

Server & Enterprise Software

January BofA Cloud View: Consumption & Desktop Data Accelerates from December

Price Objective Change

Consumption recovered from weak December level

In this inaugural release of the BofA Monthly Cloud View, we compile web traffic data for a number of cloud consumption and desktop vendors, sourced by Similarweb. With a high correlation (avg of 86% for trailing 8 quarters) to growth metrics, the report provides a directional read for individual companies and across the software group. In the **cloud consumption group**, January data suggests average consumption recovered from a softer December, with engaged visit growth at -0.3% y/y vs -3.6% y/y in December. M/m growth of +13.9% was above normal January seasonality of +10.4%. The December downturn is consistent with Q4 results from public cloud hyperscalers, which indicated moderation, excluding AI. However, the uptick in January is a positive for the group. See Exhibit 1.

MongoDB Atlas trends stable; Snowflake volatile

In the cloud group, we note that the implied engaged visit for **MongoDB Atlas** (MDB, Buy) has been consistent since improving in January 2023 (-0.6% y/y in January 2024 versus -3.5% y/y in 2023). While activity is not accelerating, we believe the earlier recovery suggests that a compelling unstructured database adoption cycle is providing strong tailwinds in MongoDB's business. **Snowflake** (SNOW, Neutral) engaged visits recovered in January (+2.8% y/y), from a weaker December (-6.7% y/y). We view Snowflake trends as volatile, consistent with our view that headwinds facing Snowflake's business are subsiding, though still present. See Exhibit 2.

Healthy desktop data/growth, though down from Dec

In the **desktop group**, January engaged visit growth of 9.9% y/y decelerated slightly from 11.2% y/y in December, though maintained healthy growth. The m/m growth of +10.3% was consistent with normal January seasonality of +10.4%. The desktop group has more exposure to the SMB segment, which is still weighed down by a challenging, though somewhat improving macro environment. See Exhibit 15.

Creative Cloud growing fastest; QuickBooks accelerates

Adobe Creative Cloud (ADBE, Buy) maintained the fastest engaged visit growth in the desktop group. January growth of 39.7% y/y decelerated slightly from a strong +41.8% y/y in December. The relative strength is likely driven by Creative Cloud Express in the top of funnel volume. **Intuit QuickBooks** (INTU, Buy) accelerated the most in January, with engaged visit growth of +19.5% y/y, up from +14.5% y/y in December. We believe that QuickBooks is benefitting from integration with MailChimp marketing suite, released in September 2023. See Exhibit 16.

Firefly peaks in July; M365 accelerates into Copilot release

Engaged visits for the **Adobe Firefly** (ADBE, Buy) generative AI content tool peaked in July at 7.2 million, since the April launch. Activity improved in September, during the release of Firefly 2.0 at 6.8 million, though has since declined to 4.4 million in January. Since the **Microsoft 365 Copilot** (MSFT, Buy) early access program launched in May, y/y growth for engaged visit decelerated to 8% - 9% from mid/high teens level, before reaccelerating to 12% - 18% in the months leading up to GA in November.

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Timestamp: 12 February 2024 05:00AM EST

12 February 2024

Equity
Americas
Server & Enterprise Software

BofA

Data
Analytics

Brad Sills

Research Analyst
BofAS
+1 415 436 1400
brad.sills@bofa.com

Koji Ikeda, CFA

Research Analyst
BofAS
+1 415 913 2106
koji.ikeda@bofa.com

Michael J. Funk

Research Analyst
BofAS
+1 646 855 5664
michael.j.funk@bofa.com

Alkesh Shah

Research Analyst
BofAS
+1 646 855 1556
alkesh.shah@bofa.com

Carly Liu

Research Analyst
BofAS
+1 415 298 7319
carly.liu@bofa.com

See page 20 for a summary of PO changes for ADSK, INTU, MDB and SNOW.

See **Appendix** for **1)** explanation of our methodology and **2)** correlations of Similarweb data to respective company's growth metrics.

Cloud consumption group = Datadog, MongoDB Atlas, and Snowflake

Desktop group = Adobe Creative Cloud and Firefly, Autodesk, Intuit QuickBooks and Mailchimp, and Microsoft 365

Cloud consumption vendors

In the **cloud consumption group**, the January data suggests that average consumption recovered in January from a softer December, with average engaged visit growth at -0.3% y/y, versus -3.6% y/y in December. The m/m growth of +13.9% was nicely above normal January seasonality of +10.4%, which is calculated as the trailing 2-yr m/m average. The December downtick is consistent with Q4 results from the public cloud hyperscalers, which indicated some moderation, excluding AI. However, the uptick in January is a positive for the group.

Exhibit 1: Similarweb total page view and engaged visit – cloud consumption vendor average*

As of Jan 2024, both engaged visit and total page view improved on a y/y basis.

On a m/m basis, January data came in better compared to normal January seasonality (Trailing 2yr m/m average)

Consumption Vendor Average	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit												
y/y %	11.3%	1.4%	(1.0%)	4.9%	3.3%	0.4%	(4.9%)	(9.3%)	(2.5%)	1.8%	(3.6%)	(0.3%)
m/m %	(0.5%)	3.8%	(9.8%)	10.3%	2.0%	(3.8%)	3.8%	(6.6%)	6.0%	(2.3%)	(11.7%)	13.9%
Trailing 2yr m/m average	1.2%	7.8%	(6.5%)	4.6%	8.5%	(1.1%)	7.3%	(2.3%)	0.7%	(3.2%)	(6.1%)	10.4%
Total Page View												
y/y %	(3.3%)	(9.9%)	(16.4%)	(9.1%)	(9.5%)	(15.4%)	(11.7%)	(18.6%)	(13.2%)	(1.4%)	(4.4%)	6.1%
m/m %	6.2%	3.1%	(10.2%)	12.8%	4.4%	(6.4%)	7.5%	(11.1%)	4.6%	(2.0%)	(9.6%)	13.4%
Trailing 2yr m/m average	(0.8%)	8.7%	(5.4%)	2.9%	8.5%	2.0%	4.8%	(2.9%)	1.0%	(8.4%)	(5.9%)	9.2%

Source: Similarweb

*For each metric, we calculate the average of the cloud consumption vendors (Datadog, MongoDB Atlas, and Snowflake)

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Exhibit 2: Similarweb engaged visit and total page view – cloud consumption vendors

January usage data suggests y/y growth remained somewhat pressured compared to the peak, though has likely troughed in 1H23

	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Datadog												
Engaged Visit (millions)	2.3	2.4	2.2	2.5	2.6	2.4	2.5	2.3	2.4	2.3	2.0	2.3
y/y %	31.6%	17.8%	17.7%	18.8%	16.3%	12.1%	5.7%	(4.4%)	(4.4%)	2.0%	(3.6%)	(3.2%)
m/m %	(1.4%)	5.1%	(7.5%)	10.2%	3.7%	(5.5%)	4.9%	(9.8%)	3.2%	(0.3%)	(13.1%)	10.8%
Trailing 2yr m/m average	0.6%	14.1%	(9.0%)	5.7%	7.5%	0.3%	9.9%	(1.2%)	5.9%	(1.1%)	(6.0%)	11.4%
Total Page View (millions)	82	88	75	89	96	80	95	77	83	81	76	83
y/y %	(1.3%)	7.3%	(7.4%)	(1.8%)	(8.4%)	(26.4%)	(11.2%)	(30.2%)	(22.6%)	(5.9%)	(8.8%)	8.4%
m/m %	7.9%	7.2%	(14.6%)	18.3%	7.6%	(17.0%)	19.2%	(19.2%)	8.4%	(2.5%)	(6.4%)	8.9%
Trailing 2yr m/m average	0.3%	8.0%	(6.8%)	4.0%	10.7%	9.4%	4.5%	(1.4%)	1.1%	(8.6%)	1.9%	6.5%
MongoDB Atlas*												
Engaged Visit (millions)	5,611	5,583	5,529	5,576	5,596	5,550	5,559	5,518	5,540	5,517	5,478	5,560
y/y %	(2.9%)	(2.6%)	(1.9%)	(1.5%)	(0.3%)	(0.5%)	(0.5%)	(0.8%)	0.0%	(1.1%)	(0.6%)	(0.6%)
m/m %	0.3%	(0.5%)	(1.0%)	0.9%	0.4%	(0.8%)	0.2%	(0.7%)	0.4%	(0.4%)	(0.7%)	1.5%
Trailing 2yr m/m average	(0.2%)	(0.9%)	(1.1%)	0.8%	0.4%	(1.3%)	0.3%	(0.2%)	(0.9%)	1.1%	(1.1%)	0.6%
Total Page Views (millions)	66,249	66,129	65,740	66,963	66,922	66,775	66,475	66,054	66,337	66,315	65,392	66,245
y/y %	(6.1%)	(6.6%)	(6.1%)	(4.8%)	(4.0%)	(2.3%)	(3.1%)	(2.9%)	(2.3%)	(2.0%)	0.9%	0.4%
m/m %	0.4%	(0.2%)	(0.6%)	1.9%	(0.1%)	(0.2%)	(0.4%)	(0.6%)	0.4%	(0.0%)	(1.4%)	1.3%
Trailing 2yr m/m average	0.5%	(0.3%)	(1.0%)	1.0%	0.2%	(1.8%)	0.3%	(0.8%)	(0.8%)	0.6%	(2.7%)	1.4%
Snowflake												
Engaged Visit (thousands)	850	908	718	861	877	832	886	804	921	863	679	878
y/y %	5.2%	(11.1%)	(18.6%)	(2.6%)	(5.9%)	(10.4%)	(20.1%)	(22.6%)	(3.1%)	4.5%	(6.7%)	2.8%
m/m %	(0.5%)	6.8%	(20.9%)	20.0%	1.9%	(5.1%)	6.4%	(9.2%)	14.5%	(6.3%)	(21.4%)	29.4%
Trailing 2yr m/m average	3.3%	10.0%	(9.3%)	7.4%	17.7%	(2.3%)	11.8%	(5.4%)	(3.0%)	(9.7%)	(11.3%)	19.2%
Total Page View (millions)	4.4	4.5	3.8	4.5	4.8	4.7	4.8	4.2	4.4	4.3	3.4	4.4
y/y %	(2.4%)	(30.4%)	(35.6%)	(20.5%)	(16.2%)	(17.7%)	(20.9%)	(22.9%)	(14.7%)	3.8%	(5.4%)	9.6%
m/m %	10.4%	2.2%	(15.3%)	18.3%	5.6%	(1.9%)	3.7%	(13.4%)	4.9%	(3.4%)	(20.8%)	29.9%
Trailing 2yr m/m average	(3.2%)	18.4%	(8.4%)	3.7%	14.6%	(1.7%)	9.8%	(6.5%)	2.7%	(17.2%)	(16.8%)	19.5%

Source: Similarweb

*Metrics are not based on web traffic to MDB Atlas but based on Similarweb Web Market Analysis - trailing 30 day moving average

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Datadog

Per Similarweb, as of January 2024, Datadog monthly **engaged visits** were 2.3 million. January growth of -3.2% y/y represents a slight acceleration from -3.6% y/y in December 2023. January growth of +10.8% m/m represents a rebound from the weak -13.1% m/m in December 2023. We note that the sequential growth is weaker than though largely in line with the normal January seasonality (+11.4% m/m).

