31.0
Czechia	40	50	0	0	40	70	31.0
Saudi Arabia	0	0	20	70	0	60	30.0

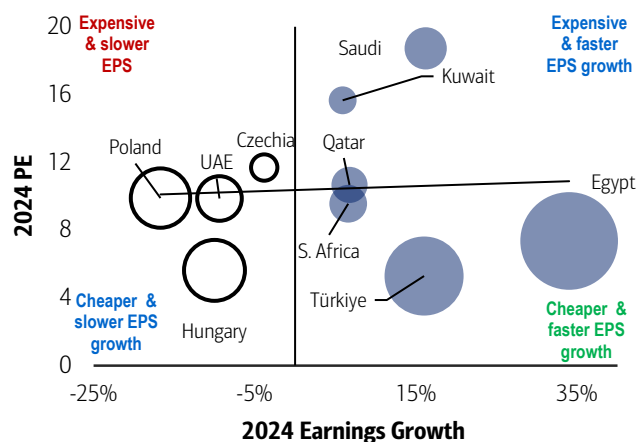
Market-level GEMs funds positioning data for the end of January. 100=best, 0=worst. See Methodology for details of calculations. **Source:** DataStream, FactSet, Bloomberg, EPFR, BofA Global Research

This screen is 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 decision

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Exhibit 3: 2024 growth/value snapshot

Saudi Arabia is still the most expensive

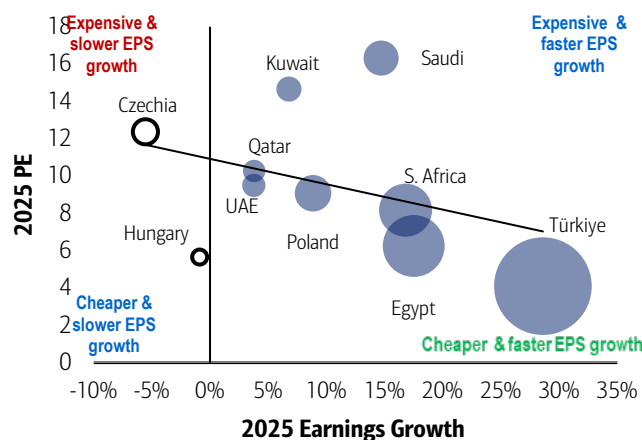


Source: IBES, DataStream, BofA Global Research. **Note:** The size of the bubbles in the chart represents the ratio (Y/X) except for markets with negative earnings growth

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Exhibit 4: 2025 growth/value snapshot

Türkiye the cheapest and fastest growing

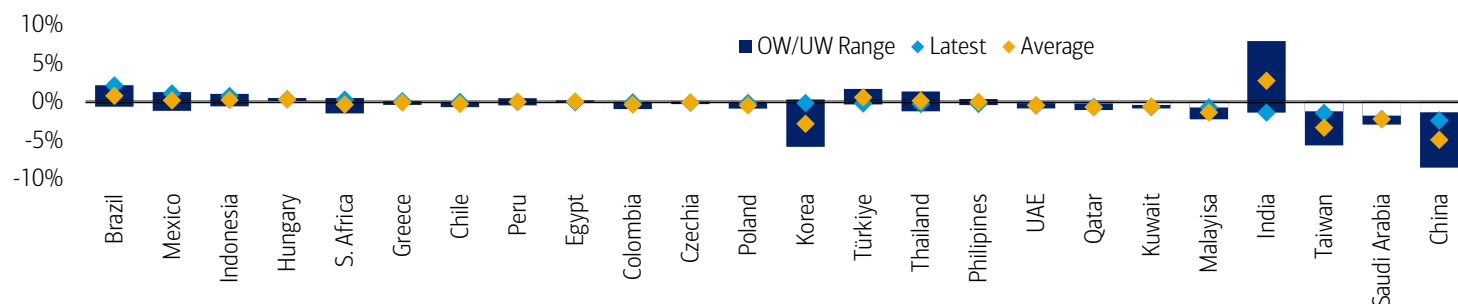


Source: IBES, DataStream, BofA Global Research. **Note:** The size of the bubbles in the chart represents the ratio (Y/X) except for markets with negative earnings growth

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Exhibit 5: GEM funds positioning vs MSCI EM- Markets

Brazil and Mexico are the largest OWs, while China remains UW versus the benchmark, Saudi Arabia – biggest UW in EEMEA



For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Average since 2013 for Greece, 2014 for UAE and Qatar, 2019 for Saudi Arabia, 2020 for Kuwait and 2012 for the rest. **Source:** EPFR, DataStream, BofA Global Research

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Exhibit 6: Top 20 stocks ranked by 6 screening factors

Top 3 according to our quant screen this month: PKO BP, Anadolu Efes and Pekao S.A.

Company	Country	Sector	Rating	Current valuations (10%)	Valuations vs history (10%)	Earnings growth (20%)	Price/EPS momentum (20%)	DY (20%)	GEM funds positioning upside (20%)	Weighted average of ranks
PKO BP	Poland	Financials	Neutral	67	77	95	98	92	91	89.6
Anadolu Efes	Türkiye	Cons. S.	Buy	67	88	84	92	81	79	82.7
Pekao S.A.	Poland	Financials	Buy	74	81	77	99	97	50	80.1
Ford Otosan	Türkiye	Cons. D.	Not covered	71	96	87	93	100	29	78.5
Isbank	Türkiye	Financials	Buy	99	69	58	91	99	53	77
Eastern Tobacco	Egypt	Cons. S.	Not covered	51	14	93	93	98	45	72.3
Public Power Cor	Greece	Utilities	Not covered	75	18	100	86	72	55	71.9
Garanti Bank	Türkiye	Financials	Buy	90	81	48	73	70	83	71.9
Emaar Development	UAE	Real Estate	Buy	86	18	64	88	75	79	71.6
Erste Bank**	CEE	Financials	Buy	93	88	64	37	84	79	70.9
Harmony	S Africa	Materials	Underperform	61	34	98	69	51	87	70.5
PZU	Poland	Financials	Not covered	81	85	73	86	94	16	70.4
Sabanci Holding	Türkiye	Financials	Not covered	92	85	55	97	60	50	70.1
Coca-Cola Icecek	Türkiye	Cons. S.	Buy	19	90	89	85	49	70	69.5
Alpha Bank	Greece	Financials	Not covered	85	67	87	82	84	7	67.2
AngloGold Ashanti	S Africa	Materials	Neutral	43	70	58	74	41	100	65.9
NEPI Rockcastle**	S Africa	Real Estate	Not covered	50	55	49	54	76	98	65.9
Piraeus Bank	Greece	Financials	Not covered	87	45	75	97	67	24	65.8
Turkcell	Türkiye	Comm. Svcs.	Buy	64	57	83	65	97	23	65.7
Yapi Kredi Bank	Türkiye	Financials	Buy	91	86	53	90	78	14	64.7

GEM funds stock-level positioning data with an average lag of 3 months, others as of January. Numbers in brackets show weights we have allocated to each factor. 100=best, 0=worst. **Stocks with resilient dividends. This screen is not a recommended list either individually or as a group of stocks and may not be consistent with our fundamental view. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decision. **Source:** IBES, DataStream, Bloomberg, BofA Global Research.

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Exhibit 7: Equity Risk Premium

Türkiye at the top, followed by Hungary and Egypt

GEMs	Equity risk premium	Earnings Yield		Dividend Yield		10yr Govt Bond Yield	Inflation
	2024E	2024E	2025E	2024E	2025E	Current	2024E
Türkiye	50.4%	18.9%	24.4%	4.3%	5.6%	25.3%	56.8%
Hungary	15.9%	17.8%	17.7%	4.9%	5.2%	6.4%	4.5%
Egypt	15.3%	13.6%	16.0%	3.0%	4.0%	27.3%	29.0%
Colombia	13.6%	17.1%	18.4%	7.7%	7.5%	9.8%	6.4%
China	9.7%	11.2%	12.9%	2.9%	3.2%	2.4%	0.8%
Poland	9.3%	10.1%	11.0%	4.6%	4.8%	5.3%	4.5%
Greece	8.9%	10.4%	11.0%	5.4%	5.9%	3.5%	2.0%
Chile	8.6%	11.1%	12.1%	7.7%	7.5%	5.7%	3.2%
UAE	8.0%	10.1%	10.5%	4.6%	4.7%	4.4%	2.3%
Qatar	7.4%	9.4%	9.7%	4.8%	5.2%	4.2%	2.3%
Korea	7.4%	8.5%	10.8%	2.1%	2.3%	3.4%	2.3%
Czechia	7.2%	8.6%	8.1%	7.3%	6.7%	3.9%	2.5%
Taiwan	6.6%	5.9%	7.1%	2.9%	3.2%	1.2%	2.0%
Brazil	5.5%	12.6%	13.2%	6.2%	6.5%	10.9%	3.8%
Malaysia	5.2%	7.1%	7.5%	4.1%	4.3%	3.9%	2.0%
Kuwait	4.9%	6.4%	6.8%	3.4%	3.6%	4.6%	3.1%
Philippines	4.9%	7.8%	8.5%	2.6%	2.7%	6.2%	3.3%
Thailand	4.4%	6.1%	7.0%	3.1%	3.6%	2.5%	0.8%
South Africa	3.7%	10.5%	12.2%	4.3%	4.8%	11.7%	5.0%
Peru	3.4%	8.0%	9.2%	4.1%	4.7%	6.9%	2.3%
Mexico	3.2%	7.6%	8.5%	4.3%	4.5%	9.3%	4.9%
Indonesia	3.2%	7.0%	7.7%	4.1%	4.3%	6.6%	2.8%
India	2.3%	4.5%	5.2%	1.3%	1.5%	7.1%	4.9%
Saudi Arabia	2.3%	5.3%	6.1%	3.3%	3.5%	5.3%	2.2%

Source: IBES, DataStream, Bloomberg, BofA Global Research

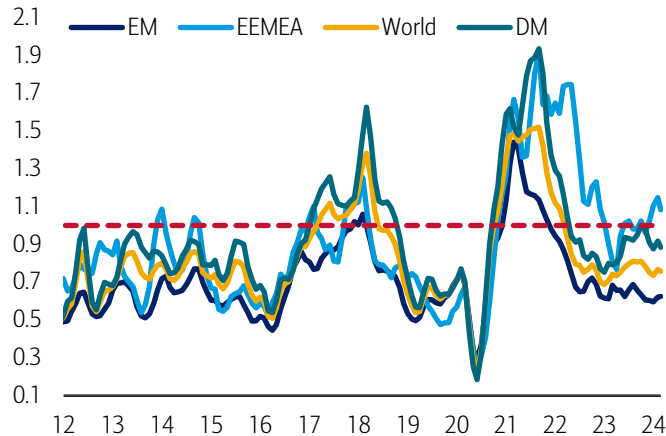
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Top-down analysis

Exhibit 8: 3m Earnings Revision Ratio (ERR)

EEMEA above 1

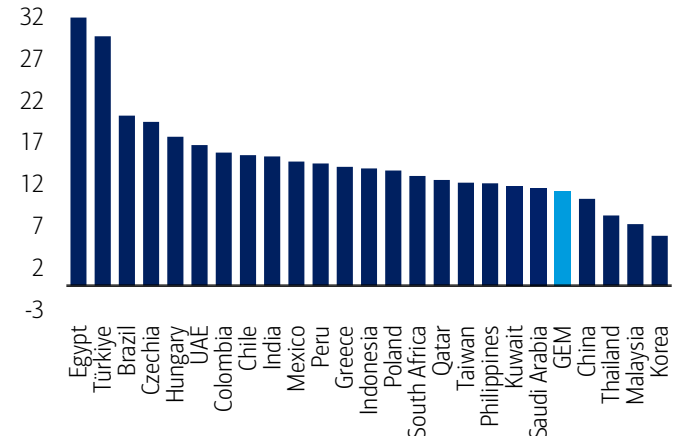


Source: IBES, DataStream and Bloomberg, BofA Global Research

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Exhibit 9: Return on equity (%)

Egypt has the highest return at 32%; Korea the lowest at c.6%



Source: IBES, DataStream and Bloomberg, BofA Global Research

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Exhibit 10: GEM funds positioning vs MSCI EM (OW/UW in %pt)

OW SA, Hungary and Greece, UW most of other EEMEA

	Average	Latest	1m ago	Latest - Average	Weight in MSCI EM
Korea	-2.85%	-0.15%	-0.33%	2.70%	12.24%
China	-4.93%	-2.41%	-2.62%	2.52%	24.87%
Brazil	0.79%	2.15%	2.16%	1.36%	5.73%
Mexico	0.18%	1.10%	1.20%	0.92%	2.83%
S. Africa	-0.36%	0.29%	0.50%	0.64%	3.03%
Poland	-0.45%	-0.15%	-0.20%	0.30%	0.98%
Greece	-0.07%	0.10%	0.05%	0.17%	0.53%
Qatar	-0.70%	-0.64%	-0.66%	0.06%	0.89%
Hungary	0.31%	0.34%	0.34%	0.04%	0.28%
Saudi Arabia	-2.26%	-2.23%	-2.18%	0.03%	4.32%
Czechia	-0.09%	-0.09%	0.50%	0.00%	3.03%
UAE	-0.44%	-0.48%	-0.54%	-0.04%	1.31%
Egypt	0.06%	-0.06%	-0.04%	-0.11%	0.13%
Türkiye	0.59%	-0.21%	0.50%	-0.80%	3.03%
India	2.75%	-1.40%	-1.28%	-4.15%	17.98%

For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Average since 2013 for Greece, 2014 for UAE and Qatar, 2019 for Saudi Arabia, 2020 for Kuwait and 2012 for the rest. Source: EPFR, DataStream, BofA Global Research

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Exhibit 11: GEM funds positioning –change in OW/UW vs MSCI EM

Adding to CEE, Qatar, UAE and Greece

	Change in OW/UW in January	3-month change in OW/UW	6-month change in OW/UW
	1m change	3m change	6m change
Brazil	-0.01%	0.25%	0.51%
China	0.21%	0.29%	0.35%
Mexico	-0.09%	0.09%	0.35%
Korea	0.18%	0.00%	0.22%
UAE	0.06%	0.09%	0.14%
Poland	0.06%	0.09%	0.13%
Türkiye	-0.02%	-0.02%	0.12%
Greece	0.05%	0.13%	0.11%
Hungary	0.01%	0.04%	0.10%
Qatar	0.02%	0.03%	0.06%
Saudi Arabia	-0.05%	0.12%	0.06%
Czechia	0.01%	0.02%	0.01%
S. Africa	-0.21%	-0.13%	0.00%
Egypt	-0.02%	-0.02%	-0.04%
India	-0.12%	-0.56%	-1.34%

