

BJ's Wholesale Club Holdings

“This is the club’s time” to grow; Raise PO

Reiterate Rating: BUY | PO: 90.00 USD | Price: 78.88 USD

Reiterate Buy; Traffic & gen. merchandise improve in 4Q

We lower our F25 adj. EPS to \$4.00 (was \$4.10) to reflect 2024 guidance (see [F4Q earnings report](#)). F4Q General Merchandise & Services comps saw a notable recovery (-1% vs. -11% in F3Q) and we expect gen. merchandise comps to improve across categories in 2024. We forecast 1Q comp (ex-gas) sales flat in 1Q and expect comps to build through the year on easier inflation comparisons and an improvement in the lower-income consumer. We reiterate our Buy rating and raise our PO to \$90 (was \$80), 20x (up vs. 19x given rising peer multiples) our F26E (was F25E) adj. EPS of \$4.40.

Expect credit card headwind to continue through 1Q

Merchandise margin expansion of ~20bps y/y in F25 should be driven by better category management and growth in own brand penetration (own brand sales grew 3x faster than broader business in 2023). We forecast ~30bps y/y merchandise margin decline in 1Q to reflect continued headwind from co-brand credit card program (as we lap the first year of the program in April). We model some SG&A deleverage in 2024 as BJ's invests in new clubs and believe 2024 guide accounts for some normalization in the gas business.

Strategic initiatives support memberships & LT growth

We expect progress on BJ's strategic initiatives to support membership strength and LT growth including: 1) merchandising improvements, 2) digital offering enhancements (F4Q digitally enabled comps grew +28%) led by BOPIS, 3) strong value & improved pricing position (incl. through co-brand credit card program), and 4) new club growth (BJ expects to open ~12 clubs in 2024 and continues to build pipeline as BJ's believes “this is really the club’s time” to grow). BJ's tenured renewal rate remains 90% and higher tier membership penetration remains 38% on top of a growing new member base.

Estimates (Jan) (US\$)	2022A	2023A	2024E	2025E	2026E
EPS	3.25	3.93	3.91	4.00	4.40
GAAP EPS	3.09	3.77	3.88	4.00	4.40
EPS Change (YoY)	5.2%	20.9%	-0.5%	2.3%	10.0%
Consensus EPS (Bloomberg)			3.86	3.99	4.36
DPS	0	0	0	0	0
Valuation (Jan)					
P/E	24.3x	20.1x	20.2x	19.7x	17.9x
GAAP P/E	25.5x	20.9x	20.3x	19.7x	17.9x
EV / EBITDA*	13.9x	11.8x	11.3x	11.5x	10.6x
Free Cash Flow Yield*	4.8%	2.7%	2.8%	2.4%	3.0%

* For full definitions of *IQmethod*SM measures, see page 5.

07 March 2024

Equity

Key Changes

(US\$)	Previous	Current
Price Obj.	80.00	90.00
2024E Rev (m)	20,019.5	19,968.7
2025E Rev (m)	20,559.8	20,338.3
2026E Rev (m)	21,590.0	21,317.6
2024E EPS	3.85	3.91
2025E EPS	4.10	4.00
2026E EPS	4.45	4.40

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Stock Data

Price	78.88 USD
Price Objective	90.00 USD
Date Established	7-Mar-2024
Investment Opinion	B-1-9
52-Week Range	60.33 USD - 78.97 USD
Mrkt Val (mn) / Shares Out (mn)	10,521 USD / 133.4
Free Float	99.2%
Average Daily Value (mn)	93.28 USD
BofA Ticker / Exchange	BJ / NYS
Bloomberg / Reuters	BJ US / BJ.N
ROE (2024E)	42.5%
Net Dbt to Eqty (Jan-2023A)	78.2%
ESGMeter™	Medium

ESGMeter is not indicative of a company's future stock price performance and is not an investment recommendation or rating. ESGMeter is independent of BofA Global Research's equity investment rating, volatility risk rating, income rating, and price objective for that company. For full details, refer to [“BofA ESGMeter Methodology”](#).