Exhibit 3: Similarweb Datadog monthly engaged visit – trailing 12 months

As of Jan 2024, monthly engaged visit was 2.3 million, -3.2% y/y, +11.4% m/m

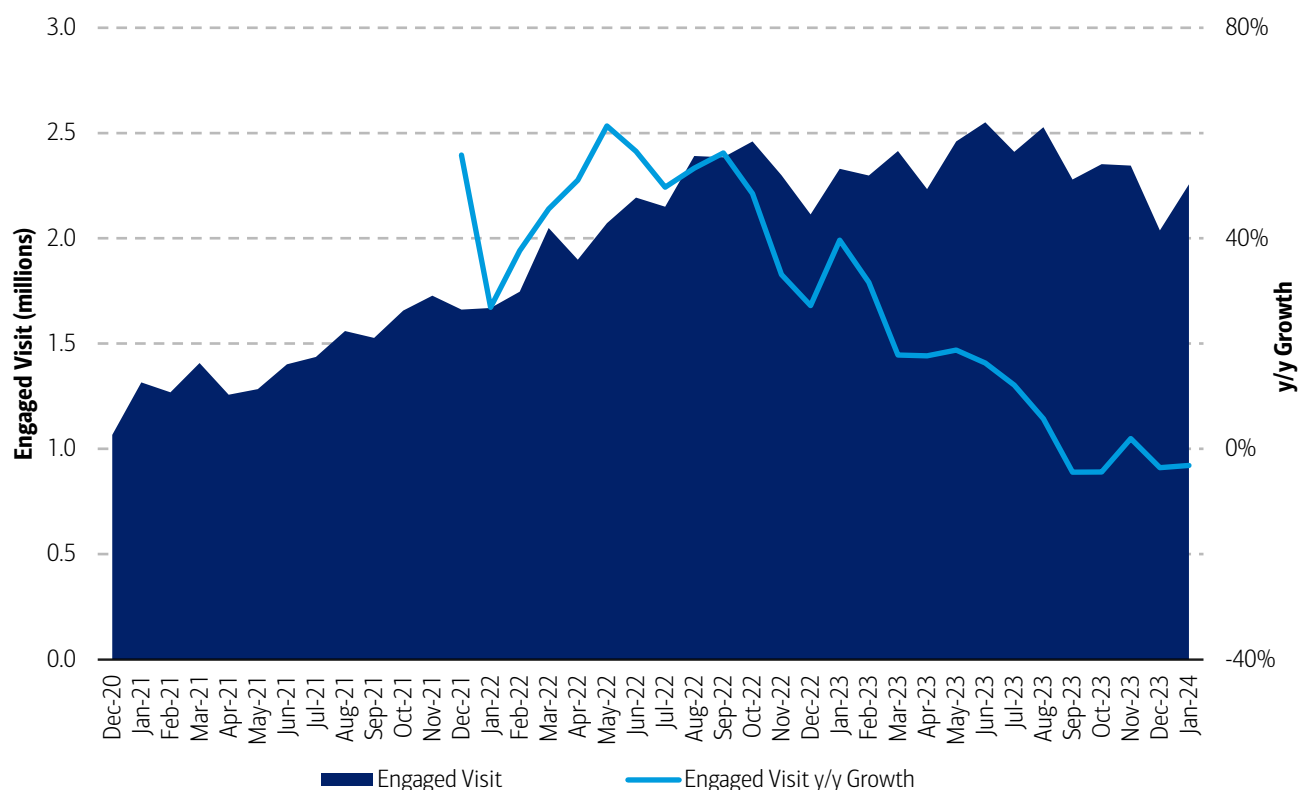
Datadog	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit (millions)	2.3	2.4	2.2	2.5	2.6	2.4	2.5	2.3	2.4	2.3	2.0	2.3
y/y %	31.6%	17.8%	17.7%	18.8%	16.3%	12.1%	5.7%	(4.4%)	(4.4%)	2.0%	(3.6%)	(3.2%)
m/m %	(1.4%)	5.1%	(7.5%)	10.2%	3.7%	(5.5%)	4.9%	(9.8%)	3.2%	(0.3%)	(13.1%)	10.8%
Trailing 2yr m/m average	0.6%	14.1%	(9.0%)	5.7%	7.5%	0.3%	9.9%	(1.2%)	5.9%	(1.1%)	(6.0%)	11.4%

Source: Similarweb

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Exhibit 4: Similarweb Datadog monthly engaged visit – Dec 20 to Dec 23

Growth has decelerated significantly since the peak in mid-2022 though has since stabilized, suggesting trough might be in sight



Source: Similarweb

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Per Similarweb, as of January 2024, Datadog monthly **total page views** were 83 million. January growth of +8.4% y/y represents an acceleration from -8.8% y/y in December 2023. January growth of +8.9% m/m represents a rebound from the weak -6.4% m/m in December 2023. We note that the sequential growth is stronger than the normal January seasonality (+6.5% m/m).

Exhibit 5: Similarweb Datadog monthly total page view – trailing 12 months

As of Jan 2024, monthly total page view was 83 million, +8.4% y/y, +8.9% m/m

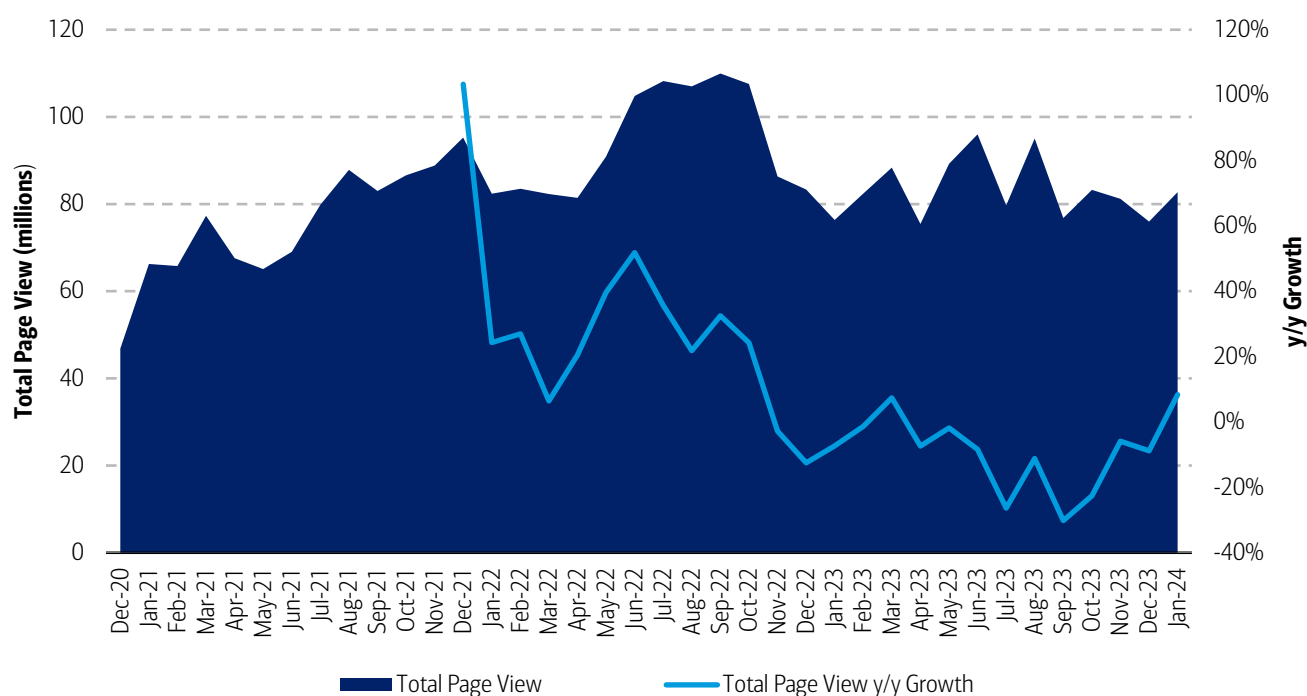
Datadog	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Total Page View (millions)	82	88	75	89	96	80	95	77	83	81	76	83
y/y %	(1.3%)	7.3%	(7.4%)	(1.8%)	(8.4%)	(26.4%)	(11.2%)	(30.2%)	(22.6%)	(5.9%)	(8.8%)	8.4%
m/m %	7.9%	7.2%	(14.6%)	18.3%	7.6%	(17.0%)	19.2%	(19.2%)	8.4%	(2.5%)	(6.4%)	8.9%
Trailing 2yr m/m average	0.3%	8.0%	(6.8%)	4.0%	10.7%	9.4%	4.5%	(1.4%)	1.1%	(8.6%)	1.9%	6.5%

Source: Similarweb

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Exhibit 6: Similarweb Datadog monthly total page view – Dec 20 to Jan 24

Growth has decelerated significantly since the most recent peak in mid-2022 though has since started to consistently reaccelerate, suggesting September 2023 might be the trough



Source: Similarweb

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MongoDB

For **MongoDB Atlas** (Mongo's key cloud offering), a majority of the users run workloads via a command line interface (CLI) instead of the web-based interface, which makes the web traffic data of Atlas login page less meaningful for inference. Instead, we leverage the *Similarweb Web Market Analysis*. This data represents the end-user engagement with websites/applications across a comprehensive list of industries. Given that MongoDB Atlas' consumption revenue is closely tied to end-user activity of the underlying website/application market, we believe this data is a better directional indicator for Atlas' consumption revenue.

On a 30-day moving average basis, daily **engaged visit** was 5.6 billion in January 2024. January growth of -0.6% y/y represents a stabilization from -0.6% y/y in December 2023. While activity is not accelerating, we believe the earlier recovery suggests that a compelling unstructured database adoption cycle is providing powerful tailwinds in MongoDB's business. January growth of +1.5% m/m represents a rebound from the weaker -0.7% m/m in December 2023. We note that the sequential growth is better than the normal January seasonality (+0.6% m/m).