For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Average since 2013 for Greece, 2014 for UAE and Qatar, 2019 for Saudi Arabia, 2020 for Kuwait and 2012 for the rest. Source: EPFR, DataStream, BofA Global Research

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Exhibit 12: Weekly inflows into equity markets (USD mn)

Inflows across whole EEMEA excluding S. Africa

	EEMEA	S. Africa	Türkiye	Czechia	Hungary	Poland	Israel	Egypt	Saudi	UAE	Kuwait	Qatar
20-Dec-23	-134.9	3.1	-43.2	-1.9	10.5	4.3	-42.0	-4.0	-54.0	9.1	7.8	5.0
27-Dec-23	28.4	0.6	29.6	-1.8	-1.2	-4.6	-11.3	0.0	3.0	0.8	-0.1	0.1
03-Jan-24	33.2	-2.9	8.5	-0.3	0.0	6.4	14.5	0.0	22.1	0.9	0.1	0.3
10-Jan-24	33.8	32.9	-14.1	0.1	0.0	-7.2	2.1	1.1	12.7	4.0	0.7	1.0
17-Jan-24	-55.8	-43.7	6.5	0.1	0.3	-21.0	4.2	0.2	4.4	0.3	1.4	-0.2
24-Jan-24	-31.4	-6.8	3.7	-0.5	-2.0	-3.5	11.4	-0.6	0.4	-2.0	-0.5	-0.4
31-Jan-24	34.5	37.5	-7.0	0.5	-2.8	0.1	14.2	1.4	-12.9	3.9	0.7	1.0
07-Feb-24	97.3	-30.5	41.1	0.9	2.1	9.3	0.7	2.1	66.1	4.9	3.2	10.7
14-Feb-24	9.1	-4.8	31.7	0.3	0.3	19.4	8.6	-0.2	-31.8	-0.5	-0.3	-0.1
21-Feb-24	73.4	-18.8	26.7	2.4	8.3	22.4	5.6	1.4	6.9	6.3	1.1	1.7

As of 21 Feb 2024 (reported on 22 Feb). We obtain country flows from all "equity" category in EPFR, spanning funds representing a total of US\$4.2tn (equities). **Source:** EPFR Global, BofA Global Research

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Exhibit 13: Monthly inflows into equity markets (USD mn)

Slight rebound in the beginning of 2024

	EEMEA	S. Africa	Türkiye	Czechia	Hungary	Poland	Israel	Egypt	Saudi	UAE	Kuwait	Qatar
Jan-23	1305.6	516.9	-27.5	18.9	29.4	104.0	72.3	29.0	125.5	94.4	22.6	29.2
Feb-23	1047.0	129.0	375.1	10.5	14.6	36.0	43.4	4.7	120.3	58.6	36.2	20.1
Mar-23	798.0	60.4	610.9	1.3	0.7	24.4	19.2	0.9	53.2	18.1	7.8	7.9
Apr-23	-40.2	-7.2	-47.2	0.7	-1.5	-26.3	19.2	4.5	21.7	8.7	2.5	4.9
May-23	-1.9	-0.2	195.6	-13.6	-27.0	-69.2	20.4	0.4	-17.4	-7.3	3.7	-1.4
Jun-23	-162.0	26.6	-117.1	-3.6	-2.5	23.7	15.5	-0.1	50.1	2.7	1.9	3.9
Jul-23	-14.5	92.6	-49.2	1.5	14.5	23.6	25.4	0.4	-42.7	-3.1	-0.5	-0.2
Aug-23	-737.3	-167.6	-160.7	-5.9	-11.8	-48.7	26.6	-9.3	-49.9	-43.7	-15.3	-3.9
Sep-23	-599.2	-86.9	-148.6	-3.4	-21.0	-55.1	10.7	-7.7	-32.7	-42.1	-7.3	-5.9
Oct-23	-853.8	-61.2	-130.7	-6.8	-8.1	6.8	-34.5	-12.7	-336.4	-49.1	-9.0	-22.5
Nov-23	-779.0	-170.4	-211.0	-3.2	-11.5	-8.8	6.8	-10.9	-109.6	-46.8	-7.9	-11.5
Dec-23	-350.0	-95.6	-72.3	-6.2	8.1	0.6	-76.1	-7.7	-74.9	-4.7	4.8	1.0
Jan-24	14.2	17.0	-2.3	-0.1	-4.6	-25.2	46.4	2.1	26.7	7.0	2.4	1.7
Feb-24	179.9	-54.1	99.5	3.7	10.7	51.1	14.8	3.3	41.2	10.8	4.0	12.3

As of 21 Feb 2024 (reported on 22 Feb). We obtain country flows from all "equity" category in EPFR, spanning funds representing a total of US\$4.2tn (equities). **Source:** EPFR Global, BofA Global Research

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Exhibit 14: Latest EEMEA valuations, growth, and earnings momentum

Czechia dividends the highest at 9.9% yield followed by Greece at 5.8%

Country	12m trailing dividend yield	12m forward EPS yield	12m forward EPS growth	3m change in 12m forward EPS
Türkiye	3.4%	19.7%	18.6%	1.1%
S Africa	4.0%	11.0%	14.2%	-1.6%
Poland	3.9%	10.1%	-8.8%	-1.8%
Hungary	4.6%	18.0%	-8.1%	-0.5%
Czechia	9.9%	8.4%	-4.2%	-7.3%
Greece	5.8%	10.7%	-1.2%	7.7%
UAE	4.5%	10.5%	-7.7%	2.7%
Qatar	4.5%	9.4%	6.3%	1.7%
Egypt	2.9%	14.9%	30.7%	13.5%
Saudi Arabia	3.2%	5.6%	16.2%	1.1%
Kuwait	2.9%	15.3%	6.1%	2.7%

Data as of 28 February 2024. Greece is excluding banks **Source:** IBES, BofA Global Research

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Exhibit 15: EEMEA 12m fwd. EV/EBITDA†: latest vs avg (ordered by z-score)

Czechia the cheapest based on z-score

	Latest fwd. EV/EBITDA	Avg	Min	Max	% above / Below Average	Zscore	History Since
Czechia	4.9	7.0	4.1	10.5	-31%	-2.0	07/09/2005
Hungary	3.6	5.5	2.7	11.7	-34%	-1.6	15/07/2005
Türkiye	4.6	6.2	3.1	8.7	-25%	-1.3	14/07/2005
UAE	6.8	9.4	2.3	19.8	-27%	-0.9	10/01/2007
S Africa	6.9	7.9	3.5	15.0	-14%	-0.5	18/07/2005
Poland	5.4	5.7	1.0	7.8	-4%	-0.3	22/07/2005
Kuwait	6.7	7.1	3.8	17.1	-6.4%	-0.2	18/09/2006
Greece	6.1	5.7	3.1	9.2	8%	0.4	06/01/2005
Qatar	9.6	8.4	3.7	12.9	14%	0.7	16/01/2007
Egypt	6.6	4.6	0.9	11.6	43%	1.1	03/07/2006
Saudi	10.9	9.5	6.1	14.1	15%	1.1	10/05/2007

Data as of 28 Feb 2024. †Ex financials for all countries, as this is not a relevant indicator. **Source:** IBES, Bloomberg, BofA Global Research

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Exhibit 16: EEMEA 12m fwd. EV/Sales†: latest vs avg (ordered by z-score)

Qatar the cheapest based on z-score

	Latest EV/Sales	Avg	Min	Max	% above / Below Average	Zscore	History Since
Qatar	2.0	3.6	1.7	6.8	-44%	-1.8	16/01/2007
S Africa	1.5	1.9	1.0	2.9	-23%	-1.4	18/07/2005
Czechia	1.9	2.5	1.6	4.6	-25.3%	-1.1	07/09/2005
Hungary	0.6	0.9	0.5	3.8	-32%	-0.9	15/07/2005
UAE	2.6	3.2	0.7	7.2	-20%	-0.6	10/01/2007
Kuwait	1.8	2.3	1.2	9.4	-22%	-0.3	18/09/2006
Poland	0.7	0.7	0.3	1.2	-1%	0.0	04/07/2005
Türkiye	0.7	0.7	0.4	1.7	1%	0.0	14/07/2005
Greece	1.1	1.1	0.5	2.1	3%	0.1	06/01/2005
Saudi	3.1	4.9	0.5	3.1	-37%	0.6	10/05/2007
Egypt	2.8	1.6	0.2	4.0	75%	2.0	03/07/2006

Data as of 28 Feb 2024. †Ex financials for all countries, as this is not a relevant indicator. **Source:** IBES, Bloomberg, BofA Global Research

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Exhibit 17: EEMEA 12m fwd. P/E: latest vs avg (ordered by z-score)

Hungary the cheapest based on z-score

	Latest fwd. P/E	Avg	Min	Max	% above / Below Average	Zscore	History Since
Hungary	5.5	9.4	4.2	17.0	-42%	-2.0	31/12/1999
Türkiye	4.9	8.5	3.5	18.7	-42%	-1.4	31/12/1999
Poland	9.2	11.9	5.7	25.1	-22%	-1.0	31/12/1999
S Africa	9.0	11.3	6.7	17.3	-20%	-1.0	31/12/1999
Egypt	7.1	9.5	4.3	17.6	-26%	-1.0	15/07/2004
Qatar	10.3	12.4	6.2	27.9	-17%	-0.6	03/01/2005
UAE	9.5	11.1	5.3	26.7	-14%	-0.5	02/01/2006
Greece	9.9	12.0	2.7	52.5	-17%	-0.5	17/02/2000
Czechia	11.6	12.6	6.7	18.4	-7%	-0.4	20/04/2000
Kuwait	15.4	16.1	6.8	28.4	-5%	-0.2	03/01/2005
Saudi	18.0	16.0	9.8	35.6	12%	0.5	03/01/2005

Data as of 28 Feb 2024. †Ex financials for all countries, as this is not a relevant indicator. **Source:** IBES, Bloomberg, BofA Global Research

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Exhibit 18: EEMEA 12m fwd. P/B: latest vs avg (ordered by z-score)

South Africa the cheapest based on z-score

	Latest fwd. P/B	Avg	Min	Max	% above / Below Average	Zscore	History Since
S Africa	1.4	1.9	0.9	2.8	-28%	-1.5	15/01/2004
Hungary	0.9	1.3	0.6	2.6	-32%	-0.9	15/01/2004
Qatar	1.4	2.1	1.1	6.9	-35%	-0.7	03/01/2005
Poland	1.1	1.4	0.7	2.5	-18%	-0.6	15/01/2004
UAE	1.3	1.5	0.5	5.9	-14%	-0.2	03/01/2005
Saudi	2.1	2.4	1.2	9.1	-11%	-0.2	03/01/2005
Kuwait	1.8	1.9	1.1	4.0	-5.1%	-0.2	03/01/2005
Greece	1.8	1.8	0.3	12.8	-1%	0.0	31/05/2001
Czechia	1.6	1.6	0.9	3.0	1%	0.0	15/01/2004
Türkiye	1.3	1.3	0.7	2.0	1%	0.0	20/01/2005
Egypt	2.2	2.0	0.5	5.1	13%	0.3	18/11/2004

Data as of 28 Feb 2024. †Ex financials for all countries, as this is not a relevant indicator. **Source:** IBES, Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 19: EEMEA sectors US\$ performance, change in P/E multiple and earnings growth

Performance

Performance (US\$)	Türkiye	South Africa	Hungary	Poland	Czechia	Greece*	UAE	Qatar	Egypt	Saudi	Kuwait	EM
2020A	-10%	-6%	-12%	-12%	-6%	5%	-6%	-6%	-25%	-2%	-14%	16%
2021A	-31%	1%	11%	6%	49%	3%	44%	12%	6%	34%	28%	-5%
2022A	84%	-7%	-34%	-29%	-19%	-1%	-9%	-10%	-25%	-7%	7%	-22%
2023A	-9%	-2%	45%	45%	22%	36%	-3%	-3%	38%	7%	-10%	7%
2024A	15%	-10%	3%	5%	-9%	2%	-1%	-2%	6%	6%	9%	0%
Fwd. P/E ch.	Türkiye	South Africa	Hungary	Poland	Czechia	Greece*	UAE	Qatar	Egypt	Saudi	Kuwait	EM
2021E	-20%	-9%	-25%	-15%	7%	-18%	31%	-8%	1%	-12%	9%	-17%
2022E	-10%	-9%	-35%	-41%	-25%	-27%	-23%	-11%	-2%	-21%	-38%	-8%
2023E	-13%	8%	-1%	33%	8%	8%	-14%	-3%	-6%	25%	-24%	1%
2024E	-6%	-14%	10%	-2%	4%	-7%	-4%	-6%	-4%	-6%	49%	-9%
2025E	-19%	-9%	-15%	4%	-23%	5%	-5%	-7%	-18%	-12%	7%	-9%
Fwd. earnings ch.(US\$)	Türkiye	South Africa	Hungary	Poland	Czechia	Greece*	UAE	Qatar	Egypt	Saudi	Kuwait	EM
2021E	-13%	11%	47%	22%	38%	26%	7%	21%	5%	50%	18%	17%
2022E	99%	4%	5%	19%	9%	35%	21%	2%	-24%	15%	71%	-15%
2023E	7%	-13%	45%	10%	12%	24%	10%	-2%	44%	-11%	17%	3%
2024E	25%	8%	-5%	6%	-11%	11%	7%	4%	21%	13%	-26%	13%
2025E	23%	10%	18%	-4%	30%	-3%	5%	7%	22%	13%	-7%	10%
Earnings growth	Türkiye	South Africa	Hungary	Poland	Czechia	Greece*	UAE	Qatar	Egypt	Saudi	Kuwait	EM
2020A	16%	5%	-39%	-9%	-49%	7%	-27%	-16%	-11%	-15%	-28%	-3%
2021A	171%	51%	144%	132%	61%	24%	24%	23%	26%	82%	116%	53%
2022A	290%	-3%	42%	-4%	226%	118%	28%	11%	14%	12%	2%	16%
2023A	21%	4%	8%	12%	-41%	-2%	34%	1%	74%	-17%	15%	-4%
2024E	21%	4%	8%	12%	-41%	-2%	34%	1%	74%	-17%	15%	-4%
2025E	16%	7%	-10%	-17%	-4%	7%	-9%	7%	34%	16%	6%	16%