BOPIS: buy online, pick up in-store

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Timestamp: 07 March 2024 07:09PM EST

iQprofileSM BJ's Wholesale Club Holdings

iQmethodSM – Bus Performance*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Return on Capital Employed	12.9%	13.8%	12.4%	11.4%	11.4%
Return on Equity	92.8%	63.3%	42.5%	32.7%	28.4%
Operating Margin	3.8%	4.0%	4.0%	3.9%	4.0%
Free Cash Flow	502	289	296	252	321

iQmethodSM – Quality of Earnings*

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash Realization Ratio	1.8x	1.2x	1.4x	1.4x	1.4x
Asset Replacement Ratio	1.7x	1.8x	2.2x	2.4x	2.3x
Tax Rate	23.7%	25.6%	28.8%	28.0%	28.0%
Net Debt-to-Equity Ratio	108.5%	78.2%	46.0%	29.8%	15.9%
Interest Cover	12.2x	17.5x	13.8x	18.6x	19.0x

Income Statement Data (Jan)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Sales	16,667	19,315	19,969	20,338	21,318
% Change	8.0%	15.9%	3.4%	1.9%	4.8%
Gross Profit	3,079	3,439	3,643	3,758	3,952
% Change	3.3%	11.7%	5.9%	3.2%	5.2%
EBITDA	822	967	1,008	997	1,078
% Change	1.5%	17.6%	4.3%	-1.1%	8.1%
Net Interest & Other Income	(52)	(44)	(58)	(42)	(45)
Net Income (Adjusted)	449	537	528	535	584
% Change	4.6%	19.5%	-1.6%	1.3%	9.1%

Free Cash Flow Data (Jan)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Net Income from Cont Operations (GAAP)	449	537	528	535	584
Depreciation & Amortization	181	201	208	212	222
Change in Working Capital	177	(96)	10	6	15
Deferred Taxation Charge	NA	NA	NA	NA	NA
Other Adjustments, Net	0	0	0	0	0
Capital Expenditure	(305)	(353)	(450)	(500)	(500)
Free Cash Flow	502	289	296	252	321
% Change	-14.4%	-42.5%	2.5%	-14.7%	27.1%
Share / Issue Repurchase	(120)	(138)	(138)	(138)	(138)
Cost of Dividends Paid	0	0	0	0	0
Change in Debt	(273)	148	0	0	0

Balance Sheet Data (Jan)

(US\$ Millions)	2022A	2023A	2024E	2025E	2026E
Cash & Equivalents	45	34	192	306	489
Trade Receivables	174	240	248	252	265
Other Current Assets	1,298	1,430	1,478	1,505	1,578
Property, Plant & Equipment	942	1,337	1,579	1,868	2,146
Other Non-Current Assets	3,237	3,310	3,310	3,310	3,310
Total Assets	5,696	6,350	6,807	7,242	7,787
Short-Term Debt	0	405	405	405	405
Other Current Liabilities	1,861	1,963	2,030	2,067	2,167
Long-Term Debt	749	448	448	448	448
Other Non-Current Liabilities	210	251	251	251	251
Total Liabilities	5,048	5,303	5,370	5,407	5,507
Total Equity	648	1,047	1,437	1,835	2,281
Total Equity & Liabilities	5,696	6,350	6,807	7,242	7,787

* For full definitions of iQmethodSM measures, see page 5.

Company Sector

Supermarkets/Food Retailers

Company Description

BJ's Wholesale Club, Inc. operates 218 warehouse clubs in 17 states, primarily in the Eastern US. BJ's offers its members brand-name and private label food, general merchandise, gasoline and other specialty businesses. BJ's is based in Westborough, Massachusetts and was founded in 1984.

Investment Rationale

We rate BJ shares at Buy as we view BJ's as well-positioned in both the near-term as well as long-term given its strong value proposition (esp in fuel) in a highly inflationary environment, as well as strong & improving membership trends.