Exhibit 7: Similarweb Web Market Analysis daily engaged visit – trailing 30-day average (Feb 23 to Jan 24)

As of Jan 2024, daily engaged visit was 5.6 billion, -0.6% y/y, +1.5% m/m

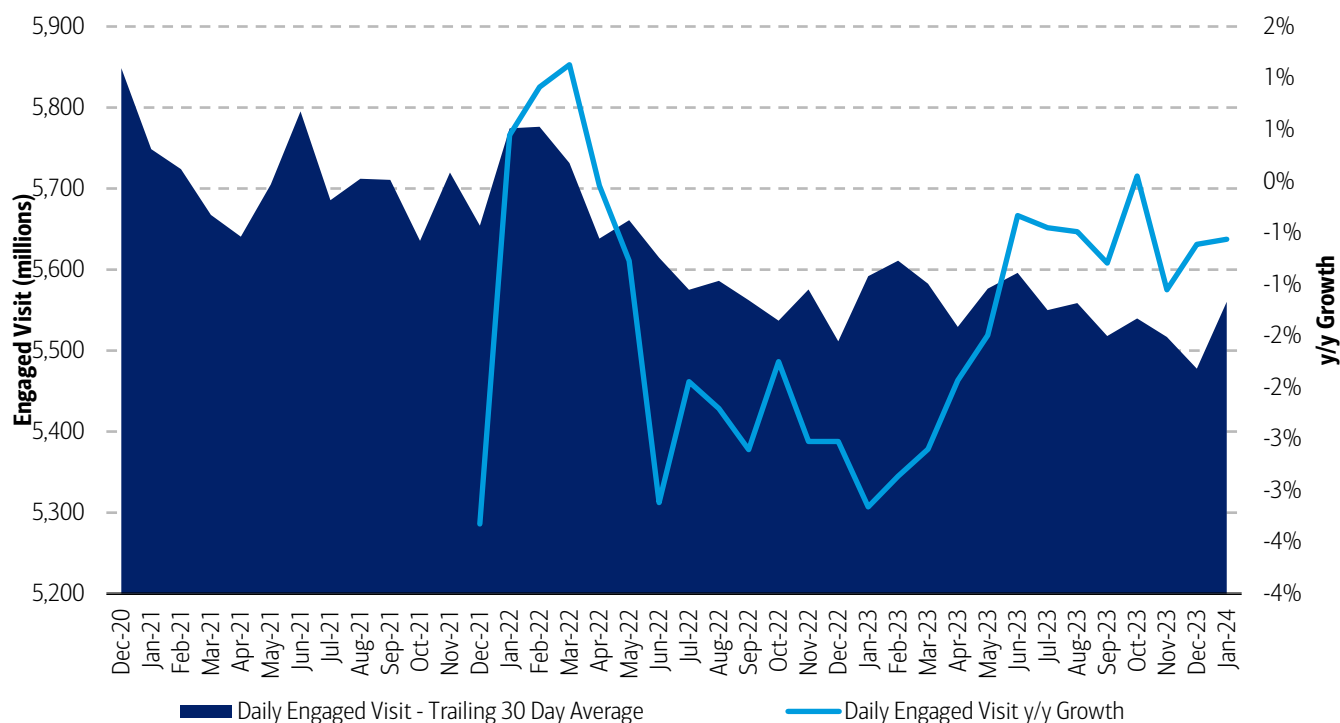
Application Market	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit (millions)	5,611	5,583	5,529	5,576	5,596	5,550	5,559	5,518	5,540	5,517	5,478	5,560
y/y %	(2.9%)	(2.6%)	(1.9%)	(1.5%)	(0.3%)	(0.5%)	(0.5%)	(0.8%)	0.0%	(1.1%)	(0.6%)	(0.6%)
m/m %	0.3%	(0.5%)	(1.0%)	0.9%	0.4%	(0.8%)	0.2%	(0.7%)	0.4%	(0.4%)	(0.7%)	1.5%
Trailing 2yr m/m average	(0.2%)	(0.9%)	(1.1%)	0.8%	0.4%	(1.3%)	0.3%	(0.2%)	(0.9%)	1.1%	(1.1%)	0.6%

Source: Similarweb

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Exhibit 8: Similarweb Web Market Analysis daily engaged visit – trailing 30-day average (Dec 20 to Jan 24)

Growth has troughed in early 2023 and has since been gradually recovering though still below peak level



Source: Similarweb

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On a 30-day moving average basis, daily **total page view** was 66 trillion in January 2024. January growth of +0.4% y/y represents a slight deceleration from +0.9% y/y in December 2023, though largely stabilized. While activity is not accelerating, we believe the earlier recovery suggests that a compelling unstructured database adoption cycle is providing powerful tailwinds in MongoDB's business. January growth of +1.3% m/m represents a rebound from the weaker -1.4% m/m in December 2023. The sequential growth is consistent with normal January seasonality (+1.4% m/m).

Exhibit 9: Similarweb Web Market Analysis daily total page view – trailing 30-day average (Feb 23 to Jan 24)

As of Jan 2024, daily total page view was 66.2 trillion, +0.4% y/y, +1.3% m/m

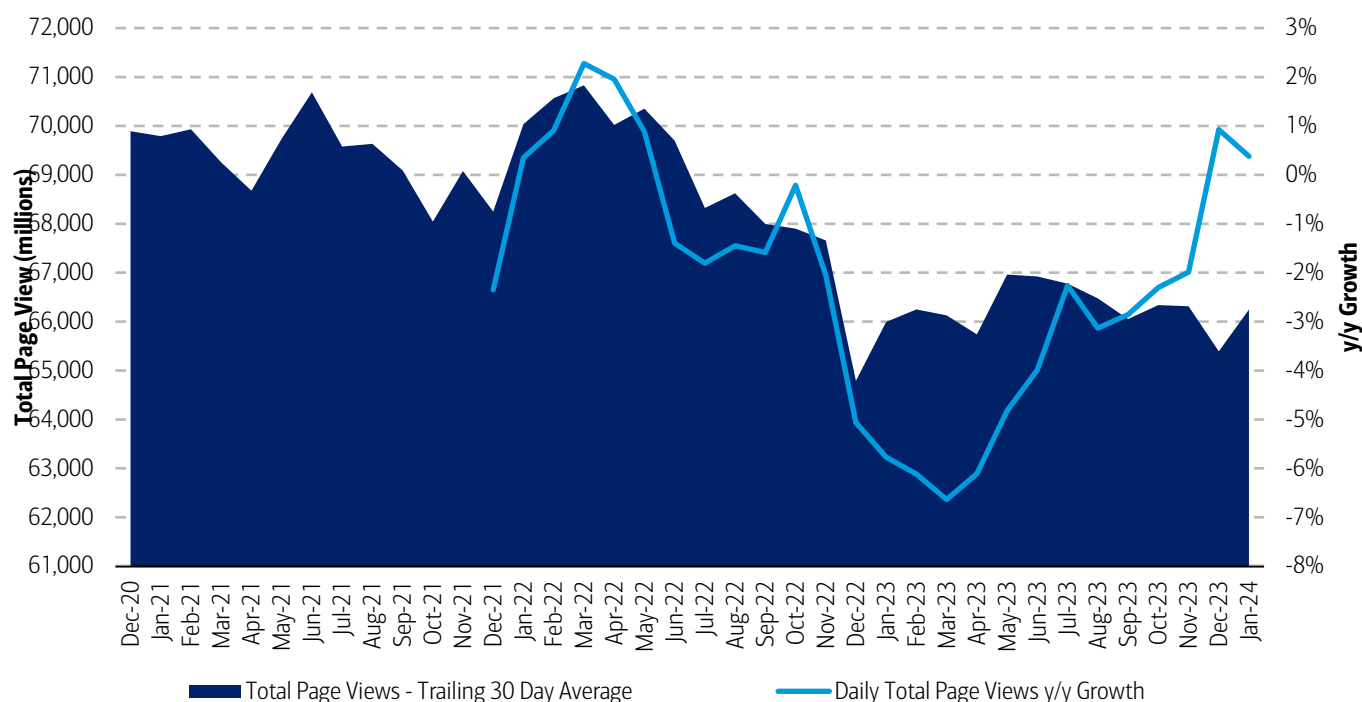
Application Market	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Total Page Views (millions)	66,249	66,129	65,740	66,963	66,922	66,775	66,475	66,054	66,337	66,315	65,392	66,245
y/y %	(6.1%)	(6.6%)	(6.1%)	(4.8%)	(4.0%)	(2.3%)	(3.1%)	(2.9%)	(2.3%)	(2.0%)	0.9%	0.4%
m/m %	0.4%	(0.2%)	(0.6%)	1.9%	(0.1%)	(0.2%)	(0.4%)	(0.6%)	0.4%	(0.0%)	(1.4%)	1.3%
Trailing 2yr m/m average	0.5%	(0.3%)	(1.0%)	1.0%	0.2%	(1.8%)	0.3%	(0.8%)	(0.8%)	0.6%	(2.7%)	1.4%

Source: Similarweb

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Exhibit 10: Similarweb Web Market Analysis daily total page view – trailing 30-day average (Dec 20 to Jan 24)

Growth has troughed in early 2023 and has since been gradually recovering though still below peak level



Source: Similarweb

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Snowflake

Per Similarweb, as of January 2024, Snowflake monthly **engaged visit** was 878K. January growth of +2.8% y/y represents an acceleration from -6.7% y/y in December 2023. We view Snowflake trends as volatile, consistent with our view that headwinds facing Snowflake's business are subsiding, though still present. January growth of +29.4% m/m represents a rebound from the weak -21.4% m/m in December 2023. We note that the sequential growth is stronger than normal January seasonality (+19.2% m/m).

Exhibit 11: Similarweb Snowflake monthly engaged visit – trailing 12 months

As of Jan 2024, monthly engaged visit was 878 million, +2.8% y/y, +29.4% m/m

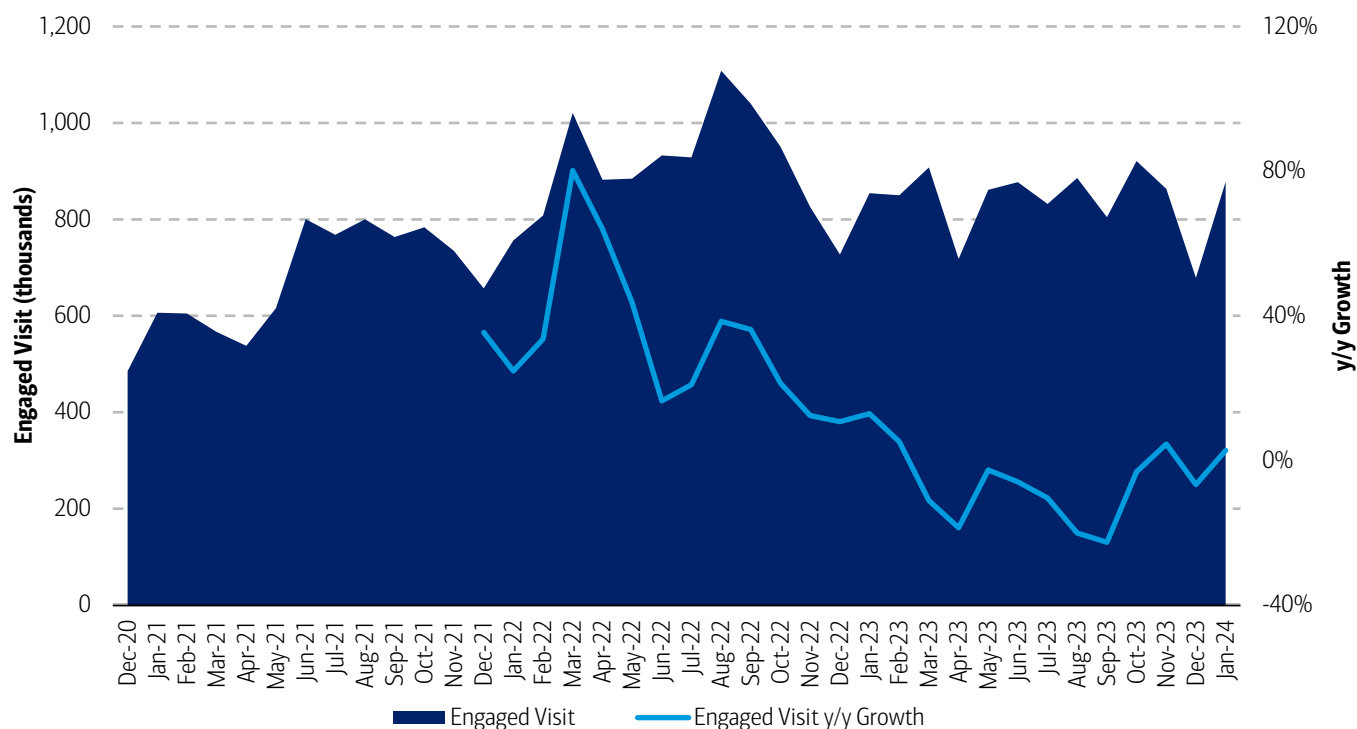
Snowflake	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit (thousands)	850	908	718	861	877	832	886	804	921	863	679	878
y/y %	5.2%	(11.1%)	(18.6%)	(2.6%)	(5.9%)	(10.4%)	(20.1%)	(22.6%)	(3.1%)	4.5%	(6.7%)	2.8%
m/m %	(0.5%)	6.8%	(20.9%)	20.0%	1.9%	(5.1%)	6.4%	(9.2%)	14.5%	(6.3%)	(21.4%)	29.4%
Trailing 2yr m/m average	3.3%	10.0%	(9.3%)	7.4%	17.7%	(2.3%)	11.8%	(5.4%)	(3.0%)	(9.7%)	(11.3%)	19.2%

Source: Similarweb

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Exhibit 12: Similarweb Snowflake monthly engaged visit – Dec 20 to Jan 24

Growth has largely troughed in April 2023 after decelerating significantly post peak level in March 2022



Source: Similarweb

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Per Similarweb, as of January 2024, Snowflake monthly **total page view** was 4.4 million. January growth of +9.6% y/y represents an acceleration from -5.4% y/y in December 2023. We view Snowflake trends as volatile, consistent with our view that headwinds facing Snowflake's business are subsiding, though still present. January growth of +29.9% m/m represents a rebound from the weaker -20.8% m/m in December 2023. We note that the sequential growth is stronger than the normal January seasonality (+19.5% m/m).