Data as of 28 February 2024. **Source:** IBES, DataStream, BofA Global Research. * Excluding Banks

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Exhibit 20: EEMEA sectors US\$ performance, change in P/E multiple and earnings growth

Performance

Performance (US\$)	Energy	Materials	Financials	Cons. Staples	Cons. Discr	Industrials	Utilities	Health Care	Comm. Svcs.
2020A	-28%	10%	-17%	6%	14%	-5%	1%	-8%	-5%
2021A	26%	9%	26%	-7%	-22%	15%	14%	35%	13%
2022A	-76%	-34%	-18%	-23%	-7%	30%	-18%	-13%	-36%
2023A	10%	-13%	8%	21%	4%	-4%	22%	23%	-6%
2024A	-1%	-7%	4%	3%	2%	4%	-4%	7%	-3%
Fwd. P/E ch.	Energy	Materials	Financials	Cons. Staples	Cons. Discr	Industrials	Utilities	Health Care	Comm. Svcs.
2021E	-45%	-8%	1%	-5%	-21%	-10%	22%	32%	16%
2022E	28%	3%	-7%	-15%	-5%	-53%	-5%	-8%	-31%
2023E	39%	48%	-6%	9%	-22%	-8%	42%	15%	0%
2024E	6%	-15%	-4%	-6%	-16%	30%	-9%	-7%	-7%
2025E	8%	-11%	-4%	1%	-16%	-2%	-6%	-17%	-16%
Fwd. earnings ch.(US\$)	Energy	Materials	Financials	Cons. Staples	Cons. Discr	Industrials	Utilities	Health Care	Comm. Svcs.
2021E	129%	19%	25%	-2%	1%	31%	-8%	3%	-4%
2022E	-82%	-37%	-13%	-9%	-5%	163%	-14%	-8%	-8%
2023E	-21%	-41%	13%	7%	27%	5%	-14%	8%	-7%
2024E	-6%	12%	10%	16%	29%	-18%	6%	18%	7%
2025E	-8%	13%	4%	-1%	19%	2%	7%	20%	19%
Earnings growth	Energy	Materials	Financials	Cons. Staples	Cons. Discr	Industrials	Utilities	Health Care	Comm. Svcs.
2020A	-24%	-9%	-1%	9%	-3%	-12%	15%	5%	13%
2021A	-48%	11%	-18%	1%	3%	-5%	-26%	3%	12%
2022A	245%	181%	28%	0%	14%	439%	168%	13%	11%
2023A	50%	-16%	28%	47%	-15%	32%	79%	17%	9%
2024E	-23%	-48%	25%	25%	92%	17%	-27%	3%	6%
2025E	-33%	18%	6%	22%	24%	10%	6%	23%	2%

Data as of 28 February 2024. **Source:** IBES, DataStream, BofA Global Research

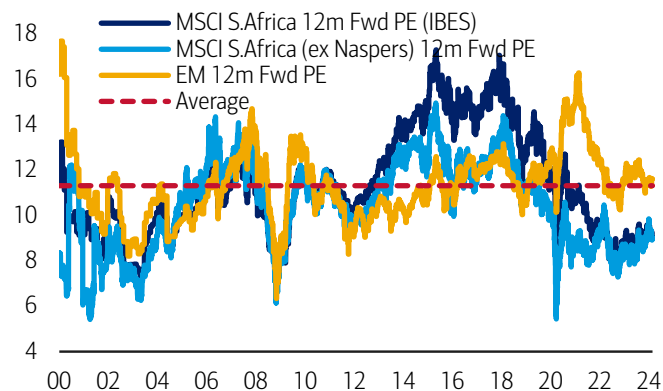
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South Africa

Exhibit 21: South Africa 12m fwd. P/E rel. to MSCI EM

Below average

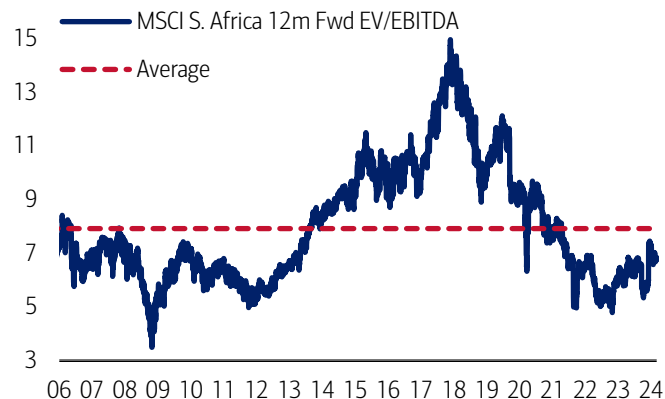


Source: DataStream, IBES, BofA Global Research

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Exhibit 23: South Africa 12m fwd EV/EBITDA

Below historical average



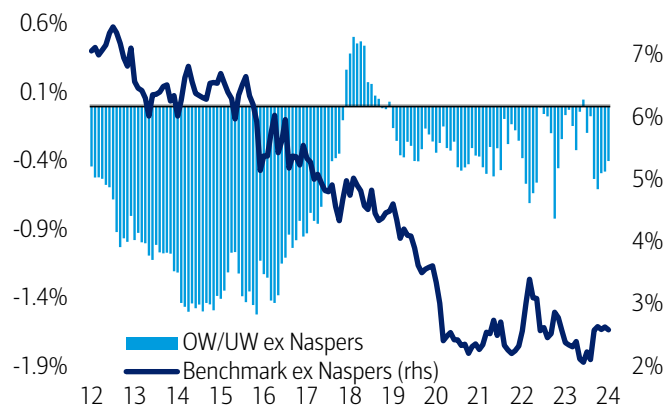
Note: Cumulative EV-EBITDA is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 25: GEM fund positioning in South Africa ex. Naspers

UW

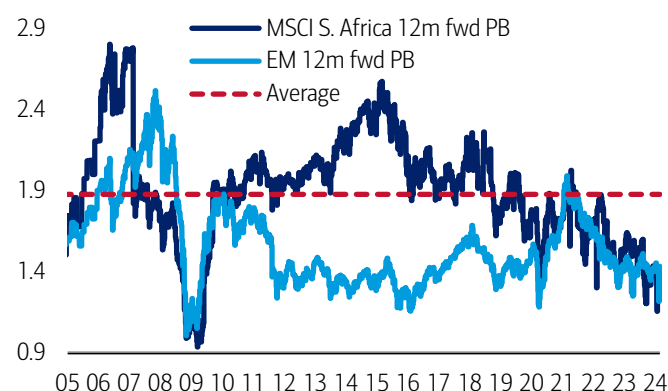


Stock-level positioning data is based on our sample of 27 active GEM funds with US\$ 113.4bn AUM with an MSCI benchmark. Source: EPFR, DataStream, BofA Global Research

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Exhibit 22: South Africa 12m fwd. P/B rel. to MSCI EM

Below historical average

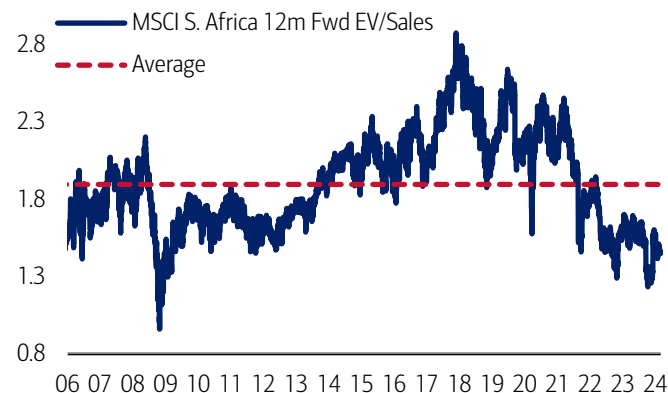


Source: DataStream, IBES, BofA Global Research

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Exhibit 24: South Africa 12m fwd EV/Sales

Below historical average



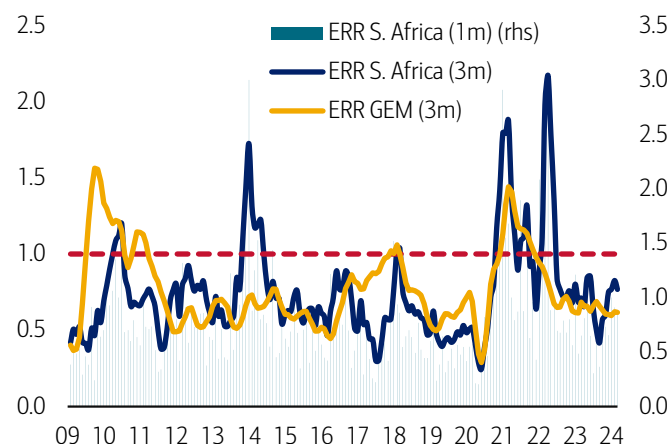
Note: Cumulative EV-Sales is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 26: South Africa's 3m earnings revision ratio

Below 1



Source: DataStream, IBES, BofA Global Research

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Türkiye

Exhibit 27: Türkiye 12m fwd. P/E vs. EM

Below historical average

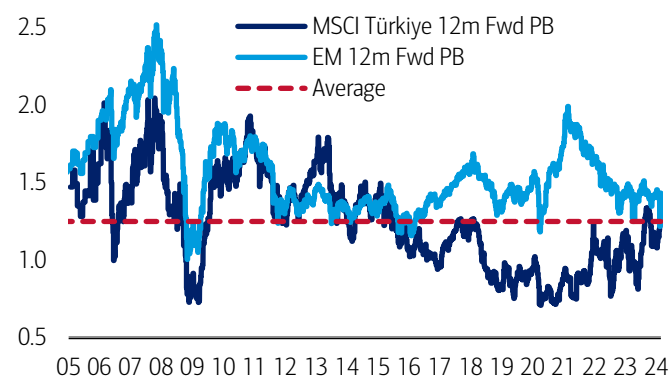


Source: DataStream, IBES, BofA Global Research

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Exhibit 28: Türkiye 12m fwd. P/B rel. to MSCI EM

Close to average

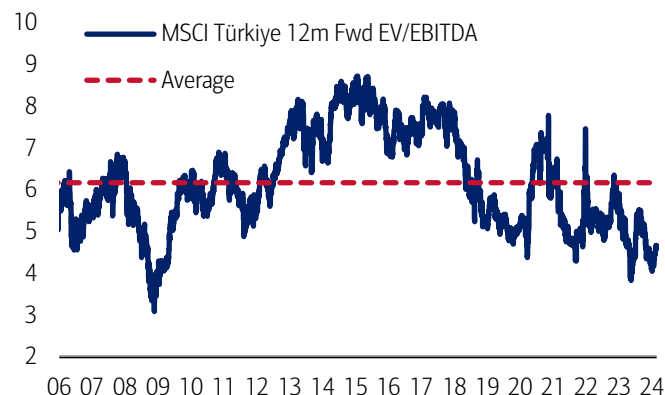


Source: DataStream, IBES, BofA Global Research

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Exhibit 29: Türkiye 12m fwd EV/EBITDA

Below historical average

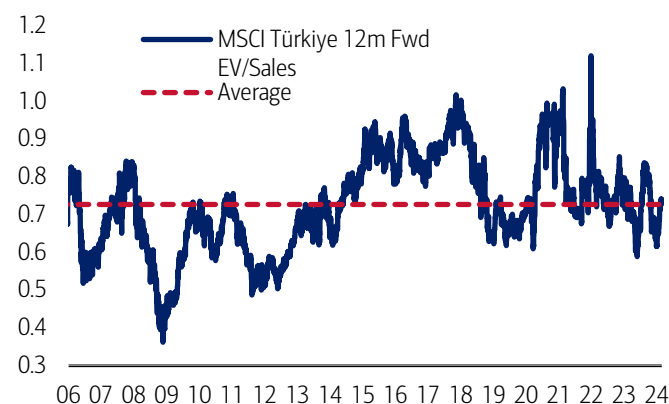


Note: Cumulative EV-EBITDA is calculated using non-financials stocks Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 30: Türkiye 12m fwd EV/Sales

Close to average

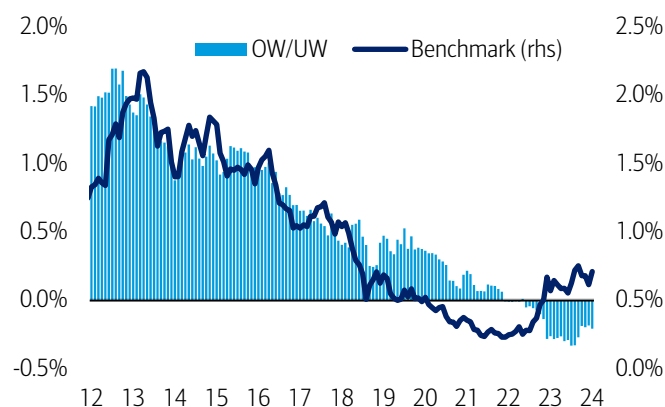


Note: Cumulative EV-Sales is calculated using non-financials stocks Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 31: GEM fund positioning in Türkiye

UW

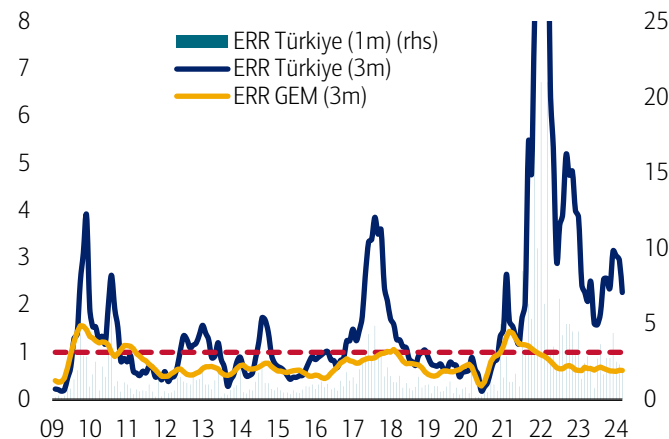


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

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Exhibit 32: Türkiye's 3m earnings revision ratio