Stock Data

Average Daily Volume

1,182,567

Quarterly Earnings Estimates

	2023	2024
Q1	0.87A	0.85A
Q2	1.06A	0.97A
Q3	0.99A	0.98A
Q4	1.00A	1.11E

Exhibit 1: BJ quarterly earnings analysis

\$ millions, except per share data

	Net Sales	Membership	Total Revenues	COGS & Distrib.	SG&A & Occup.	Pre-opening Expenses	Op. Inc.	Net Int. Exp.	Pretax Inc	Inc Tax	Net Inc. bef. Extra	Extra Gain (Loss)	Net Inc.	Operating EPS	Rep. EPS	Shs. Out (MM)
Apr-Q1	4,399.8	96.6	4,496.4	3,698.0	635.4	4.9	158.2	\$7.4	150.8	32.4	118.4	(6.0)	112.5	\$0.87	\$0.82	136.7
Jul-Q2	5,005.0	98.8	5,103.8	4,243.8	647.0	5.9	207.1	\$10.5	196.6	52.3	144.3	(3.3)	141.0	\$1.06	\$1.03	136.6
Oct-Q3	4,685.8	99.5	4,785.3	3,908.2	666.5	10.7	199.9	\$12.2	187.8	50.5	135.8	(5.9)	129.9	\$0.99	\$0.95	136.6
Jan-Q4	<u>4,827.8</u>	<u>101.8</u>	<u>4,929.6</u>	<u>4,026.4</u>	<u>699.4</u>	<u>3.4</u>	<u>200.4</u>	<u>\$13.7</u>	<u>186.7</u>	<u>50.0</u>	<u>136.7</u>	<u>(6.9)</u>	<u>129.8</u>	<u>\$1.00</u>	<u>\$0.95</u>	<u>136.0</u>
F2023	\$18,918.4	\$396.7	\$19,315.2	\$15,876.4	\$2,648.3	\$24.9	\$765.6	\$43.8	\$721.8	\$185.2	\$536.7	(\$22.1)	\$514.6	\$3.93	\$3.77	136.5
Apr-Q1	4,620.6	102.5	4,723.1	3,843.2	689.3	3.9	186.8	\$15.3	171.5	55.9	115.6	0.5	116.1	\$0.85	\$0.85	135.9
Jul-Q2	4,859.8	103.7	4,963.5	4,066.7	695.0	1.6	200.3	\$16.5	183.8	52.6	131.2	0.1	131.3	\$0.97	\$0.97	135.1
Oct-Q3	4,818.7	106.1	4,924.7	4,022.2	697.1	6.0	199.4	\$16.2	183.2	51.4	131.8	(1.3)	130.5	\$0.98	\$0.97	135.0
Jan-Q4	<u>5,248.9</u>	<u>108.4</u>	<u>5,357.3</u>	<u>4,394.0</u>	<u>741.1</u>	<u>8.1</u>	<u>214.0</u>	<u>\$10.0</u>	<u>204.0</u>	<u>54.1</u>	<u>149.8</u>	<u>(4.0)</u>	<u>145.9</u>	<u>\$1.11</u>	<u>\$1.08</u>	<u>134.5</u>
F2024	\$19,548.0	\$420.7	\$19,968.7	\$16,326.1	\$2,822.5	\$19.6	\$800.4	\$58.0	\$742.4	\$214.1	\$528.4	(\$4.6)	\$523.7	\$3.91	\$3.88	135.1
Apr-Q1E	4,736.1	108.7	4,844.8	3,956.3	716.9	3.9	167.7	\$10.5	157.2	44.0	113.2	0.0	113.2	\$0.85	\$0.85	133.7
Jul-Q2E	5,005.6	109.9	5,115.6	4,179.4	727.6	3.6	204.9	\$10.5	194.4	54.4	140.0	0.0	140.0	\$1.05	\$1.05	133.7
Oct-Q3E	5,011.4	111.9	5,123.3	4,171.1	740.3	6.0	205.8	\$10.5	195.3	54.7	140.6	0.0	140.6	\$1.05	\$1.05	133.7
Jan-Q4E	<u>5,140.3</u>	<u>114.4</u>	<u>5,254.6</u>	<u>4,273.1</u>	<u>766.3</u>	<u>8.1</u>	<u>207.1</u>	<u>\$10.5</u>	<u>196.5</u>	<u>55.0</u>	<u>141.5</u>	<u>0.0</u>	<u>141.5</u>	<u>\$1.06</u>	<u>\$1.06</u>	<u>133.7</u>