Exhibit 13: Similarweb Snowflake monthly total page view – trailing 12 months

As of Jan 2024, monthly total page view was 4.4 million, +9.6% y/y, -30% m/m

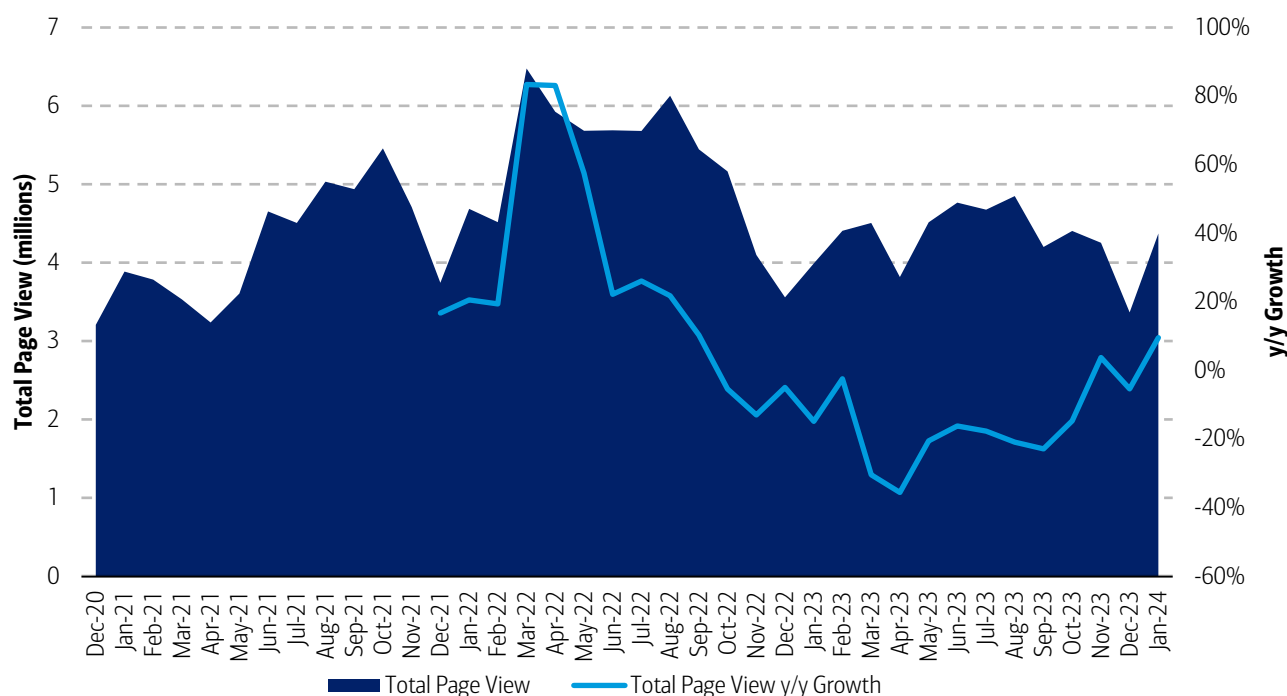
Snowflake	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Total Page View (millions)	4.4	4.5	3.8	4.5	4.8	4.7	4.8	4.2	4.4	4.3	3.4	4.4
y/y %	(2.4%)	(30.4%)	(35.6%)	(20.5%)	(16.2%)	(17.7%)	(20.9%)	(22.9%)	(14.7%)	3.8%	(5.4%)	9.6%
m/m %	10.4%	2.2%	(15.3%)	18.3%	5.6%	(1.9%)	3.7%	(13.4%)	4.9%	(3.4%)	(20.8%)	29.9%
Trailing 2yr m/m average	(3.2%)	18.4%	(8.4%)	3.7%	14.6%	(1.7%)	9.8%	(6.5%)	2.7%	(17.2%)	(16.8%)	19.5%

Source: Similarweb

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Exhibit 14: Similarweb Snowflake monthly total page view – Dec 20 to Jan 24

Growth has troughed in April 2023 after decelerating significantly post peak level in March 2022



Source: Similarweb

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Desktop vendors

In the **desktop group**, January engaged visit growth of 9.9% y/y decelerated slightly from 11.2% y/y in December, though maintained healthy growth. The m/m growth of +10.3% was consistent with normal January seasonality of +10.4%. the desktop group has more exposure to the SMB segment, which is still weighed down by a challenging, though somewhat improving macro environment.

Exhibit 15: Trailing 12 months Similarweb total page view and engaged visit – desktop vendor average*

As of Jan 2024, both engaged visit and total page view were up y/y though down from Dec level. On a m/m basis, January data activity is largely in line with normal January seasonality (Trailing 2yr m/m average)

Desktop Vendor Average	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit												
y/y %	18.6%	13.5%	13.3%	23.2%	27.3%	22.4%	18.5%	20.4%	22.9%	18.3%	11.2%	9.9%
m/m %	(6.1%)	8.8%	(9.5%)	11.6%	11.4%	(0.8%)	4.2%	3.1%	7.5%	(8.0%)	(10.0%)	10.3%
Trailing 2yr m/m average	2.5%	19.2%	0.3%	0.1%	(0.9%)	(4.0%)	9.0%	3.5%	2.4%	(1.5%)	(6.3%)	10.4%
Total Page View												
y/y %	9.8%	5.8%	6.9%	19.3%	25.4%	19.5%	15.8%	18.2%	21.9%	23.1%	15.5%	16.2%
m/m %	(6.7%)	9.2%	(8.1%)	17.0%	7.8%	(1.2%)	4.3%	2.6%	4.0%	(9.8%)	(10.2%)	8.3%
Trailing 2yr m/m average	1.3%	18.4%	0.0%	(1.5%)	(1.5%)	(3.2%)	8.6%	4.2%	1.1%	(3.1%)	(6.7%)	10.7%

Source: Similarweb

*For each metric, we calculate the average of the cloud consumption vendors (Adobe Creative Cloud and Firefly, Autodesk, Intuit QuickBooks and Mailchimp, and Microsoft 365)

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Exhibit 16: Trailing 12 months Similarweb total page view and engaged visit – desktop vendor

Adobe Creative Cloud suite maintained the fastest engaged visit and page view growth in the desktop group in January, at 39.7% y/y and 62.1%, respectively