ERR high at around



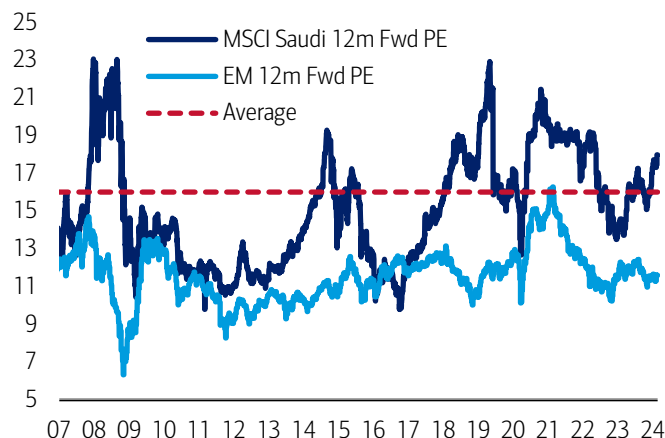
Source: DataStream, IBES, BofA Global Research

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Saudi Arabia

Exhibit 33: Saudi 12m fwd. P/E vs. EM

Above historical average

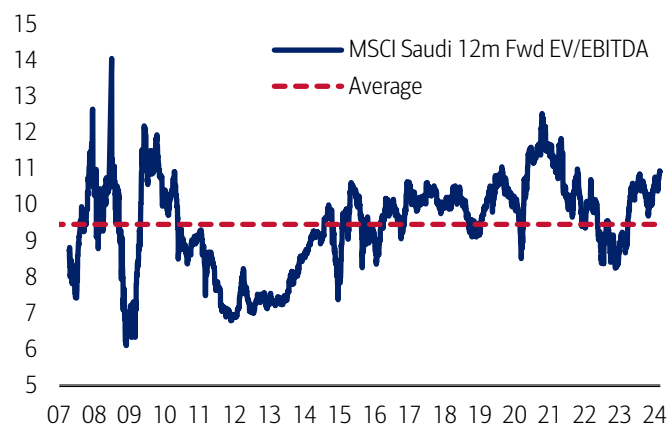


Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 35: Saudi 12m fwd. EV/EBITDA

Above historical average



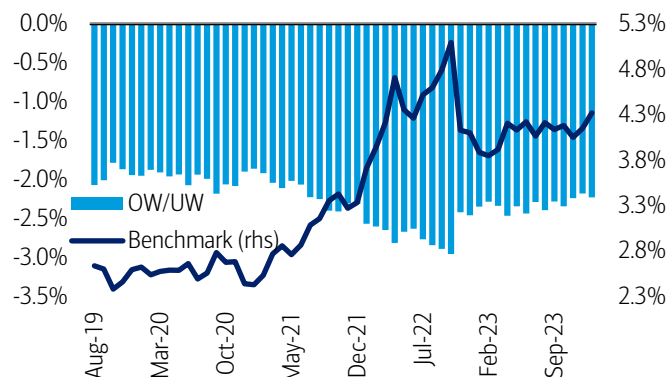
Note: Cumulative EV-EBITDA is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 37: GEM fund allocation in Saudi

Structurally UW

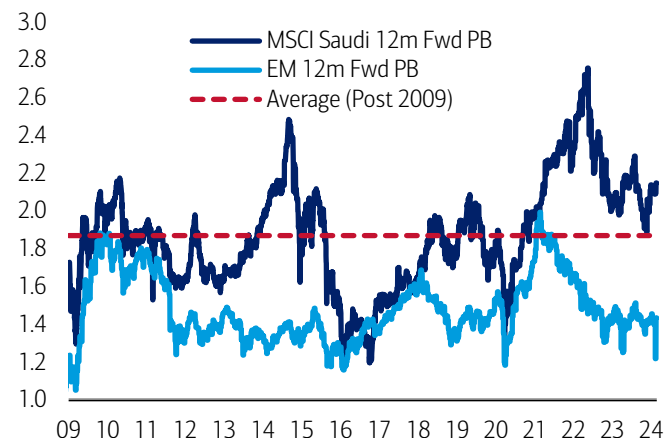


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

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Exhibit 34: Saudi 12m fwd. P/B vs. EM

Above historical average

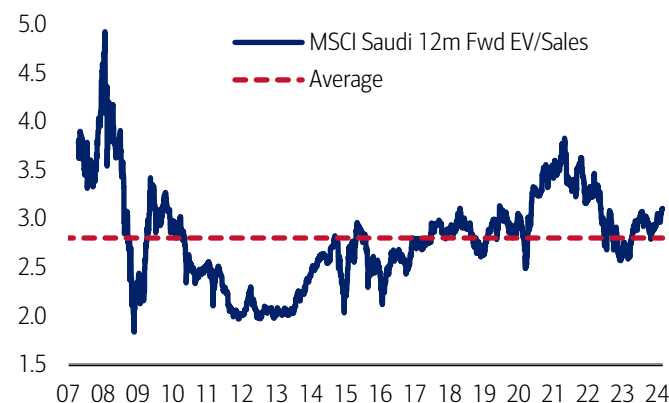


Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 36: Saudi 12m fwd. EV/Sales

Above historical average



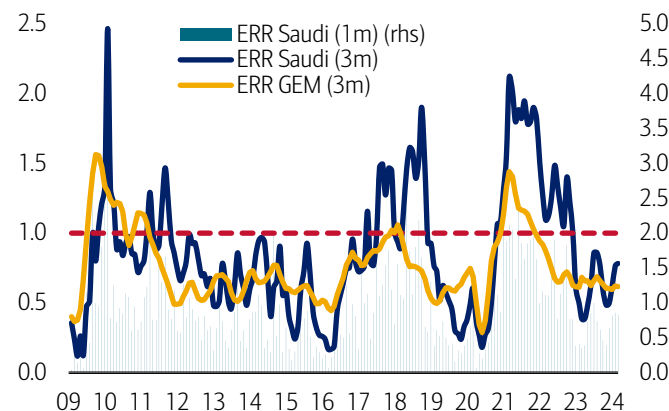
Note: Cumulative EV-Sales is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 38: Saudi's 3m earnings revision ratio

Below 1



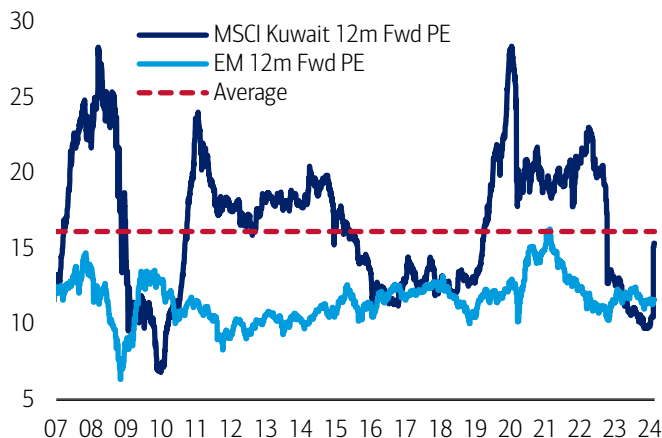
Source: DataStream, IBES, BofA Global Research

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Kuwait

Exhibit 39: MSCI Kuwait 12m fwd PE rel. to MSCI EM

Close to historical average

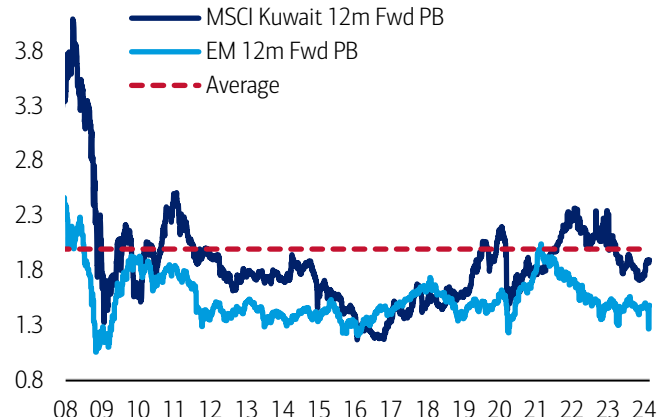


Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 40: MSCI Kuwait 12m fwd PB rel. to MSCI EM

Close to historical average

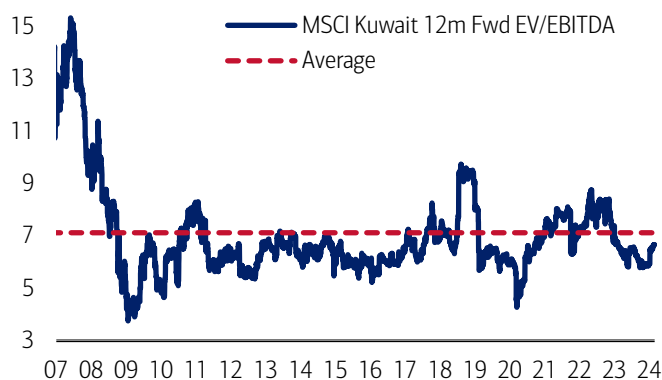


Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 41: MSCI Kuwait 12m fwd EV/EBITDA

Close to historical average



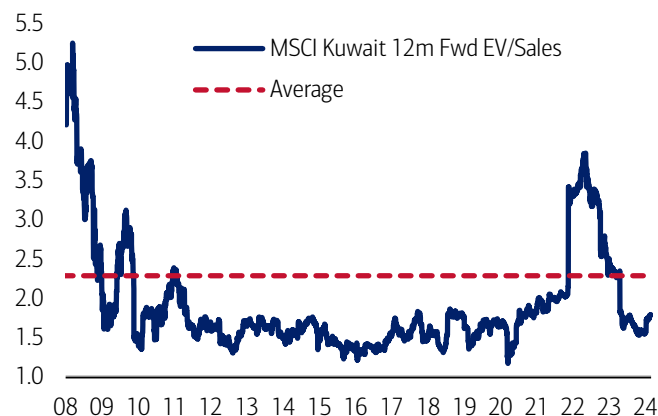
Note: Cumulative EV-EBITDA is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 42: MSCI Kuwait 12m fwd EV/Sales

Below historical average



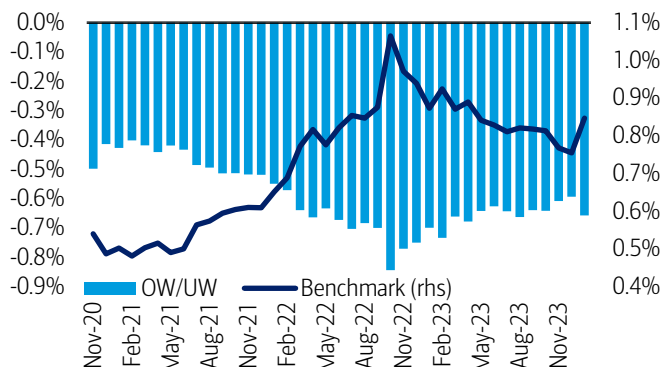
Note: Cumulative EV-Sales is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 43: GEM fund allocation in Kuwait

Structurally UW

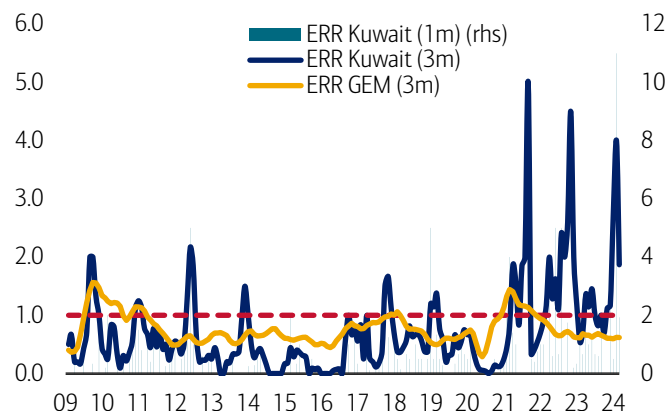


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

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Exhibit 44: Kuwait's 3m earnings revision ratio

Above 1



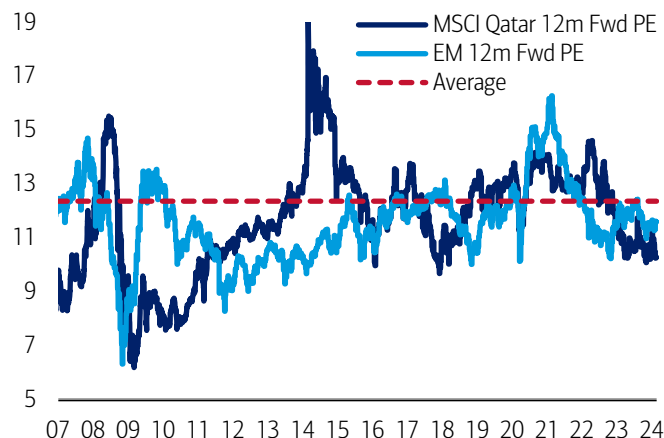
Source: DataStream, IBES, BofA Global Research

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Qatar

Exhibit 45: MSCI Qatar 12m fwd PE rel. to MSCI EM

Below historical average

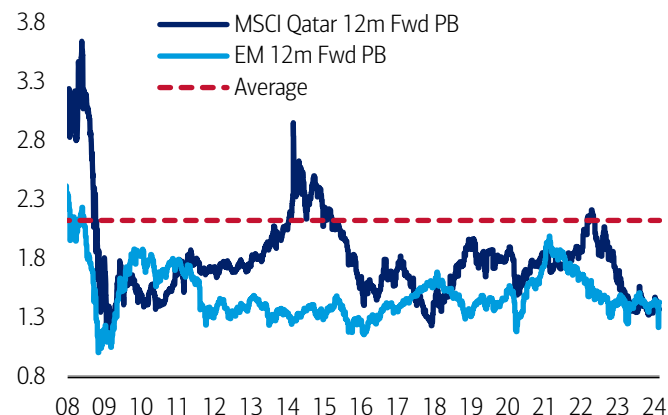


Source: DataStream, IBES, BofA Global Research

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Exhibit 46: MSCI Qatar 12m fwd PB rel. to MSCI EM

Below historical average



Source: DataStream, IBES, BofA Global Research

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Exhibit 47: MSCI Qatar 12m fwd EV/EBITDA

Above historical average



Note: Cumulative EV-EBITDA is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 48: MSCI Qatar 12m fwd EV/Sales