F2025E	\$19,893.4	\$444.8	\$20,338.3	\$16,579.9	\$2,951.2	\$21.6	\$785.6	\$42.2	\$743.4	\$208.2	\$535.3	\$0.0	\$535.3	\$4.00	\$4.00	133.7
F2026E	\$20,848.3	\$469.3	\$21,317.6	\$17,365.4	\$3,072.2	\$23.6	\$856.5	\$45.2	\$811.3	\$227.2	\$584.1	\$0.0	\$584.1	\$4.40	\$4.40	132.7
PERCENTAGE CHANGE																
	Same-store Sales (x-fuel)	Net Sales	Membership & Other	Total Revenues	SG&A	Op. Inc.	Op. EPS	MARGIN ANALYSIS (% OF NET SALES)								
								Warehouse Club GM	Merch. Gross Margin	SGA Exp Ratio	Op. Margin	Interest	Tax Rate	Net Margin	# of Stores	
Apr-Q1	4.1%	16.3%	11.9%	16.2%	9.5%	8.3%	20.8%	17.76%	15.95%	14.44%	3.52%	0.16%	21.46%	2.63%	229	
Jul-Q2	7.6%	22.4%	11.3%	22.2%	8.2%	26.4%	29.3%	16.85%	15.21%	12.93%	4.06%	0.21%	26.61%	2.83%	229	
Oct-Q3	5.3%	12.3%	8.7%	12.2%	7.8%	17.5%	8.8%	18.33%	16.60%	14.22%	4.18%	0.25%	26.89%	2.84%	233	
Jan-Q4	8.7%	<u>13.2%</u>	<u>8.0%</u>	<u>13.1%</u>	<u>11.6%</u>	<u>24.3%</u>	<u>25.0%</u>	<u>18.32%</u>	<u>16.60%</u>	<u>14.49%</u>	<u>4.07%</u>	<u>0.28%</u>	<u>26.78%</u>	<u>2.77%</u>	<u>236</u>	
F2023	6.4%	16.0%	9.9%	15.9%	9.3%	19.4%	20.9%	17.80%	16.08%	14.00%	3.96%	0.23%	25.65%	2.78%	236	
Apr-Q1	5.7%	5.0%	6.1%	5.0%	8.5%	8.1%	(2.3%)	18.63%	16.83%	14.92%	3.95%	0.32%	32.61%	2.45%	237	
Jul-Q2	1.1%	-2.9%	5.0%	-2.7%	7.4%	(3.3%)	(8.5%)	18.07%	16.32%	14.30%	4.03%	0.33%	28.63%	2.64%	238	
Oct-Q3	-0.1%	2.8%	6.6%	2.9%	4.6%	(0.3%)	(1.0%)	18.33%	16.53%	14.47%	4.05%	0.33%	28.07%	2.68%	238	
Jan-Q4	0.5%	<u>8.7%</u>	<u>6.5%</u>	<u>8.7%</u>	<u>6.0%</u>	<u>6.8%</u>	<u>11.0%</u>	<u>17.98%</u>	<u>16.29%</u>	<u>14.12%</u>	<u>3.99%</u>	<u>0.19%</u>	<u>26.53%</u>	<u>2.80%</u>	<u>244</u>	
F2024	1.8%	3.3%	6.0%	3.4%	6.6%	4.5%	(0.5%)	18.24%	16.48%	14.44%	4.01%	0.29%	28.83%	2.65%	244	
Apr-Q1E	0.0%	2.5%	6.0%	2.6%	4.0%	(10.2%)	0.0%	18.34%	16.47%	15.14%	3.46%	0.22%	28.00%	2.34%	245	
Jul-Q2E	1.0%	3.0%	6.0%	3.1%	4.7%	2.3%	8.2%	18.30%	16.51%	14.54%	4.01%	0.21%	28.00%	2.74%	246	
Oct-Q3E	1.5%	4.0%	5.5%	4.0%	6.2%	3.2%	7.1%	18.59%	16.77%	14.77%	4.02%	0.21%	28.00%	2.74%	251	
Jan-Q4E	2.0%	-2.1%	5.5%	-1.9%	3.4%	(3.2%)	(4.5%)	18.68%	16.87%	14.91%	3.94%	0.20%	28.00%	2.69%	256	
F2025E	1.1%	1.8%	5.7%	1.9%	4.6%	(1.8)%	2.3%	18.48%	16.66%	14.83%	3.86%	0.21%	28.00%	2.63%	256	
F2026E	2.5%	4.8%	5.5%	4.8%	4.1%	9.0%	10.0%	18.54%	16.71%	14.74%	4.02%	0.21%	28.00%	2.74%	266	