Desktop Vendors	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Adobe Creative Cloud												
Engaged Visit (millions)	4.1	4.5	4.2	4.9	5.9	5.0	5.2	5.6	6.0	5.7	4.9	5.7
y/y %	21.5%	22.8%	24.3%	52.2%	86.4%	61.8%	43.3%	55.0%	54.9%	52.9%	41.8%	39.7%
m/m %	1.1%	10.1%	(7.0%)	17.5%	20.2%	(15.1%)	3.0%	8.3%	6.5%	(5.2%)	(12.7%)	14.4%
Trailing 2yr m/m average	(12.6%)	5.5%	(8.8%)	(0.5%)	(0.9%)	(1.9%)	10.5%	0.0%	3.2%	(2.3%)	(6.6%)	9.2%
Total Page View (millions)	20	23	21	25	31	26	26	30	31	30	26	30
y/y %	21.5%	27.8%	28.9%	61.2%	103.2%	76.3%	52.1%	68.4%	64.9%	72.0%	58.7%	62.1%
m/m %	8.9%	14.0%	(7.0%)	19.6%	24.0%	(17.2%)	1.5%	14.4%	3.7%	(3.0%)	(14.2%)	14.0%
Trailing 2yr m/m average	(13.9%)	5.4%	(8.8%)	(1.0%)	(0.7%)	(2.8%)	11.1%	1.8%	1.6%	(0.2%)	(10.9%)	6.1%
Adobe Firefly												
Engaged Visit (millions)	N/A	N/A	2.8	3.4	5.7	7.2	5.8	5.9	6.8	5.1	4.8	4.4
m/m %	N/A	N/A	N/A	21.9%	70.6%	24.8%	(18.8%)	1.1%	15.4%	(25.6%)	(6.0%)	(6.7%)
Total Page View (millions)	N/A	N/A	42	64	94	114	91	82	78	46	42	32
m/m %	N/A	N/A	N/A	52.7%	46.4%	22.1%	(20.8%)	(9.9%)	(4.8%)	(40.7%)	(9.3%)	(22.9%)
Autodesk												
Engaged Visit (millions)	6	7	7	8	7	7	7	8	8	8	7	8
y/y %	13.9%	7.3%	24.9%	33.3%	34.3%	32.1%	28.6%	27.3%	26.1%	22.0%	15.3%	11.1%
m/m %	(9.3%)	13.8%	0.7%	6.9%	(9.7%)	(4.4%)	9.6%	6.7%	6.9%	(5.5%)	(14.3%)	14.4%
Trailing 2yr m/m average	(6.1%)	16.7%	(10.3%)	(1.8%)	(9.5%)	(4.2%)	12.3%	11.6%	7.7%	(6.1%)	(11.8%)	15.8%
Total Page View (millions)	29	32	34	36	32	31	35	38	40	38	32	37
y/y %	(5.5%)	(8.6%)	12.2%	24.5%	24.5%	25.3%	21.1%	20.4%	21.0%	19.9%	14.4%	15.0%
m/m %	(10.3%)	10.7%	6.8%	6.7%	(11.8%)	(3.8%)	12.6%	9.6%	6.3%	(6.6%)	(14.2%)	14.0%
Trailing 2yr m/m average	(5.4%)	12.4%	(14.8%)	(6.2%)	(10.8%)	(4.6%)	15.8%	11.0%	5.5%	(9.3%)	(12.6%)	16.0%
Intuit QuickBooks												
Engaged Visit (millions)	40	45	40	43	43	42	47	44	47	44	42	50
y/y %	10.1%	7.4%	5.2%	10.0%	5.4%	4.8%	8.3%	9.2%	15.9%	2.8%	14.5%	19.5%
m/m %	(3.9%)	11.9%	(10.5%)	6.6%	1.0%	(2.9%)	12.0%	(7.1%)	6.7%	(6.9%)	(3.9%)	19.6%
Trailing 2yr m/m average	36.1%	51.6%	38.4%	2.3%	8.4%	(1.6%)	3.7%	(6.6%)	0.7%	4.0%	(5.2%)	11.4%
Total Page View (millions)	789	880	783	812	816	804	930	866	926	841	864	1,074
y/y %	(5.2%)	(4.7%)	(6.2%)	(2.5%)	(6.1%)	(8.7%)	2.0%	0.5%	8.4%	5.8%	15.8%	18.6%
m/m %	(12.9%)	11.6%	(11.1%)	3.8%	0.4%	(1.4%)	15.6%	(6.9%)	6.9%	(9.1%)	2.7%	24.2%
Trailing 2yr m/m average	31.4%	47.6%	41.4%	1.2%	5.8%	1.4%	1.0%	(5.1%)	0.7%	(3.0%)	(0.9%)	18.2%
Intuit Mailchimp												
Engaged Visit (millions)	7.1	7.0	5.8	6.4	6.2	6.1	6.4	6.3	6.4	6.4	5.8	5.9
y/y %	19.4%	8.4%	(3.0%)	3.8%	2.8%	4.7%	3.2%	(0.9%)	(0.1%)	(2.0%)	(17.8%)	(24.9%)
m/m %	(9.8%)	(0.3%)	(17.6%)	10.8%	(2.9%)	(1.8%)	3.9%	(1.2%)	2.4%	0.1%	(9.4%)	0.8%
Trailing 2yr m/m average	(3.8%)	7.6%	(9.2%)	0.2%	0.9%	(4.3%)	3.6%	0.6%	(0.7%)	1.4%	(0.8%)	2.3%
Total Page View (millions)	21	21	18	20	19	19	19	19	20	20	18	19
y/y %	9.3%	(2.0%)	(9.8%)	0.8%	(0.6%)	(0.9%)	(3.1%)	(7.1%)	(0.7%)	(0.4%)	(15.6%)	(20.9%)
m/m %	(11.6%)	1.2%	(16.0%)	12.5%	(2.7%)	(1.8%)	0.8%	(0.1%)	4.3%	1.7%	(9.9%)	1.6%
Trailing 2yr m/m average	(4.3%)	8.8%	(9.0%)	(0.9%)	1.4%	(3.2%)	0.4%	2.0%	(2.7%)	1.1%	(0.5%)	0.5%
Microsoft 365												
Engaged Visit (millions)	679	737	641	680	609	575	665	736	790	751	648	772
y/y %	27.9%	21.7%	15.0%	16.9%	7.5%	8.6%	9.3%	11.5%	17.6%	15.8%	2.4%	3.9%
m/m %	(8.6%)	8.6%	(13.1%)	6.2%	(10.5%)	(5.5%)	15.6%	10.8%	7.3%	(5.0%)	(13.7%)	19.1%
Trailing 2yr m/m average	(1.2%)	14.6%	(8.5%)	0.0%	(3.2%)	(8.0%)	14.9%	12.0%	1.1%	(4.5%)	(7.2%)	13.2%
Total Page View (millions)	2,949	3,203	2,777	2,959	2,686	2,550	2,962	3,216	3,453	3,415	2,859	3,398
y/y %	28.9%	16.7%	9.3%	12.4%	6.2%	5.6%	7.1%	8.8%	16.0%	18.2%	4.4%	6.2%
m/m %	(7.8%)	8.6%	(13.3%)	6.6%	(9.3%)	(5.0%)	16.2%	8.6%	7.4%	(1.1%)	(16.3%)	18.8%
Trailing 2yr m/m average	(1.3%)	17.6%	(8.5%)	(0.6%)	(3.2%)	(6.9%)	14.8%	11.1%	0.2%	(4.3%)	(8.5%)	12.5%

Source: Similarweb

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Adobe Creative Cloud

Per Similarweb, as of January 2024, Adobe Creative Cloud monthly **engaged visit** was 5.7 million. January growth of +39.7% y/y represents a deceleration from +41.8% y/y in December 2023, though still at a strong level. The relative strength is likely driven by Creative Cloud Express in the top of funnel volume. January growth of +14.4% m/m represents a rebound from the weaker -12.7% m/m in December 2023. We note that the sequential growth is stronger than normal January seasonality (+9.2% m/m).

Exhibit 17: Similarweb Adobe Creative Cloud monthly engaged visit - trailing 12 months

As of Jan 2024, monthly engaged visit was 5.7 million, +39.7% y/y and +14.4% m/m

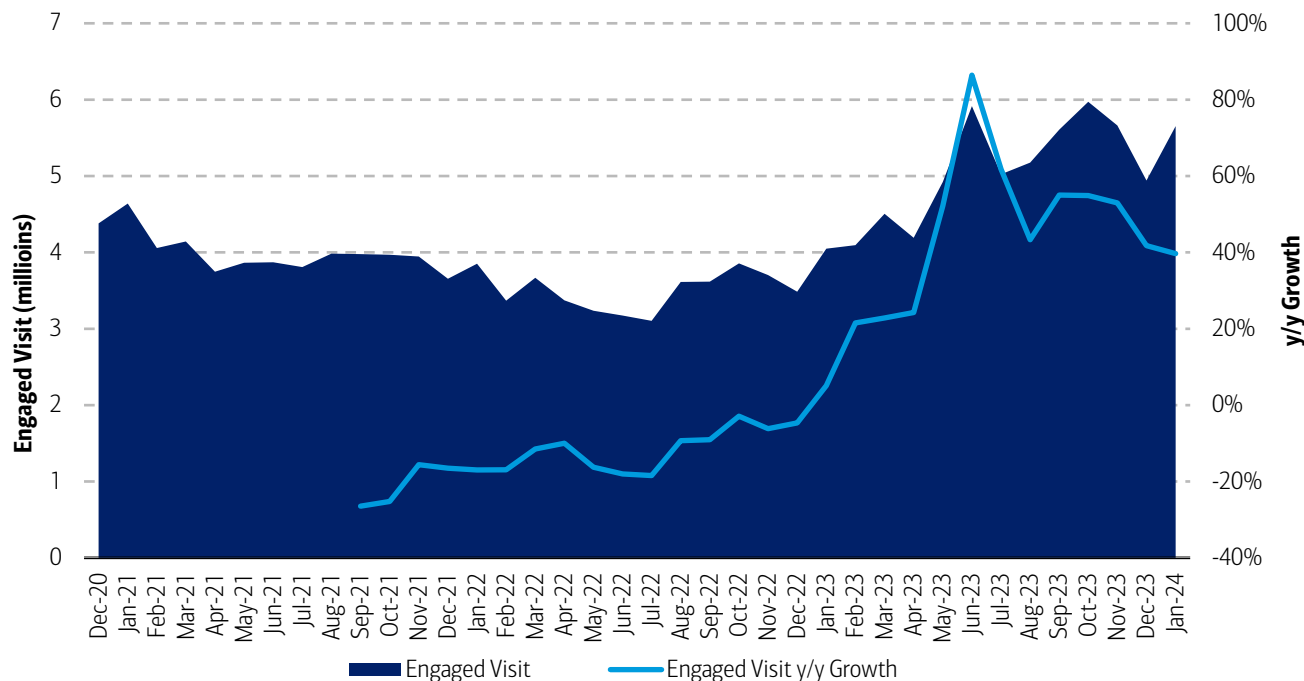
Adobe Creative Cloud	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit (millions)	4.1	4.5	4.2	4.9	5.9	5.0	5.2	5.6	6.0	5.7	4.9	5.7
y/y %	21.5%	22.8%	24.3%	52.2%	86.4%	61.8%	43.3%	55.0%	54.9%	52.9%	41.8%	39.7%
m/m %	1.1%	10.1%	(7.0%)	17.5%	20.2%	(15.1%)	3.0%	8.3%	6.5%	(5.2%)	(12.7%)	14.4%
Trailing 2yr m/m average	(12.6%)	5.5%	(8.8%)	(0.5%)	(0.9%)	(1.9%)	10.5%	0.0%	3.2%	(2.3%)	(6.6%)	9.2%

Source: Similarweb

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Exhibit 18: Similarweb Adobe Creative Cloud monthly engaged visit – Dec 20 to Jan 24

y/y growth has accelerated since Feb 2023, likely driven by Creative Cloud Express in the top of funnel volume.



Source: Similarweb

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Per Similarweb, as of January 2024, Adobe Creative Cloud monthly **total page view** was 29.7 million. January growth of +62.1% y/y represents an acceleration from +58.7% y/y in December 2023. The relative strength is likely driven by Creative Cloud Express in the top of funnel volume. January growth of +14.0% m/m represents a rebound from the weaker -14.2% m/m in December 2023. We note that the sequential growth is stronger than the normal January seasonality (+6.1% m/m).

Exhibit 19: Similarweb Adobe Creative Cloud monthly total page view – trailing 12 months

As of Jan 2024, monthly total page view was 29.7 million, +62.1% y/y and +14% m/m

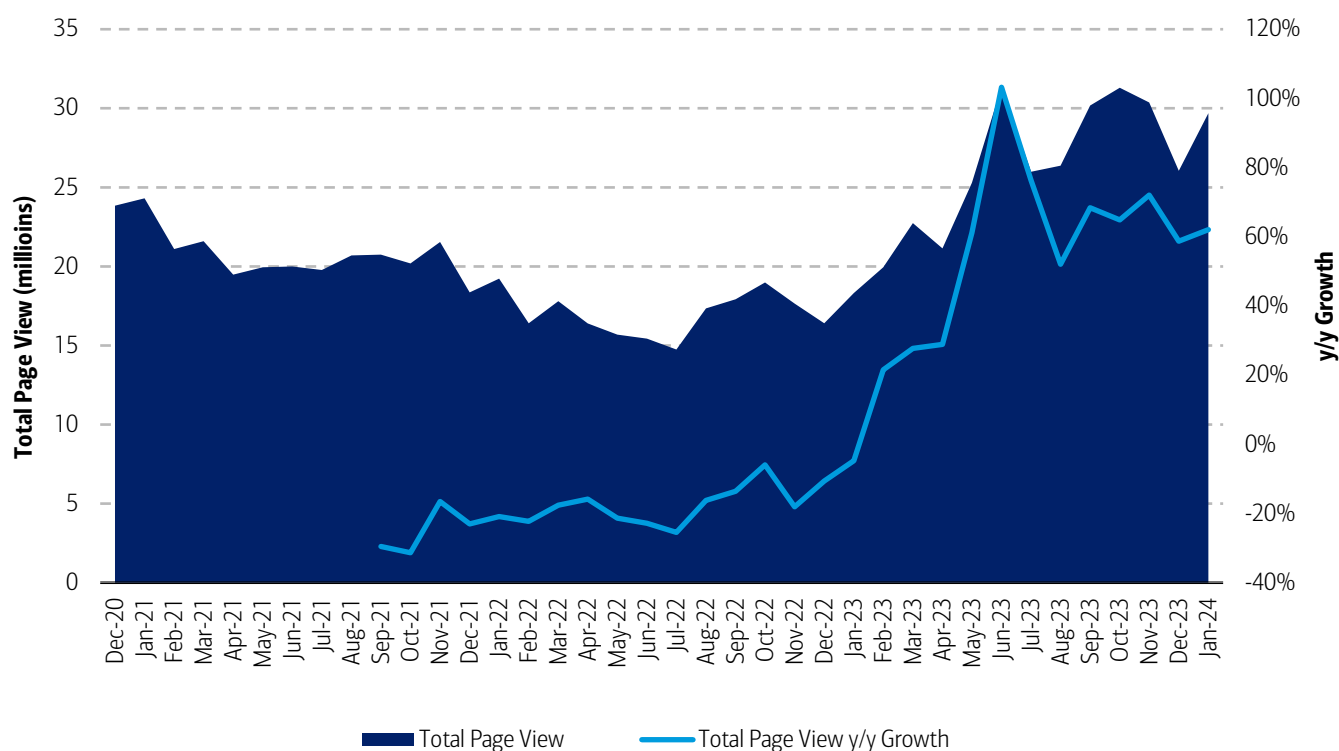
Adobe Creative Cloud	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Total Page View (millions)	19.9	22.7	21.1	25.3	31.4	26.0	26.4	30.2	31.3	30.4	26.0	29.7
y/y %	21.5%	27.8%	28.9%	61.2%	103.2%	76.3%	52.1%	68.4%	64.9%	72.0%	58.7%	62.1%
m/m %	8.9%	14.0%	(7.0%)	19.6%	24.0%	(17.2%)	1.5%	14.4%	3.7%	(3.0%)	(14.2%)	14.0%
Trailing 2yr m/m average	(13.9%)	5.4%	(8.8%)	(1.0%)	(0.7%)	(2.8%)	11.1%	1.8%	1.6%	(0.2%)	(10.9%)	6.1%