Below historical average



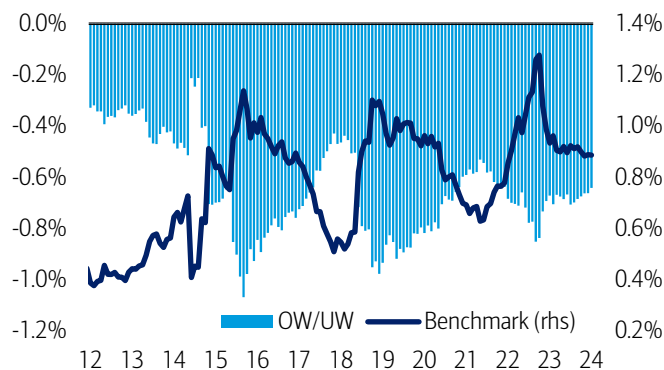
Note: Cumulative EV-Sales is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

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Exhibit 49: GEM fund positioning in Qatar (asset-weighted)

Underweight

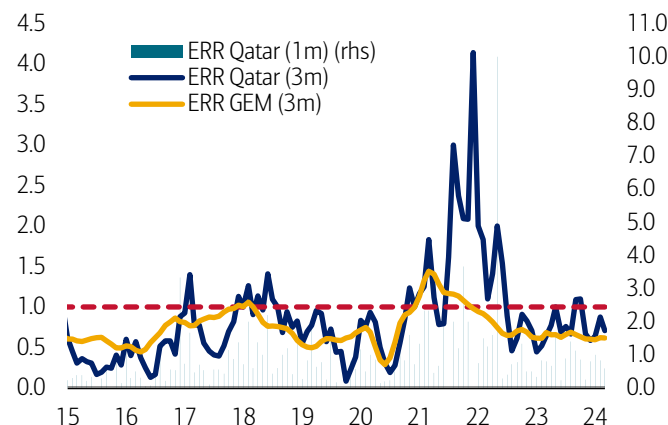


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

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Exhibit 50: Qatar's 3m earnings revision ratio

Below 1



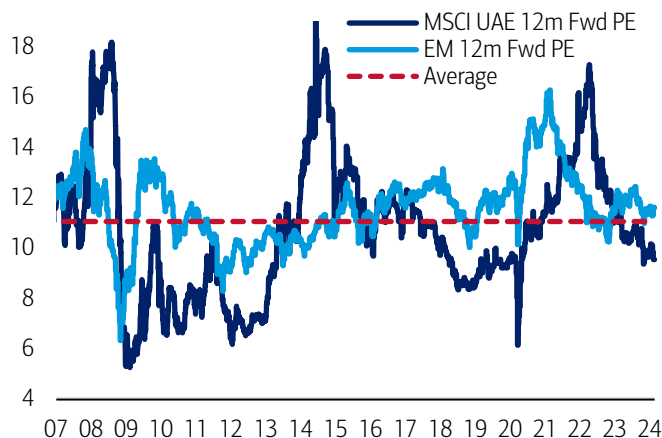
Source: DataStream, IBES, BofA Global Research

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UAE

Exhibit 51: MSCI UAE 12m fwd PE rel. to MSCI EM

Below historical average

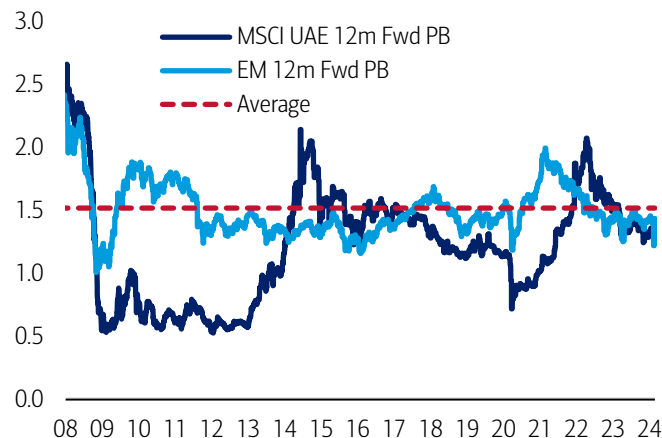


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 52: MSCI UAE 12m fwd PB rel. to MSCI EM

Close to historical average

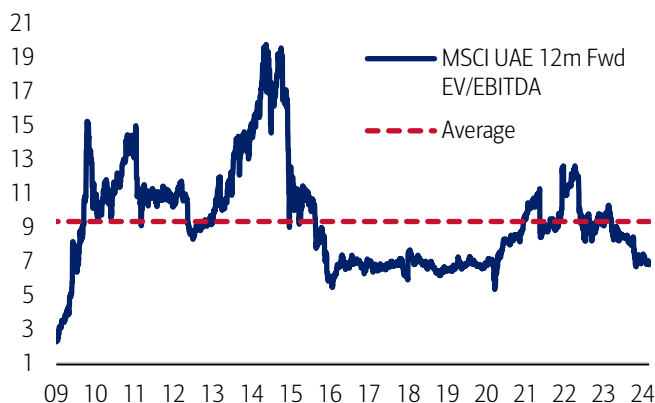


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 53: MSCI UAE 12m fwd EV/EBITDA

Below historical average



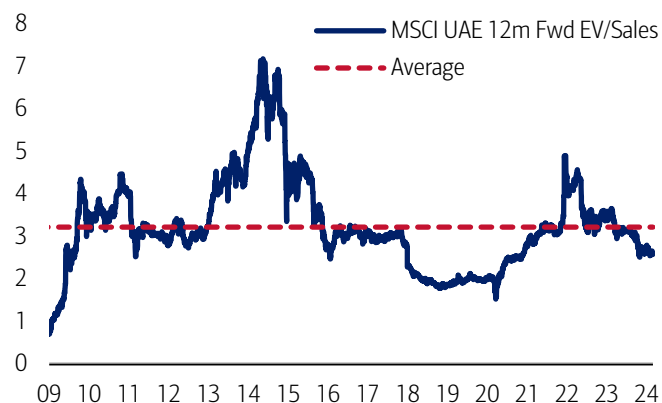
Note: Cumulative EV-EBITDA is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 54: MSCI UAE 12m fwd EV/Sales

Below historical average



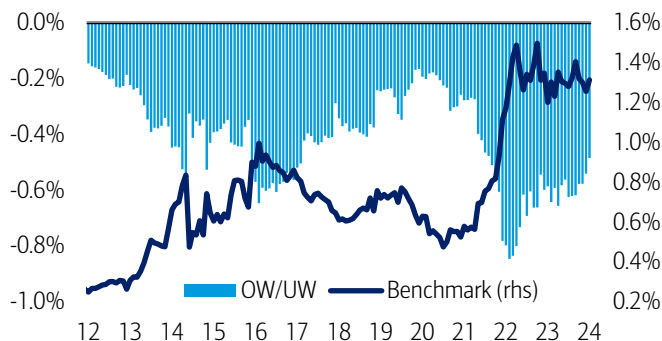
Note: Cumulative EV-Sales is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 55: GEM fund positioning in UAE (asset-weighted)

Underweight

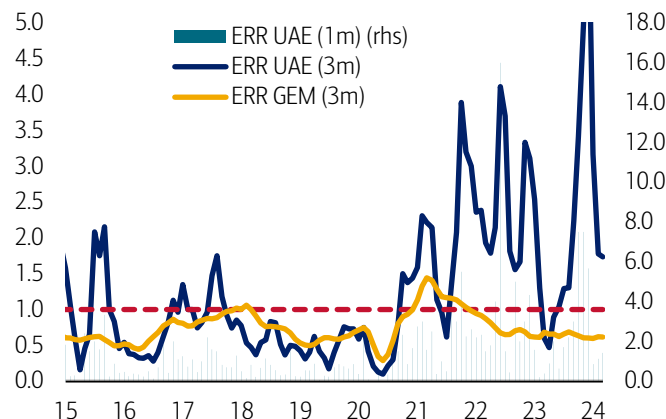


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 56: UAE's 3m earnings revision ratio

Around 2



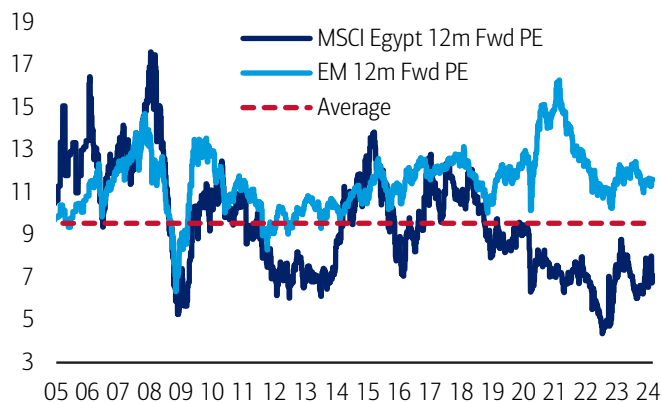
Source: DataStream, IBES, BofA Global Research

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Egypt

Exhibit 57: MSCI Egypt 12m fwd PE rel. to MSCI EM

Below historical average



Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 59: MSCI Egypt 12m fwd EV/EBITDA

Above historical average



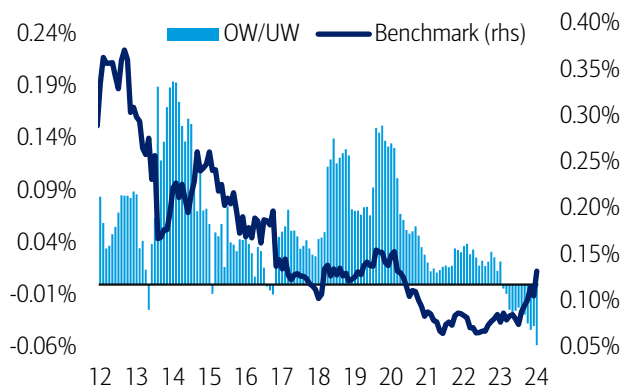
Note: Cumulative EV-EBITDA is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 61: GEM fund positioning in Egypt (asset-weighted)

UW

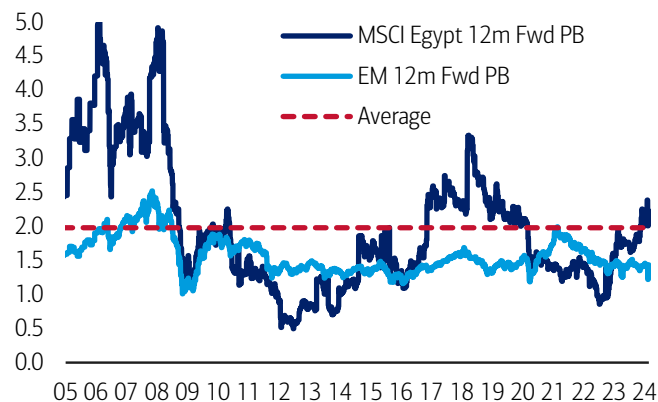


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 58: MSCI Egypt 12m fwd PB rel. to MSCI EM

Close to historical average



Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 60: MSCI Egypt 12m fwd EV/Sales

Above historical average



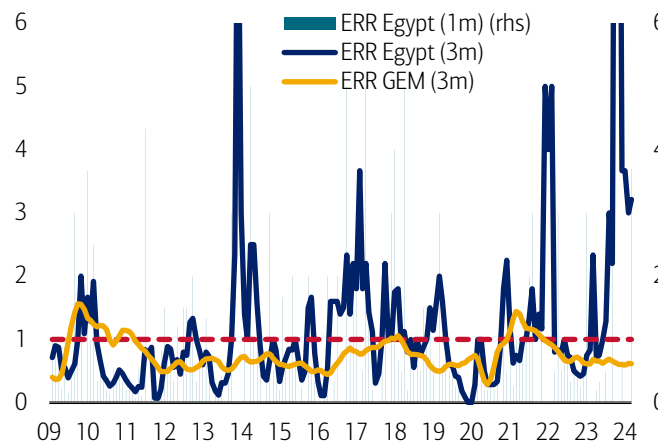
Note: Cumulative EV-Sales is calculated using non-financials stocks

Source: DataStream, IBES, Bloomberg, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 62: Egypt's 3m earnings revision ratio

Above 1



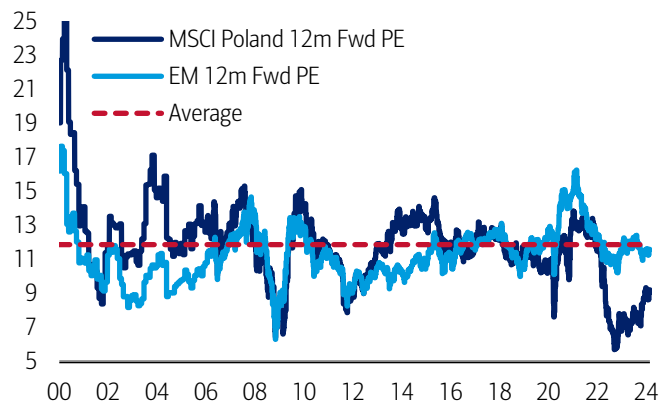
Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Poland

Exhibit 63: Poland 12m fwd. P/E rel. to MSCI EM

Below historical average

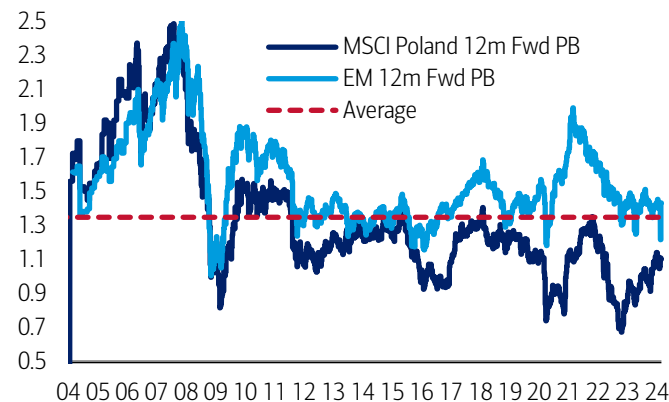


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 64: Poland 12m fwd. P/B rel. to MSCI EM

Below historical average

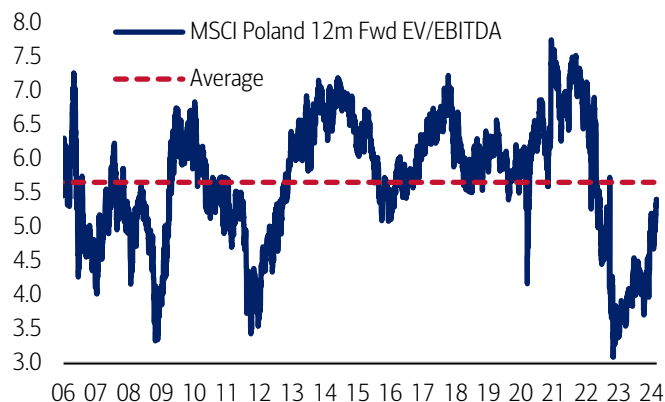


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 65: Poland 12m fwd EV/EBITDA