Source: Company reports, BofA Global Research estimates

BofA GLOBAL RESEARCH



Price objective basis & risk

BJ's Wholesale Club Holdings (BJ)

Our \$90 price objective is based on 20x our \$4.40 F26E adj. EPS, a discount to key warehouse club comparable COST (30-40x) and more in line with the food and discount retail group average (17-18x). We think a discount to COST is warranted given BJ's lower new store growth, lower same-store sales growth (low single digit vs. COST's mid- to high- single digit), and lower ROIC (approx. 20% vs. COST's approx. 30%). We believe BJ will trade more in line with the food and discount retail group avg. given support from: 1) BJ's membership fee structure, which provides increased visibility on earnings, 2) BJ's unique positioning as a grocery-focused warehouse club, and 3) our forecast for an approx. 4% EPS CAGR over the next three years (in-line with the discount and food retail group average of roughly 4% [ex-DLTR]).

Downside risks to our price objective: 1) Difficult stimulus-driven comparisons, 2) comp risk from continued pressure in general merchandise categories, 3) incremental supply chain pressures and other cost increases, 4) the unwinding of excess gas margin from 2021.

Analyst Certification

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

US - Broadlines, Hardlines, Food Retailers & Leisure Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	Academy Sports + Outdoors	ASO	ASO US	Robert F. Ohmes, CFA
	Arhaus, Inc	ARHS	ARHS US	Robert F. Ohmes, CFA
	BJ's Wholesale Club Holdings	BJ	BJ US	Robert F. Ohmes, CFA
	Costco Wholesale Corporation	COST	COST US	Robert F. Ohmes, CFA
	Grocery Outlet Holding Corp.	GO	GO US	Robert F. Ohmes, CFA
	Harley-Davidson	HOG	HOG US	Alexander Perry
	Life Time	LTH	LTH US	Alexander Perry
	Mattel	MAT	MAT US	Alexander Perry
	Mister Car Wash	MCW	MCW US	Robert F. Ohmes, CFA
	O'Reilly Automotive, Inc.	ORLY	ORLY US	Robert F. Ohmes, CFA
	Planet Fitness, Inc.	PLNT	PLNT US	Alexander Perry
	Sprouts Farmers Market, Inc.	SFM	SFM US	Robert F. Ohmes, CFA
	Sysco Corporation	SYF	SYF US	Kendall Toscano
	Target Corp.	TGT	TGT US	Robert F. Ohmes, CFA
	The Kroger Co.	KR	KR US	Robert F. Ohmes, CFA
	Topgolf Callaway Brands Corp	MODG	MODG US	Alexander Perry
	Upbound Group Inc.	UPBD	UPBD US	Vicky Liu
	Walmart Inc	WMT	WMT US	Robert F. Ohmes, CFA
NEUTRAL				
	Dick's Sporting Goods	DKS	DKS US	Robert F. Ohmes, CFA
	Fox Factory Holding Corp	FOXF	FOXF US	Alexander Perry
	Hasbro	HAS	HAS US	Alexander Perry
	Williams-Sonoma	WSM	WSM US	Robert F. Ohmes, CFA
	Xponential Fitness	XPOF	XPOF US	Alexander Perry
	YETI Holdings, Inc.	YETI	YETI US	Robert F. Ohmes, CFA
UNDERPERFORM				
	Advance Auto Parts, Inc.	AAP	AAP US	Robert F. Ohmes, CFA
	Canada Goose Holdings Inc	YGOOS	GOOS CN	Alexander Perry
	Canada Goose Holdings Inc	GOOS	GOOS US	Alexander Perry
	Columbia Sportswear	COLM	COLM US	Alexander Perry
	Dollar General Corporation	DG	DG US	Robert F. Ohmes, CFA