Source: Similarweb

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Exhibit 20: Similarweb Adobe Creative Cloud monthly total page view – Dec 20 to Jan 24

y/y growth has accelerated since Feb 2023, likely driven by the emerging interest in AI-powered use cases across photoshop, graphic design, and video/animation, among others



Source: Similarweb

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Adobe Firefly

Per Similarweb, Adobe Firefly monthly **engaged visit** peaked in July at 7.2 million, since the April launch. Activity improved in September, during the release of Firefly 2.0 at 6.8 million, though has since declined to 4.4 million in January. January growth of -6.7% m/m represents a continued deceleration from -6% m/m in December 2023. The negative growth in the past three months is likely due to a slowdown in activity during holiday seasons. We note that Adobe Firefly was initially launched in March 2023. Therefore, we only provide m/m comparison.

Exhibit 21: Similarweb Adobe Firefly monthly engaged visit – Apr 23 to Jan 24

As of Dec 2023, monthly engaged visit was 4.4 million, -6.7% m/m

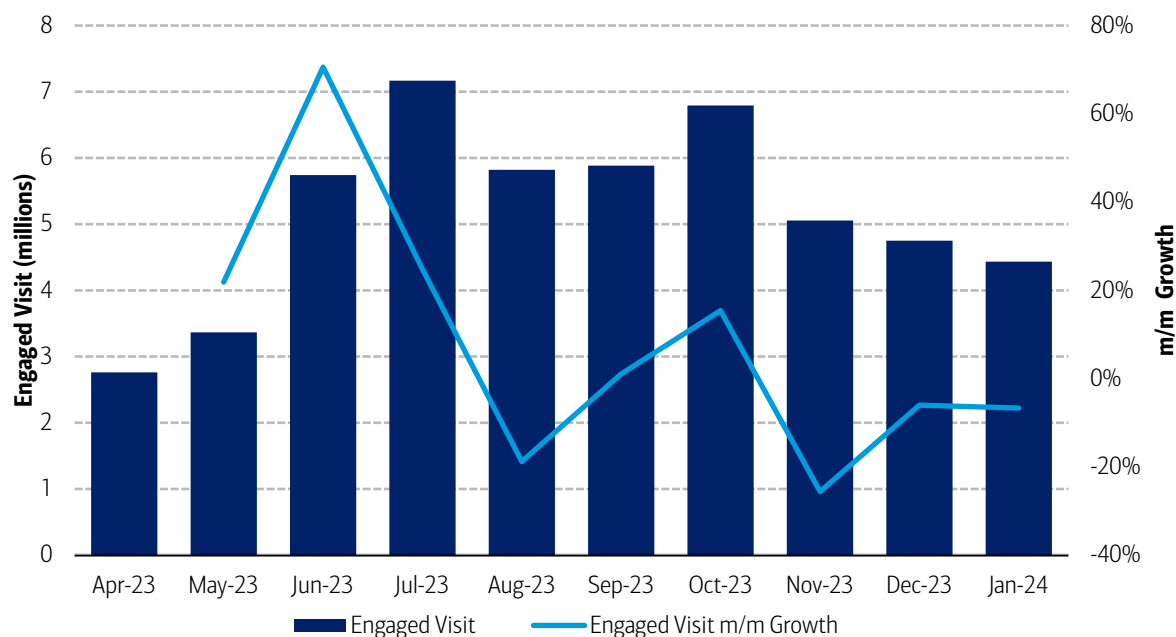
Adobe Firefly	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit (millions)	2.8	3.4	5.7	7.2	5.8	5.9	6.8	5.1	4.8	4.4
m/m %	0.0%	21.9%	70.6%	24.8%	(18.8%)	1.1%	15.4%	(25.6%)	(6.0%)	(6.7%)

Source: Similarweb

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Exhibit 22: Similarweb Adobe Firefly monthly engaged visit– Apr 23 to Jan 24

Engaged visit for the Adobe Firefly generative AI content tool peaked in July at 7.2 million, since the April launch. Activity improved in September, during the release of Firefly 2.0 at 6.8 million, though has since declined to 4.4 million in January



Source: Similarweb

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Per Similarweb, Adobe Firefly monthly **total page view** peaked in July at 114.4 million, since the April launch, though has since declined to 32.2 million in January. January growth of -22.9% m/m represents a continued deceleration from -9.3% m/m in December 2023. The negative growth in the past three months is likely due to a slowdown in activity during holiday seasons. We note that Adobe Firefly was initially launched in March 2023. Therefore, we only provide m/m comparison.

Exhibit 23: Similarweb Adobe Firefly monthly total page view – Apr 23 to Jan 24

As of Jan 2024, monthly total page view was 32.2 million, -22.9% m/m

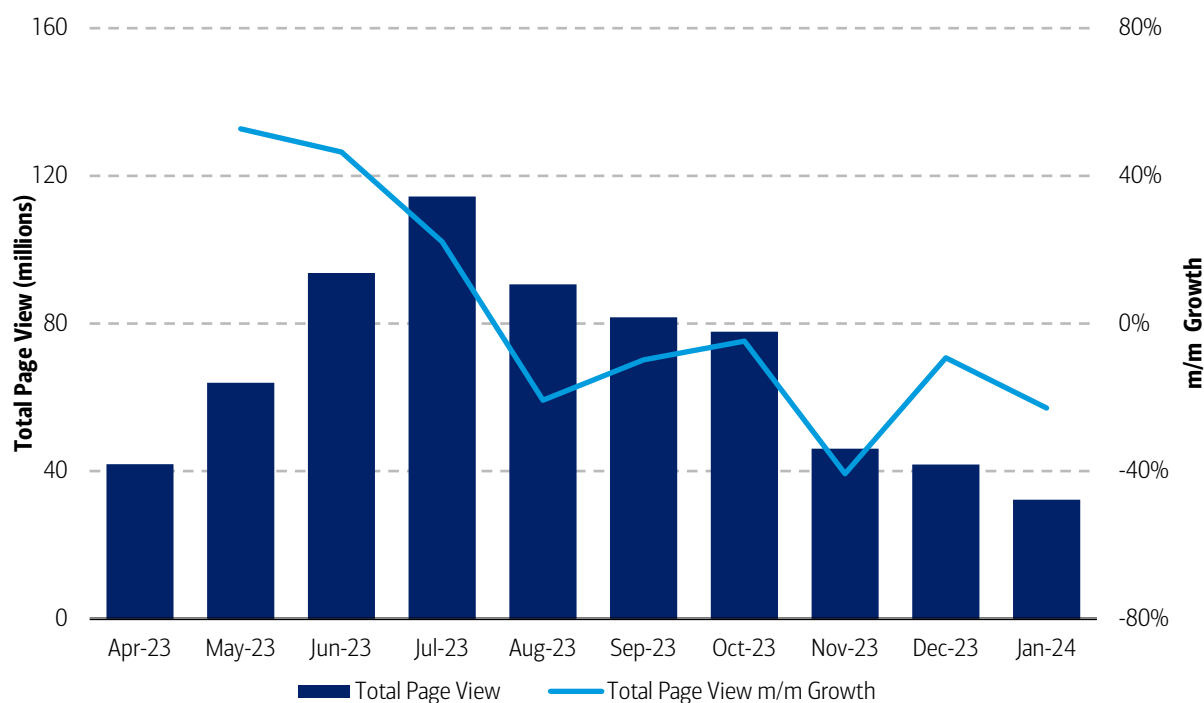
Adobe Firefly	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Total Page View (millions)	41.9	64.0	93.7	114.4	90.6	81.7	77.8	46.1	41.8	32.2
m/m %	0.0%	52.7%	46.4%	22.1%	(20.8%)	(9.9%)	(4.8%)	(40.7%)	(9.3%)	(22.9%)

Source: Similarweb

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Exhibit 24: Similarweb Adobe Firefly monthly total page view – Apr 23 to Jan 24

Total page view for the Adobe Firefly generative AI content tool peaked in July at 114.4 million, since the April launch



Source: Similarweb

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Autodesk

Per Similarweb, as of January 2024, Autodesk monthly **engaged visit** was 7.6 million. January growth of +11.1% y/y represents a deceleration from +15.3% y/y in December 2023, though still at a healthy level. January growth of +14.4% m/m represents a rebound from the weaker -14.3% m/m in December 2023. We note that the sequential growth is largely in line than the normal January seasonality (+15.8% m/m).