Close to average

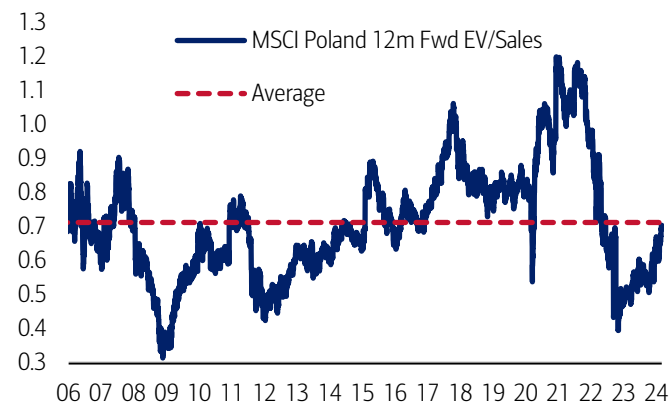


Source: DataStream, IBES, Bloomberg, BofA Global Research Note: Cumulative EV-EBITDA is calculated using non-financials stocks

BofA GLOBAL RESEARCH

Exhibit 66: Poland 12m fwd EV/Sales

Close to average

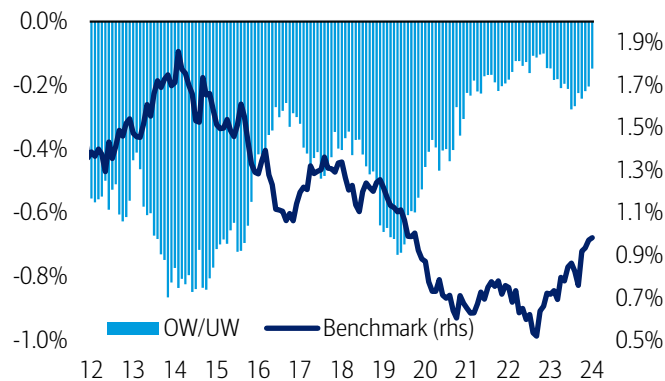


Source: DataStream, IBES, Bloomberg, BofA Global Research Note: Cumulative EV-Sales is calculated using non-financials stocks

BofA GLOBAL RESEARCH

Exhibit 67: GEM fund positioning in Poland (asset-weighted)

Structurally UW

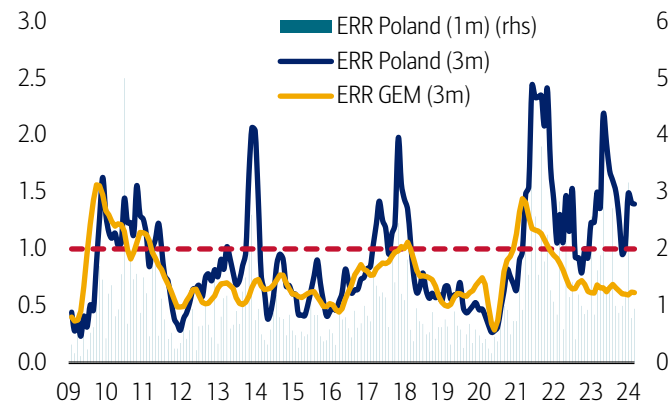


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

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Exhibit 68: Poland's 3m earnings revision ratio

Above 1



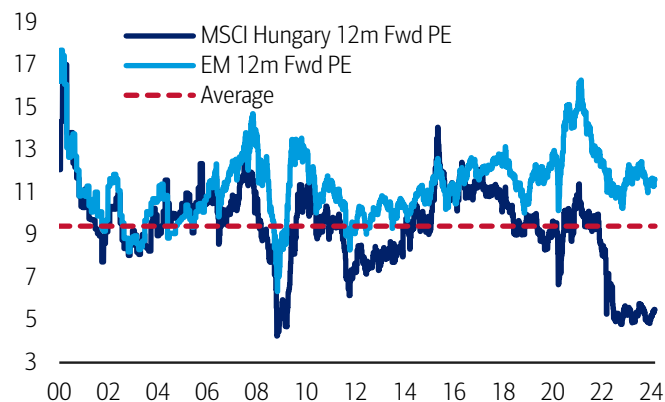
Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Hungary

Exhibit 69: Hungary 12m fwd. P/E rel. to MSCI EM

Below historical average

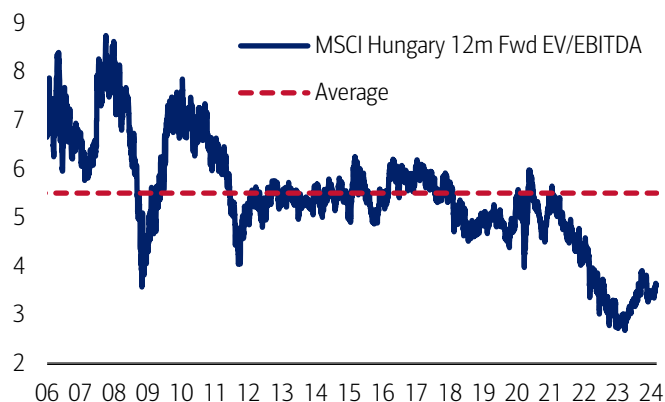


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 71: Hungary 12m fwd EV/EBITDA

Below historical average



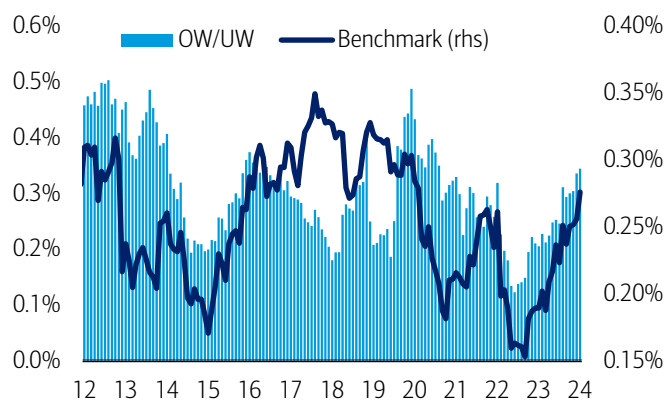
Source: DataStream, IBES, Bloomberg, BofA Global Research

Note: Cumulative EV-EBITDA is calculated using non-financials stocks

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Exhibit 73: GEM fund positioning in Hungary

OW

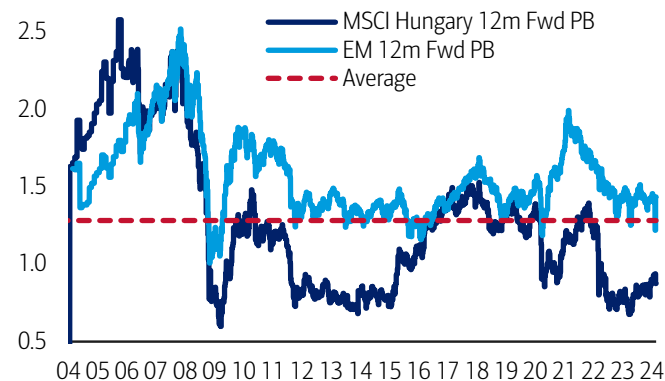


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

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Exhibit 70: Hungary 12m fwd. P/B rel. to MSCI EM

Below historical average

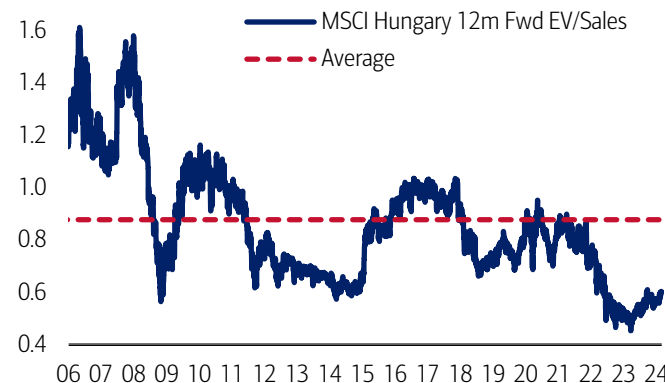


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 72: Hungary 12m fwd EV/Sales

Below historical average



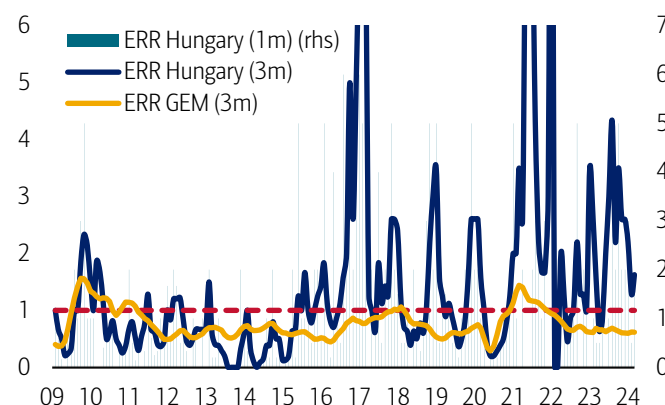
Source: DataStream, IBES, Bloomberg, BofA Global Research

Note: Cumulative EV-Sales is calculated using non-financials stocks

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Exhibit 74: Hungary's 3m earnings revision ratio

Above 1



Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Czechia

Exhibit 75: Czechia 12m fwd. P/E rel. to MSCI EM

Close to historical average

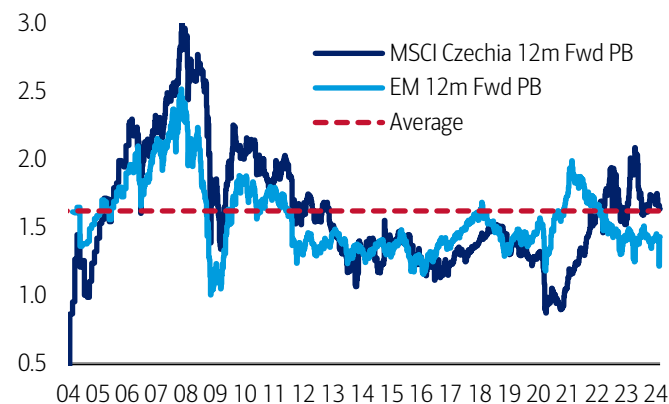


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 76: Czechia 12m fwd. P/B rel. to MSCI EM

Close to historical average

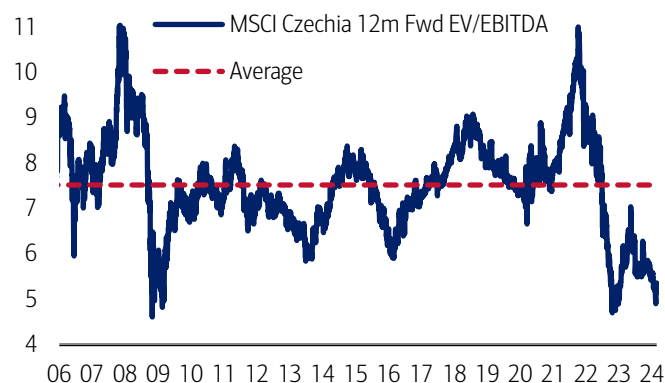


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 77: Czechia 12m fwd EV/EBITDA

Below historical average



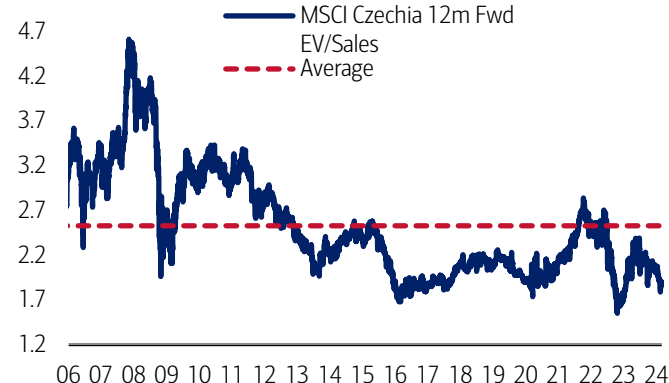
Source: DataStream, IBES, Bloomberg, BofA Global Research

Note: Cumulative EV-EBITDA is calculated using non-financials stocks

BofA GLOBAL RESEARCH

Exhibit 78: Czechia 12m fwd EV/Sales

Below historical average



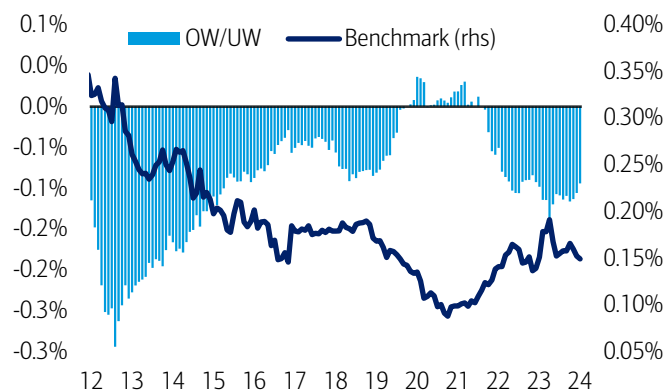
Source: DataStream, IBES, Bloomberg, BofA Global Research

Note: Cumulative EV-Sales is calculated using non-financials stocks

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Exhibit 79: GEM fund positioning in the Czechia

UW

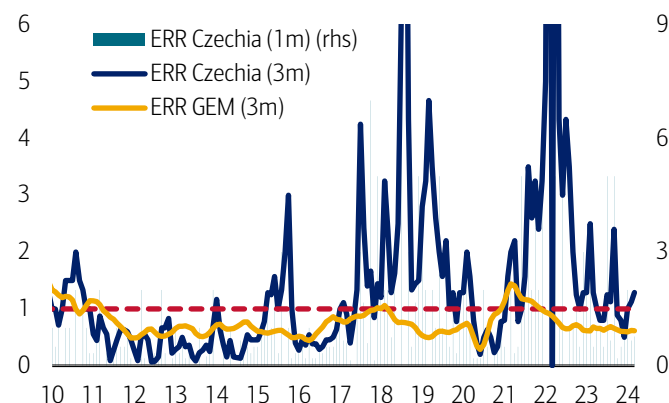


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

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Exhibit 80: Czechia 3m earnings revision ratio