US - Broadlines, Hardlines, Food Retailers & Leisure Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Dollar Tree, Inc.	DLTR	DLTR US	Robert F. Ohmes, CFA
	Hibbett Sports, Inc.	HIBB	HIBB US	Alexander Perry
	National Vision	EYE	EYE US	Robert F. Ohmes, CFA
	Tractor Supply Company	TSCO	TSCO US	Robert F. Ohmes, CFA

iQmethodSM Measures Definitions**Business Performance**

Return On Capital Employed

Return On Equity

Operating Margin

Earnings Growth

Free Cash Flow

Quality of Earnings

Cash Realization Ratio

Asset Replacement Ratio

Tax Rate

Net Debt-To-Equity Ratio

Interest Cover

Valuation Toolkit

Price / Earnings Ratio

Price / Book Value

Dividend Yield

Free Cash Flow Yield

Enterprise Value / Sales

EV / EBITDA

Numerator

NOPAT = (EBIT + Interest Income) × (1 – Tax Rate) + Goodwill Amortization

Net Income

Operating Profit

Expected 5 Year CAGR From Latest Actual

Cash Flow From Operations – Total Capex

Numerator

Cash Flow From Operations

Capex

Tax Charge

Net Debt = Total Debt – Cash & Equivalents

EBIT

Numerator

Current Share Price

Current Share Price

Annualised Declared Cash Dividend

Cash Flow From Operations – Total Capex

EV = Current Share Price × Current Shares + Minority Equity + Net Debt +

Other LT Liabilities

Enterprise Value

Denominator

Total Assets – Current Liabilities + ST Debt + Accumulated Goodwill

Amortization

Shareholders' Equity

Sales

N/A

N/A

Denominator

Net Income

Depreciation

Pre-Tax Income

Total Equity

Interest Expense

Denominator

Diluted Earnings Per Share (Basis As Specified)

Shareholders' Equity / Current Basic Shares

Current Share Price

Market Cap = Current Share Price × Current Basic Shares

Sales

Basic EBIT + Depreciation + Amortization

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

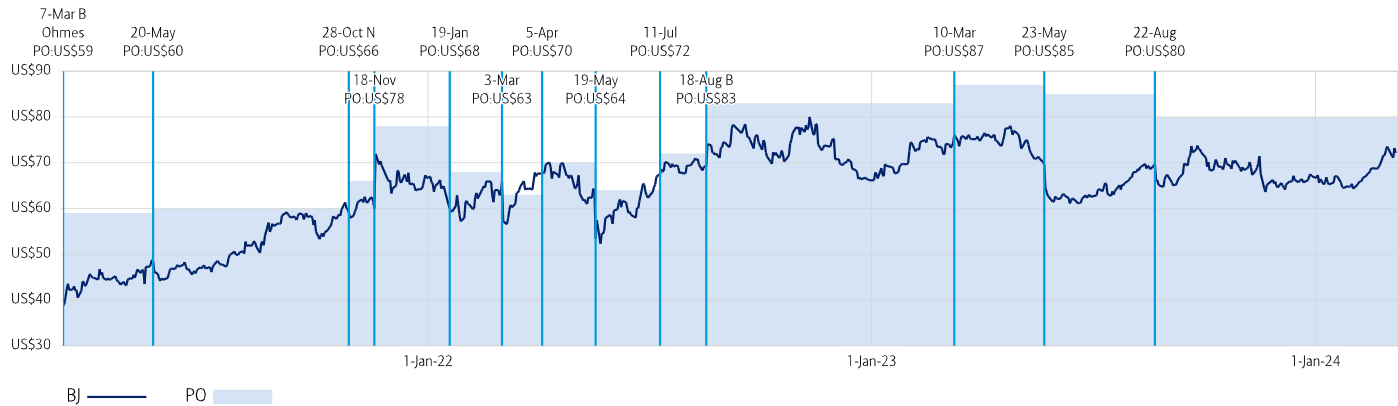
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Disclosures

Important Disclosures

BJ's Wholesale (BJ) Price Chart



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

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

Equity Investment Rating Distribution: Retailing Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	96	57.83%	Buy	39	40.63%
Hold	32	19.28%	Hold	12	37.50%
Sell	38	22.89%	Sell	18	47.37%

Equity Investment Rating Distribution: Global Group (as of 31 Dec 2023)

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	1895	53.62%	Buy	1083	57.15%
Hold	832	23.54%	Hold	454	54.57%
Sell	807	22.84%	Sell	383	47.46%

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

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Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster ^{R2}
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

^{R2} Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

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