Exhibit 25: Similarweb Autodesk monthly engaged visit – trailing 12 months

As of Jan 2024, Autodesk monthly engaged visit was 7.6 million, +11.1% y/y and +14.4% m/m

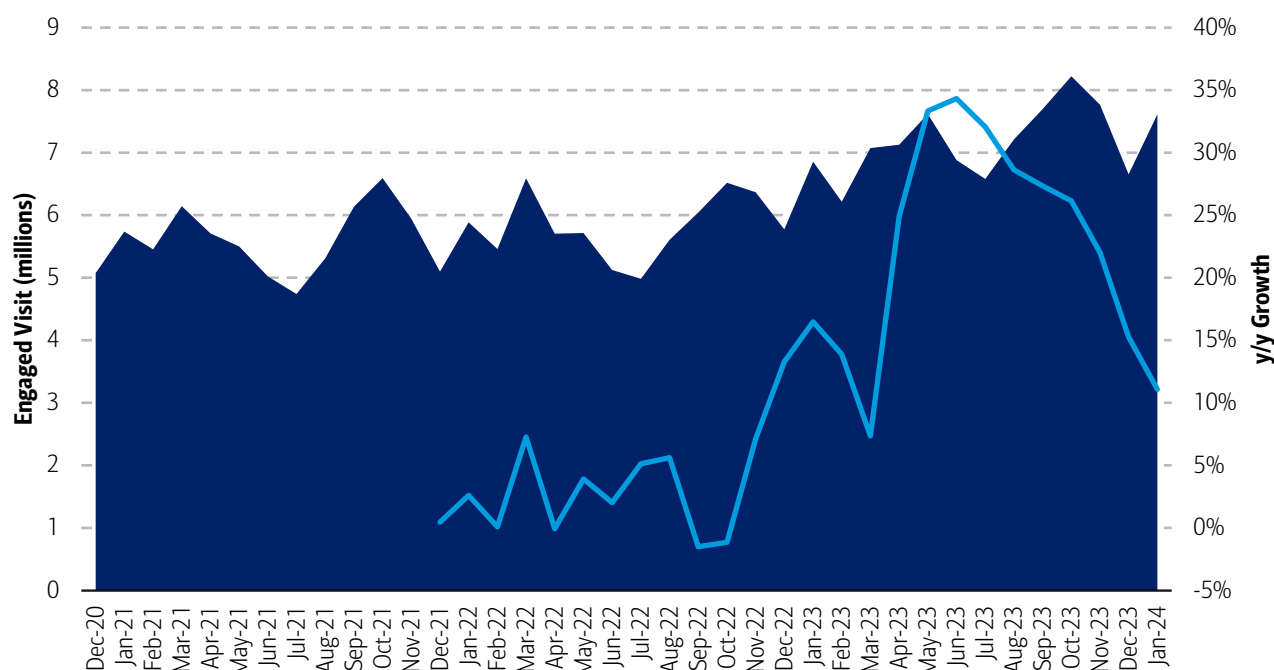
Autodesk	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit (millions)	6.2	7.1	7.1	7.6	6.9	6.6	7.2	7.7	8.2	7.8	6.7	7.6
y/y %	13.9%	7.3%	24.9%	33.3%	34.3%	32.1%	28.6%	27.3%	26.1%	22.0%	15.3%	11.1%
m/m %	(9.3%)	13.8%	0.7%	6.9%	(9.7%)	(4.4%)	9.6%	6.7%	6.9%	(5.5%)	(14.3%)	14.4%
Trailing 2yr m/m average	(6.1%)	16.7%	(10.3%)	(1.8%)	(9.5%)	(4.2%)	12.3%	11.6%	7.7%	(6.1%)	(11.8%)	15.8%

Source: Similarweb

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Exhibit 26: Similarweb Autodesk monthly engaged visit– Dec 20 to Jan 24

Autodesk engaged visit growth has slowed since June 2023, which could reflect a more cautious environment as reflected in recent industry surveys such as the Architecture Billings Index (ABI)



Source: Similarweb

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Per Similarweb, as of January 2024, Autodesk monthly **total page view** was 36.9 million. January growth of +15% y/y represents an acceleration from +14.4% y/y in December 2023. January growth of +14% m/m represents a rebound from the weaker -14.2% m/m in December 2023. We note that the sequential growth is slightly weaker than though largely in line with the normal January seasonality (+16% m/m).

Exhibit 27: Similarweb Autodesk monthly total page view – trailing 12 months

As of Jan 2024, Autodesk monthly total page view was 36.9 million, +15% y/y and +14% m/m

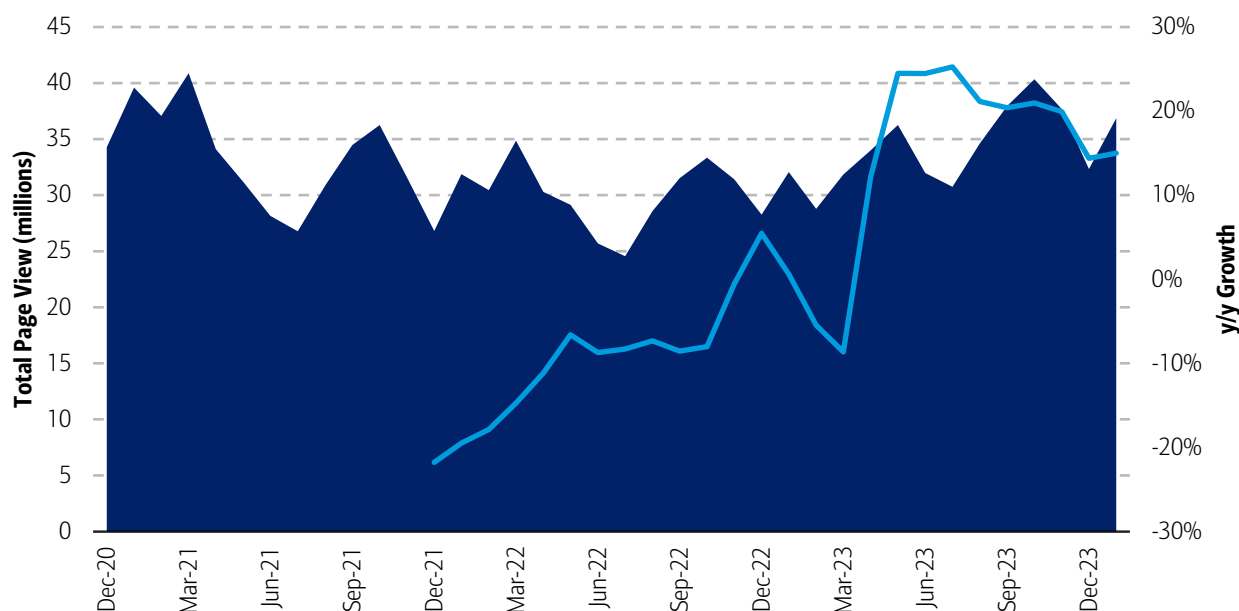
Autodesk	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Total Page View (millions)	28.8	31.8	34.0	36.3	32.0	30.8	34.6	38.0	40.3	37.7	32.3	36.9
y/y %	(5.5%)	(8.6%)	12.2%	24.5%	24.5%	25.3%	21.1%	20.4%	21.0%	19.9%	14.4%	15.0%
m/m %	(10.3%)	10.7%	6.8%	6.7%	(11.8%)	(3.8%)	12.6%	9.6%	6.3%	(6.6%)	(14.2%)	14.0%
Trailing 2yr m/m average	(5.4%)	12.4%	(14.8%)	(6.2%)	(10.8%)	(4.6%)	15.8%	11.0%	5.5%	(9.3%)	(12.6%)	16.0%

Source: Similarweb

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Exhibit 28: Similarweb Autodesk monthly total page view – Dec 20 to Jan 24

Autodesk engaged visit growth has slowed since June 2023, which could reflect a more cautious environment as reflected in recent industry surveys such as the Architecture Billings Index (ABI)



Source: Similarweb

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Intuit: QuickBooks and Mailchimp

Per Similarweb, as of January 2024, **QuickBooks** monthly **engaged visit** was 50.2 million. January growth of +19.5% y/y represents an acceleration from +14.5% y/y in December 2023. We believe that QuickBooks is benefitting from integration with MailChimp marketing suite released in September 2023. January growth of +19.6% m/m represents a rebound from the weaker -3.9% m/m in December 2023. We note that the sequential growth is stronger than the normal January seasonality (+11.4% m/m).

As of January 2024, **Mailchimp** monthly **engaged visit** was 5.9 million. January growth of -24.9% y/y represents a continued deceleration from -17.8% y/y in December 2023. January growth of +0.8% m/m represents a rebound from the weaker -9.4% m/m in December 2023. We note that the sequential growth is weaker than though directionally consistent with the normal January seasonality (+2.3% m/m).

Exhibit 29: Similarweb QuickBooks and Mailchimp monthly engaged visit – trailing 12 months

As of Jan 2024, QuickBooks monthly engaged visit was 50.2 million, +19.5% y/y and +19.5% m/m
Mailchimp monthly engaged visit was 5.9 million, -24.9% y/y and +0.8% m/m

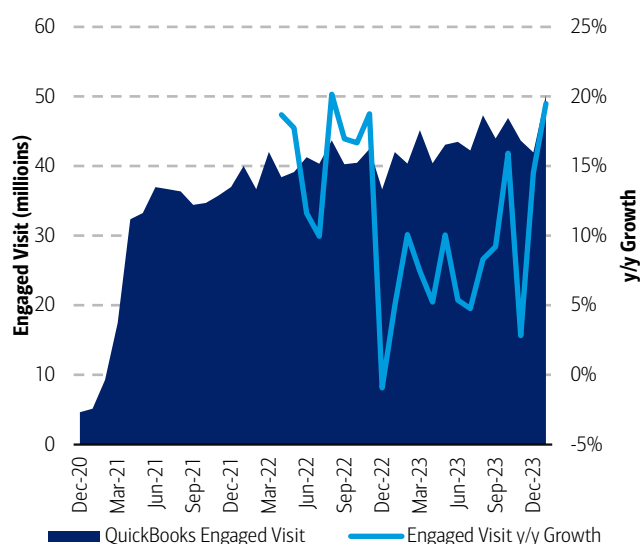
Engaged Visit (millions)	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Intuit QuickBooks	40.4	45.2	40.4	43.1	43.5	42.2	47.3	44.0	46.9	43.7	42.0	50.2
y/y %	10.1%	7.4%	5.2%	10.0%	5.4%	4.8%	8.3%	9.2%	15.9%	2.8%	14.5%	19.5%
m/m %	(3.9%)	11.9%	(10.5%)	6.6%	1.0%	(2.9%)	12.0%	(7.1%)	6.7%	(6.9%)	(3.9%)	19.6%
Trailing 2yr m/m average	36.1%	51.6%	38.4%	2.3%	8.4%	(1.6%)	3.7%	(6.6%)	0.7%	4.0%	(5.2%)	11.4%
Intuit Mailchimp	7.1	7.0	5.8	6.4	6.2	6.1	6.4	6.3	6.4	6.4	5.8	5.9
y/y %	19.4%	8.4%	(3.0%)	3.8%	2.8%	4.7%	3.2%	(0.9%)	(0.1%)	(2.0%)	(17.8%)	(24.9%)
m/m %	(9.8%)	(0.3%)	(17.6%)	10.8%	(2.9%)	(1.8%)	3.9%	(1.2%)	2.4%	0.1%	(9.4%)	0.8%
Trailing 2yr m/m average	(3.8%)	7.6%	(9.2%)	0.2%	0.9%	(4.3%)	3.6%	0.6%	(0.7%)	1.4%	(0.8%)	2.3%

Source: Similarweb

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Exhibit 30: Similarweb QuickBooks monthly engaged visit – Dec 20 to Jan 24

Intuit QuickBooks accelerated significantly starting 2H23, likely due to the benefit from integration with the MailChimp marketing suite released in September 2023

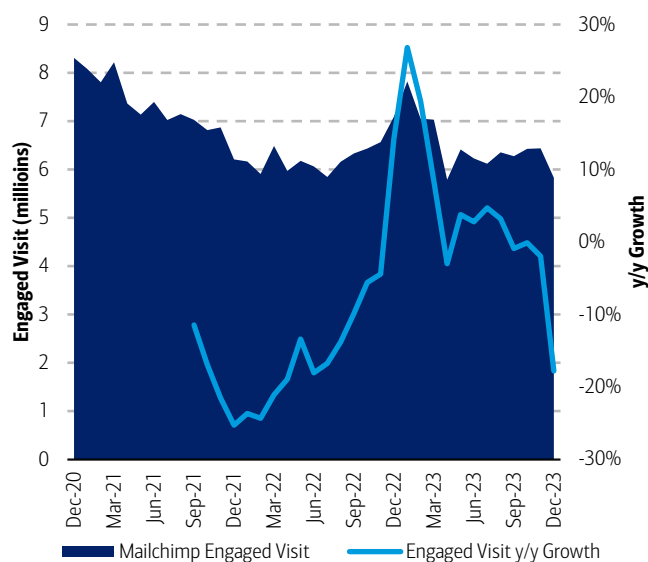


Source: Similarweb

BofA GLOBAL RESEARCH

Exhibit 31: Similarweb Mailchimp monthly engaged visit – Dec 20 to Jan 24

Intuit Mailchimp decelerated significantly on a y/y basis, likely due to disruption from ongoing efforts to integrate the suite with QuickBooks



Source: Similarweb

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Per Similarweb, as of January 2024, **QuickBooks** monthly **total page view** was 1 trillion. January growth of +18.6% y/y represents an acceleration from +15.8% y/y in December 2023. We believe that QuickBooks is benefitting from integration with MailChimp marketing suite released in September 2023. January growth of +24.2% m/m represents an acceleration from the +2.7% m/m in December 2023. We note that the sequential growth is stronger than the normal January seasonality (+18.2% m/m). The strength is likely due to a benefit from integration with the MailChimp marketing suite released in September 2023.