Above 1



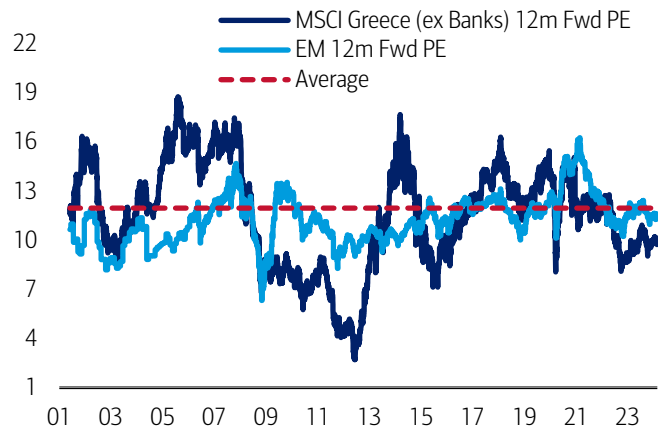
Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Greece

Exhibit 81: MSCI Greece (exl banks) 12 m fwd P/E

Below historical average

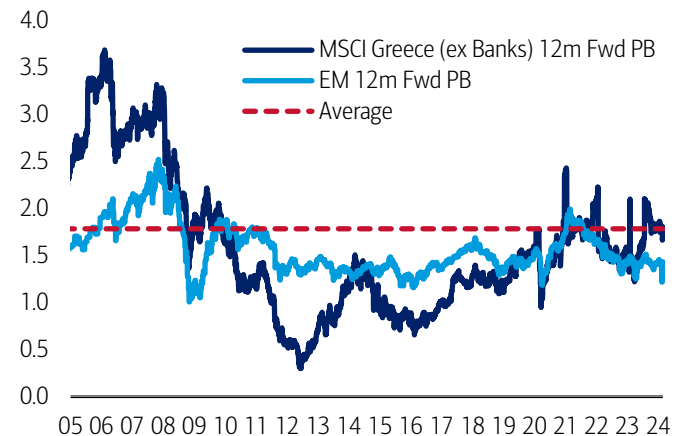


Source: DataStream, IBES, BofA Global Research

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Exhibit 82: MSCI Greece (exl banks) 12m fwd P/B

Close to historical average

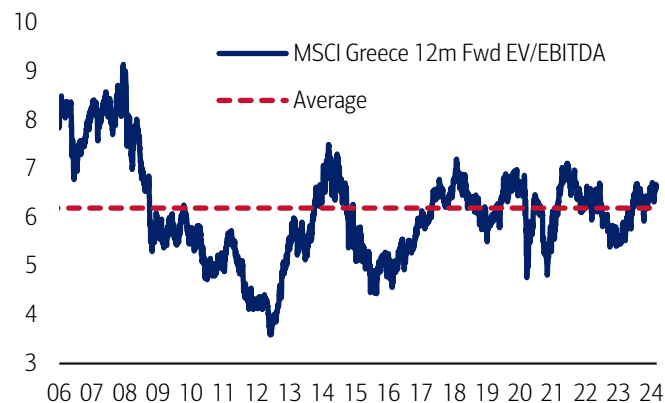


Source: DataStream, IBES, BofA Global Research

BofA GLOBAL RESEARCH

Exhibit 83: MSCI Greece 12m fwd EV/EBITDA

Above historical average



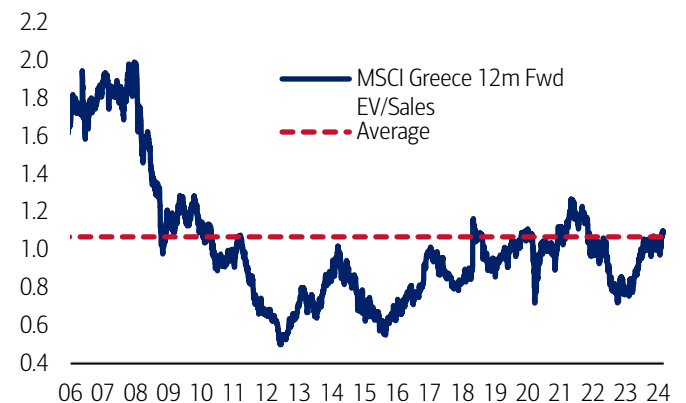
Source: DataStream, IBES, Bloomberg, BofA Global Research

Note: Cumulative EV-EBITDA is calculated using non-financials stocks

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Exhibit 84: MSCI Greece 12m fwd EV/Sales

Close to historical average



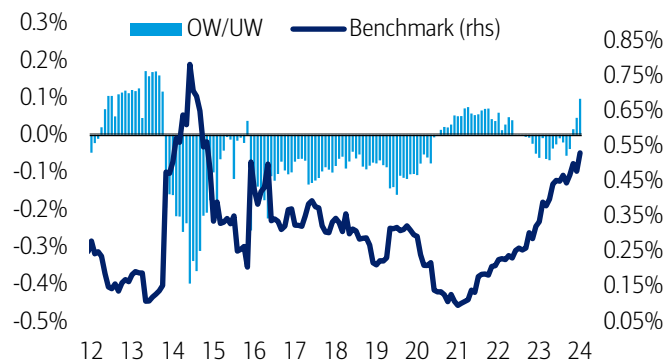
Source: DataStream, IBES, Bloomberg, BofA Global Research

Note: Cumulative EV-Sales is calculated using non-financials stocks

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Exhibit 85: GEM fund positioning in Greece (asset-weighted)

Close to the benchmark

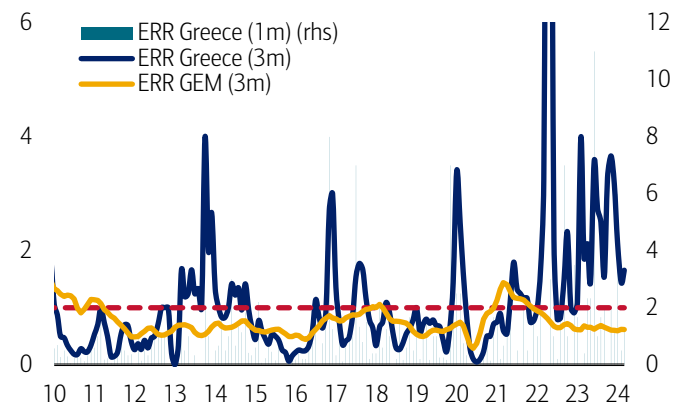


For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Source: EPFR, DataStream, BofA Global Research

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Exhibit 86: Greece's 3m earnings revision ratio

Around 2



Source: DataStream, IBES, BofA Global Research

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Bottom-up analysis

Exhibit 87: EEMEA – Top 20 stocks ranked by 6 screening factors*

Top 3 according to our quant screen this month: PKO BP, Anadolu Efes and Pekao S.A.

Company	Country	Sector	Rating	Current valuations (10%)	Valuations vs history (10%)	Earnings growth (20%)	Price/EPS momentum (20%)	DY (20%)	GEM funds positioning upside (20%)	Weighted average of ranks
PKO BP	Poland	Financials	Neutral	67	77	95	98	92	91	89.6
Anadolu Efes	Türkiye	Cons. S.	Buy	67	88	84	92	81	79	82.7
Pekao S.A.	Poland	Financials	Buy	74	81	77	99	97	50	80.1
Ford Otosan	Türkiye	Cons. D.	Not covered	71	96	87	93	100	29	78.5
Isbank	Türkiye	Financials	Buy	99	69	58	91	99	53	77
Eastern Tobacco	Egypt	Cons. S.	Not covered	51	14	93	93	98	45	72.3
Public Power Cor	Greece	Utilities	Not covered	75	18	100	86	72	55	71.9
Garanti Bank	Türkiye	Financials	Buy	90	81	48	73	70	83	71.9
Emaar Development	UAE	Real Estate	Buy	86	18	64	88	75	79	71.6
Erste Bank**	CEE	Financials	Buy	93	88	64	37	84	79	70.9
Harmony	S Africa	Materials	Underperform	61	34	98	69	51	87	70.5
PZU	Poland	Financials	Not covered	81	85	73	86	94	16	70.4
Sabanci Holding	Türkiye	Financials	Not covered	92	85	55	97	60	50	70.1
Coca-Cola Icecek	Türkiye	Cons. S.	Buy	19	90	89	85	49	70	69.5
Alpha Bank	Greece	Financials	Not covered	85	67	87	82	84	7	67.2
AngloGold Ashanti	S Africa	Materials	Neutral	43	70	58	74	41	100	65.9
NEPI Rockcastle**	S Africa	Real Estate	Not covered	50	55	49	54	76	98	65.9
Piraeus Bank	Greece	Financials	Not covered	87	45	75	97	67	24	65.8
Turkcell	Türkiye	Comm. Svcs.	Buy	64	57	83	65	97	23	65.7
Yapi Kredi Bank	Türkiye	Financials	Buy	91	86	53	90	78	14	64.7

GEM funds stock-level positioning data with an average lag of 3 months, others as of January. Numbers in brackets show weights we have allocated to each factor. 100=best, 0=worst. This screen is not a recommended list either individually or as a group of stocks and may not be consistent with our fundamental view. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decision. **Source:** DataStream, FactSet, Bloomberg, BofA Global Research. *The same table as Exhibit 6 from page 3

BofA GLOBAL RESEARCH

Exhibit 88: EEMEA – Bottom 20 stocks ranked by 6 screening factors

Koza Gold, CD Project Red and Rabigh Refining as the bottom 3

Company	Country	Sector	Current valuations (10%)	Valuations vs history (10%)	Earnings growth (20%)	Price/EPS momentum (20%)	DY (20%)	GEM funds positioning upside (20%)	Weighted average of ranks
Koza Gold	Türkiye	Materials	12	9	17	18	0	25	14.1
CD Project Red	Poland	IT	2	31	19	27	0	12	14.9
Rabigh Refining	Saudi Arabia	Energy	31	9	8	3	0	50	16.2
Saudi Kayan Petroch.	Saudi Arabia	Materials	21	49	8	3	0	53	19.8
Cyfrowy Polsat Sa	Poland	Cons. D.	53	36	22	8	0	28	20.5
Al Rajhi Bank	Saudi Arabia	Financials	10	8	30	64	14	0	23.4
AngloPlat	S Africa	Materials	44	76	6	0	44	21	26.2
Shoprite	S Africa	Cons. S.	29	15	30	32	41	8	26.6
Implats	S Africa	Materials	96	81	0	24	14	11	27.5
Saudi Arabia Frtz.	Saudi Arabia	Materials	33	67	7	31	36	14	27.6
Mabane	Kuwait	Real Estate	17	49	20	46	8	34	28.2
Al Othaim	Saudi Arabia	Cons. D.	46	3	16	13	18	70	28.3
Sipchem	Saudi Arabia	Materials	56	23	18	8	47	34	29.3
Woolworths Holdings**	S Africa	Cons. D.	50	26	12	11	71	17	29.8
Advanced Petrochemicals Company	Saudi Arabia	Materials	19	19	41	12	51	30	30.6
Jarir	Saudi Arabia	Cons. D.	29	16	16	24	44	50	31.3
Tupras	Türkiye	Energy	85	21	1	20	47	37	31.6
Saudi Basic Industries	Saudi Arabia	Materials	45	37	22	7	30	59	31.8
Saudi Arabian Mining	Saudi Arabia	Materials	2	4	22	43	0	92	32.0
Clicks	S Africa	Cons. S.	16	13	57	45	39	5	32.1

Data as of 28 February 2024. This screen is not a recommended list either individually or as a group of stocks and may not be consistent with our fundamental view. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decision. **Source:** DataStream, FactSet, Bloomberg, BofA Global Research.

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Exhibit 89: Positioning screen

Ordered by best positioning

Best positioning (Least OW/owned) – Top 20					Worst positioning (Most OW/owned) – Bottom 20				
Company	Country	Sector	UW/OW (bp)	% of GEM funds	Company	Country	Sector	UW/OW (bp)	% of GEM funds
AngloGold Ashanti	S Africa	Materials	-90.6	0.0%	Saudi National	Saudi Arabia	Financials	302.2	44.4%
Remgro	S Africa	Financials	-31.3	14.8%	Dino	Poland	Cons. S.	227.3	48.1%
NEPI Rockcastle	S Africa	Real Estate	-20.6	0.0%	Al Rajhi Bank	Saudi Arabia	Financials	227.9	48.1%
Acwa Power	Saudi Arabia	Utilities	-42.0	18.5%	Naspers	S Africa	Cons. D.	197.4	42.4%
Emirates NBD	UAE	Financials	-57.9	22.2%	Gedeon Richter	Hungary	Health Care	147.0	40.7%
Gold Fields	S Africa	Materials	-97.1	24.2%	OPAP	Greece	Cons. D.	79.9	44.4%
Absa Group	S Africa	Financials	-49.9	22.2%	Discovery	S Africa	Financials	165.5	40.7%
Arab National Bank	Saudi Arabia	Financials	-27.7	18.5%	Dr Sulaiman Al Habib Medical	Saudi Arabia	Health Care	97.5	40.7%
Kuwait Finance House	Kuwait	Financials	-116.6	25.9%	OTP Bank	Hungary	Financials	94.8	40.7%
National Bank Of Kuwait	Kuwait	Financials	-137.7	25.9%	Sanlam	S Africa	Financials	48.3	44.4%
Abu Dhabi Islamic Bank	UAE	Financials	-26.1	18.5%	Natl Bank Greece	Greece	Financials	89.6	40.7%
e&	UAE	Comm. Svcs.	-126.5	25.9%	Aramco	Saudi Arabia	Energy	30.2	44.4%
Bank Albilad	Saudi Arabia	Financials	-33.8	22.2%	Clicks	S Africa	Cons. S.	73.8	40.7%
Saudi Arabian Mining	Saudi Arabia	Materials	-89.2	25.9%	Alpha Bank	Greece	Financials	178.9	33.3%
Reinet Investments (Jse) SCA	S Africa	Financials	-22.4	14.8%	Akbank	Türkiye	Financials	59.6	37.0%
MTN	S Africa	Comm. Svcs.	-76.5	25.9%	FirstRand	S Africa	Financials	95.0	37.0%
PKO BP	Poland	Financials	-61.8	24.2%	Alinma Bank	Saudi Arabia	Financials	148.9	33.3%
Sasol Limited	S Africa	Materials	-45.3	24.2%	BIM Birlesik Mag	Türkiye	Cons. S.	23.4	40.7%
QIB	Qatar	Financials	-61.2	25.9%	Shoprite	S Africa	Cons. S.	111.5	33.3%
Old Mutual Limited	S Africa	Financials	-23.4	18.5%	Standard Bank	S Africa	Financials	28.2	39.4%

Data as of the end of January 2023. This screen is not a recommended list either individually or as a group of stocks and may not be consistent with our fundamental view. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decision. **Source:** DataStream, FactSet, Bloomberg, BofA Global Research

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Exhibit 90: Earnings growth screen

Top 20 and bottom 20

High growth – Top 20						Low growth – Bottom 20					
Company	Country	Sector	12m forward EPS growth	12m trailing EPS growth	Forecast EPS change	Company	Country	Sector	12m forward EPS growth	12m trailing EPS growth	Forecast EPS change
Public Power Cor	Greece	Utilities	71%	90%	100%	Exxaro	S Africa	Energy	-11%	-37%	-46%
Middle East Hcare	Saudi Arabia	Health Care	42%	100%	100%	Implats	S Africa	Materials	-14%	-67%	-70%
Harmony	S Africa	Materials	38%	84%	82%	Tupras	Türkiye	Energy	-28%	-31%	-27%
CIB	Egypt	Financials	34%	79%	90%	Anglo American	S Africa	Materials	-5%	-49%	-47%
Allegro.EU SA	Poland	Cons. D.	41%	59%	79%	Sibanye Stillwater	S Africa	Materials	5%	-76%	-78%
InPost	Poland	Industrials	49%	58%	69%	MTN	S Africa	Comm. Svcs.	-8%	-22%	-34%
The Company For Coop.In.	Saudi Arabia	Financials	28%	60%	66%	Sappi	S Africa	Materials	-6%	-54%	-7%
Prosus	S Africa	Cons. D.	21%	100%	67%	MOL	Hungary	Energy	-19%	-30%	-14%
PKO BP	Poland	Financials	21%	100%	58%	Northam Platinum Hldgs	S Africa	Materials	9%	-61%	-64%
LPP SA	Poland	Cons. D.	18%	87%	98%	Aramco	Saudi Arabia	Energy	-2%	-26%	-21%
Naspers	S Africa	Cons. D.	39%	76%	32%	IQCD	Qatar	Industrials	7%	-45%	-34%
Eastern Tobacco	Egypt	Cons. S.	30%	46%	58%	Komerčni Banka	Czechia	Financials	-7%	-14%	-12%
Aldawaa	Saudi Arabia	Cons. S.	21%	47%	100%	AngloPlat	S Africa	Materials	10%	-72%	-65%
Bupa Arabia For Cooperative	Saudi Arabia	Financials	46%	25%	45%	Saudi Arabia Frtz.	Saudi Arabia	Materials	8%	-60%	-32%
Care	Saudi Arabia	Health Care	20%	52%	78%	PKN Orlen	Poland	Energy	-51%	11%	-29%
Dino	Poland	Cons. S.	27%	42%	36%	Saudi Kayan Petroch.	Saudi Arabia	Materials	20%	-100%	-100%
Al-Elm Information Security Company	Saudi Arabia	IT	20%	42%	48%	Rabigh Refining	Saudi Arabia	Energy	20%	-100%	-100%
BinDawood	Saudi Arabia	Cons. S.	33%	65%	18%	Masraf Al Rayan	Qatar	Financials	0%	-1%	-26%
Mbank	Poland	Financials	100%	20%	30%	CEZ	Czechia	Utilities	-3%	-42%	5%
Coca-Cola Icecek	Türkiye	Cons. S.	56%	28%	23%	Sasol Limited	S Africa	Materials	6%	-25%	-26%

Data as of 28 February 2024. We exclude banks due to metric incomparability with other sectors. Components of the screen are equally weighted. **Source:** DataStream, IQ, BofA Global Research. This screen is 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 decision

BofA GLOBAL RESEARCH



Exhibit 91: Quality screen

Quality screen

Name	Country	Sector	Rating	Sales Growth CAGR (3 years)	EBIT Margin Improvement (bps)			ROE (%)			Net Debt/EBITDA FY1	FCF Yield		
					FY0	FY1	FY2	FY0	FY1	FY2		Avg (3 years)	FY1	FY2
Anadolu Efes Biracılık ve Malt Sanayii AS	Türkiye	Cons. S.	BUY	84.2%	280	232	72	15	28	29	0.3	6.9	22.4	25.5
Türkcell İletişim Hizmetleri A.S.	Türkiye	Comm. Svcs.	BUY	63.2%	287	476	209	31	55	80	1.2	0.6	1.5	3.8
Burjeel	UAE	Health Care	BUY	14.6%	181	121	174	38	36	37	0.3	3.4	4.3	5.3
Türkcell	Türkiye	Comm. Svcs.	BUY	8.8%	287	476	209	31	55	80	1.2	0.6	1.5	3.8
Dubai Taxi Company	UAE	Industrials	BUY	8.7%	606	252	98	98	93	81	0.9	3.0	6.7	7.8
Netcare	S Africa	Health Care	BUY	8.7%	97	87	87	14	16	19	2.1	8.5	7.9	8.6
Etihad Etisalat	Saudi Arabia	Comm. Svcs.	BUY	5.5%	231	154	44	13	14	15	0.9	6.4	7.0	8.0
Elm Company	Saudi Arabia	IT	NEUTRAL	24.2%	505	167	104	34	39	37	-2.3	1.1	1.9	2.4

Data as of 29 February 2024. We exclude banks due to metric incomparability with other sectors. Components of the screen are equally weighted. **Source:** DataStream, IQ, BofA Global Research. This screen is 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 decision

BofA GLOBAL RESEARCH

Methodology

Market-level screening

Market coverage: Our screen covers 11 EEMEA markets in MSCI EM, namely: Türkiye, South Africa, Poland, Hungary, Czechia, Greece, UAE, Qatar, Egypt, Saudi and Kuwait.

At the market level, we screen across valuations (current and vs history), earnings, dividends, momentum and positioning. Each market is given a percentile rank for each category (100=best, 0=worst), which is then used to calculate a weighted average score that determines the final ranking. We have assigned an equal weight (20%) for each of the 5 categories: valuations, earnings, dividends, momentum and positioning. Valuations category has two sub-components with 10% weight each, namely current valuations and valuation vs. history. Every category consists of equally weighted average of following indicators unless indicated otherwise:

- Current valuation (10%): 12m forward earnings yield, 12m trailing dividend yield, P/B, and P/S
- Valuation vs history (10%): z-scores of 12m forward P/E, 12m forward P/B, 12m forward EV/EBITDA and 12m forward EV/Sales
- Earnings growth (20%): 12m forward EPS growth, 12m trailing EPS growth, 12m forward EPS change
- Momentum (20%): 1m, 3m and 12m change in price (50% in total, equal weights each), 3m change in FY17 EPS (50%)
- Dividends (20%): 12m forward dividend yields, 12m dividend yields change
- Positioning (20%): 1m, 3m, 6m change in OW/UW (vs MSCI EM benchmark) position (50% in total, equally weighted each), difference between latest OW/UW and average OW/UW since 2006 (50%).

Data sources: At the market level, we use MSCI country aggregates from IBES, Bloomberg or FactSet, where available. Otherwise, we calculate bottom-up based on MSCI constituents for each country. Specifically, bottom-up calculations are used for non-price data for Saudi, UAE, Qatar, Egypt and Kuwait, and EV/EBITDA and EV/Sales for other EEMEA countries. Market-level positioning data are sourced from EPFR Global. For end of January data (reported on 24 February), the EPFR sample is based on 139 active Global EM (GEM) funds with an MSCI EM benchmark, with US\$111bn AUM, out of a total of 1108 funds with US\$1009bn AUM. Average since 2013 for Greece, 2014 for UAE and Qatar, 2019 for Saudi, 2020 for Kuwait and 2012 for the rest.

Stock-level screening

At the stock level, we screen across the same categories as at the market level above. Each stock is given a percentile rank for each category (100=best, 0=worst), which is then used to calculate a weighted average score that determines the final ranking. We have assigned an equal weight (20%) for each of the 5 categories, namely 'valuations', 'earnings', 'momentum', 'dividends', and 'positioning'. For the two metrics for 'valuations', we have weighed them at 10% each. For more details and definitions, please see below.

Current valuations rank: 'Forecast EPS yield', 'Dividend yield', 'Price to Book', and 'Price to Sales' are factors that are used to create a weighted-average percentile "Current valuations rank", from 0 (worst value) to 100 (best value). We require a minimum of data for three factors and weights are assigned equally across the available factors.

- Forecast EPS yield: 12m forward EPS divided by month-end price.
- Dividend yield: 12m trailing dividend per share divided by month-end price.
- Price to Book: month-end price divided by trailing 12m book value per share.
- Price to Sales: month-end price divided by trailing 12m sales per share.

Valuations vs history rank: Z-scores of 'Price to Earnings' and 'Price to Book' are factors that are used to create an equally weighted percentile 'Valuations vs history rank', from 0 (worst value) to 100 (best value). If one of the two factors is missing, the other gets a full weight of 100%.

- Price to Earnings: the latest share price divided by 12-month forward earnings per share.
- Price to Book: the latest share price divided by 12-month forward book value per share.
- Z-score: shows the number of standard deviations away from the long-run average, calculated as $(\text{Current} - \text{Average}) / (\text{Standard deviation})$. Minimum five years of data is required.

Earnings growth rank: '12m forward EPS growth', '12m trailing EPS growth', and 'forecast EPS change' are factors that are used to create a weighted average percentile 'Earnings growth rank', from 0 (worst) to 100 (best) for each stock. We require a minimum of data for two factors, and weights are assigned equally across the available factors. for earnings growth screen based on this rank and detailed data on below factors.

- Forecast EPS growth: difference between 12m forward EPS and 12m trailing EPS, divided by absolute value of 12m trailing EPS.
- Trailing EPS growth: difference between trailing 12m EPS and trailing 12m EPS a year prior, divided by absolute value of trailing 12m EPS a year prior.
- Forecast EPS change: difference between 12m forward EPS and 12m forward EPS a year prior, divided by absolute value of 12m forward EPS a year prior.

Price & EPS momentum rank: '1m price change', '12m price change', and '3m EPS change' are factors that are used to create a weighted average percentile 'Price & EPS momentum rank', from 0 (worst) to 100 (best) for each stock. We have assigned equal weights (50%) for price and EPS momentum. The two measures of price change (1m and 12m) are thus weighed at 25% each.

- 1m price change: latest month-end price/price 1 month ago.
- 12m price change: latest month-end price/price 12 months ago.
- 3m EPS change: difference between 12m forward EPS and 12m forward EPS 3 months prior, divided by absolute value of 12m forward EPS 3 months prior.



Positioning rank: For stocks held by GEM funds that are in the MSCI EM Index, 'OW/UW position' and '% of GEM funds holding' are factors that are used to create an equally weighted average percentile 'Positioning rank', from 0 (most OW/owned) to 100 (most UW/least owned).

For stocks held by GEM funds that are not in the MSCI EM Index, 'OW/ UW position' is not available in the absence of an explicit benchmark weight. A 50% weight for '% of GEM funds holding' as for on-benchmark stocks would undermine the information provided by this factor for off-benchmark stocks, while a full 100% weight would "over-reward" a stock for not being in the MSCI index. We consequently assign a compromising 75% weight to the ranking of '% of GEM funds holding'.

- **OW/UW position:** We aggregate all \$ allocation to each stock by each fund at the time of reporting. We then calculate a hypothetical \$ allocation to each stock by each fund – as if the fund were to assign the MSCI EM benchmark weight applicable at the time of reporting to its portfolio. For the universe of reported stocks, the weights of actual allocation and of hypothetical allocation are calculated. This captures the idea that funds may not hold all of the stocks in the benchmark. The difference between the actual weight and hypothetical weight gives the OW/UW position.
- **% of GEM funds holding:** the percentage of global EM funds holding the stock as of the last reporting date. For resilient dividend screen, we define resilient dividend stocks as those with relatively high dividend yields and low estimate dispersion on both earnings and dividends. The stocks whose dividend yield ranks are at least 50 (100=highest yield), while dispersion ranks for both FY1 and FY2 earnings and dividend estimates are at most 40 (100=most dispersed)

Note that market level screen is based on country averages and stock rankings depend on individual stock performance metrics. Therefore, market level and stock level rankings may not always agree, i.e. a stock listed in a low ranked country could screen higher than stocks listed in a high ranked market.

Resilient dividend screen

For resilient dividend screen, we define resilient dividend stocks as those with relatively high dividend yields and low estimate dispersion on both earnings and dividends. Dividend yield and dispersion rank can only take values between 0 and 100 where 100 represents highest yield for dividends and highest level of dispersion for dispersion metrics. shows the stocks whose dividend yield ranks are at least 50 (out of), while dispersion ranks for both FY1 and FY2 earnings and dividend estimates are at most 40 (out of 100).

Stock Coverage: At the stock level, we screen for stocks in either MSCI Emerging EMEA market or BofA coverage in the 11 EEMEA markets. We also require an average daily turnover over the past 3 months of at least US\$1mn. Out of a total of 187 stocks in our universe, 187 fulfil the minimum liquidity criteria. Due to data availability, some screens may have fewer stocks. Stock-level positioning data is based on our sample of 27 active GEM funds with US\$ 113.4bn with an MSCI benchmark. We use IBES consensus estimates, and where not available, Bloomberg estimates.

Quality screen

Our quality screen is aimed at identifying stocks with sound fundamentals within the EEMEA space. It complements our resilient dividend screen. A stock qualifies if it is

under EEMEA coverage and satisfies each of the following criteria, according to fundamental BofA equity research: 1) 3-years sales CAGR (for FY0, FY1 and FY2) greater than 5%; 2) Yoy improvement in EBIT margin for FY0, FY1 and FY2; 3) Return on equity (ROE) greater than 10% for FY0, FY1 and FY2; 4) Average FCF yield is positive for last 3 reported years, for FY1 and FY2; 5) Net debt/EBITDA less than 3x for FY1; 6) BofA investment rating indicates “Buy” or “Neutral”.

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