As of January 2024, **Mailchimp** monthly **total page view** was 18.7 million. January growth of -20.9% y/y represents a continued deceleration from -15.6% y/y in December 2023. January growth of +1.6% m/m represents a rebound from the weaker -9.9% m/m in December 2023. We note that the sequential growth is stronger than the normal January seasonality (+0.5% m/m). The overall weakness is likely due to disruption from ongoing efforts to integrate the suite with QuickBooks.

Exhibit 32: Similarweb QuickBooks and Mailchimp monthly total page view – trailing 12 months

As of Jan 2024, QuickBooks monthly total page view was 1.0 trillion, +18.6% y/y and +24.2% m/m
Mailchimp monthly total page view was 18.7 million, -20.9% y/y and +1.6% m/m

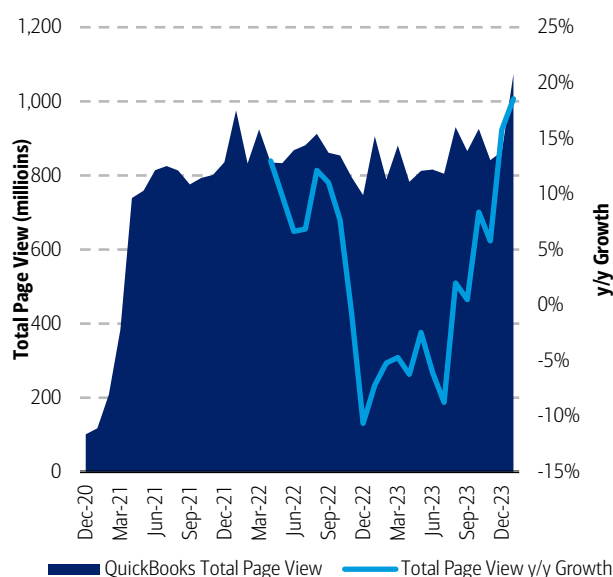
Total Page View (millions)	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Intuit QuickBooks	789.0	880.5	782.7	812.5	815.8	804.4	930.3	865.7	925.5	841.4	864.4	1,073.6
y/y %	(5.2%)	(4.7%)	(6.2%)	(2.5%)	(6.1%)	(8.7%)	2.0%	0.5%	8.4%	5.8%	15.8%	18.6%
m/m %	(12.9%)	11.6%	(11.1%)	3.8%	0.4%	(1.4%)	15.6%	(6.9%)	6.9%	(9.1%)	2.7%	24.2%
Trailing 2yr m/m average	31.4%	47.6%	41.4%	1.2%	5.8%	1.4%	1.0%	(5.1%)	0.7%	(3.0%)	(0.9%)	18.2%
Intuit Mailchimp	20.9	21.2	17.8	20.0	19.5	19.1	19.3	19.3	20.1	20.4	18.4	18.7
y/y %	9.3%	(2.0%)	(9.8%)	0.8%	(0.6%)	(0.9%)	(3.1%)	(7.1%)	(0.7%)	(0.4%)	(15.6%)	(20.9%)
m/m %	(11.6%)	1.2%	(16.0%)	12.5%	(2.7%)	(1.8%)	0.8%	(0.1%)	4.3%	1.7%	(9.9%)	1.6%
Trailing 2yr m/m average	(4.3%)	8.8%	(9.0%)	(0.9%)	1.4%	(3.2%)	0.4%	2.0%	(2.7%)	1.1%	(0.5%)	0.5%

Source: Similarweb

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Exhibit 33: Similarweb QuickBooks monthly total page view – Dec 20 to Jan 24

Intuit QuickBooks y/y growth troughed in late 2022 and has largely recovered since, likely due to the benefit from integration with the MailChimp marketing suite

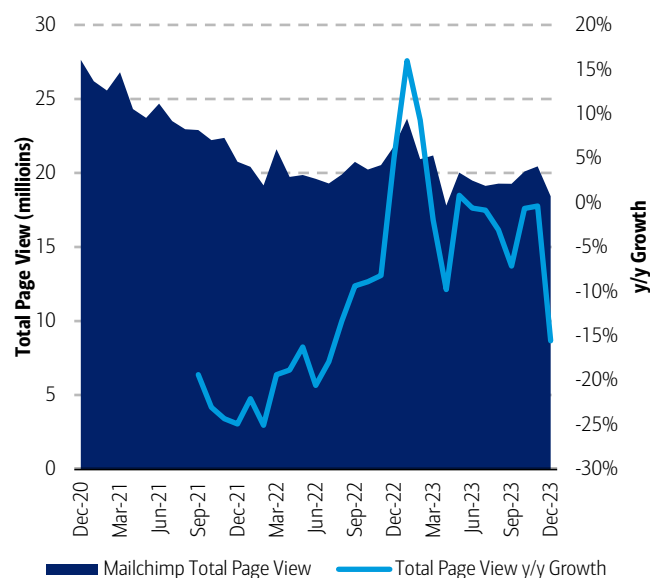


Source: Similarweb

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Exhibit 34: Similarweb Mailchimp monthly total page view – Dec 20 to Jan 24

Intuit Mailchimp decelerated significantly on a y/y basis, likely due to disruption from ongoing efforts to integrate the suite with QuickBooks



Source: Similarweb

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Microsoft 365

Per Similarweb, as of January 2024, Microsoft 365 monthly **engaged visit** was 771.9 million. January growth of +3.9% y/y represents a healthy acceleration from +2.4% y/y in December 2023. We also note that since the Microsoft 365 Copilot early access program launched in May, y/y growth for engaged visit decelerated to 8% - 9% from mid/high teens level, before reaccelerating to 12% - 18% in the months leading up to GA in November. January growth of +19.1% m/m represents a rebound from the weaker -13.7% m/m in December 2023. We note that the sequential growth is stronger than the normal January seasonality (+13.2% m/m).

Exhibit 35: Similarweb Microsoft 365 monthly engaged visit – trailing 12 months

As of Jan 2024, monthly engaged visit was 772 million, +3.9% y/y and +19.1% m/m

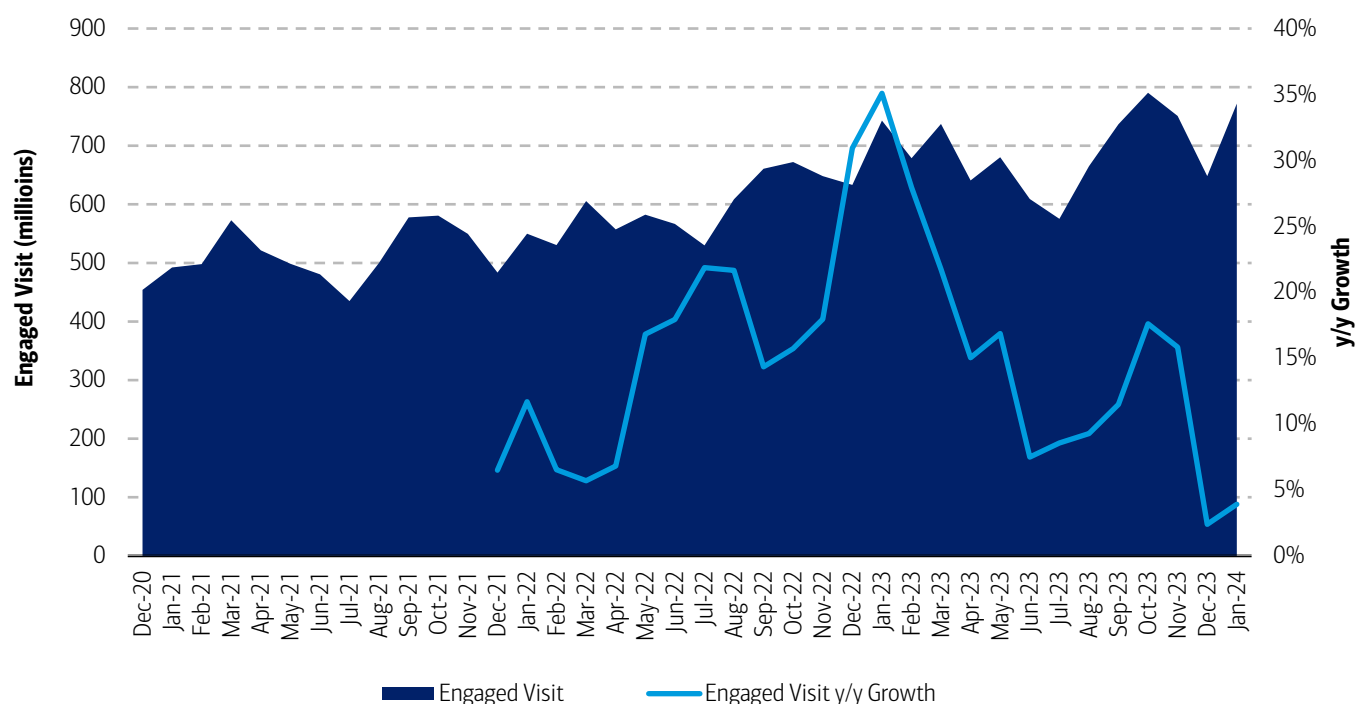
Microsoft 365	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Engaged Visit (millions)	678.8	737.1	640.8	680.5	609.0	575.3	665.0	736.5	790.4	750.7	648.2	771.9
y/y %	27.9%	21.7%	15.0%	16.9%	7.5%	8.6%	9.3%	11.5%	17.6%	15.8%	2.4%	3.9%
m/m %	(8.6%)	8.6%	(13.1%)	6.2%	(10.5%)	(5.5%)	15.6%	10.8%	7.3%	(5.0%)	(13.7%)	19.1%
Trailing 2yr m/m average	(1.2%)	14.6%	(8.5%)	0.0%	(3.2%)	(8.0%)	14.9%	12.0%	1.1%	(4.5%)	(7.2%)	13.2%

Source: Similarweb

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Exhibit 36: Similarweb Microsoft 365 monthly engaged visit – Dec 20 to Jan 24

Since the Microsoft 365 Copilot early access program launched in May 2023, y/y growth reaccelerated to 12% to 18% in the months leading up to the general availability in December 2023



Source: Similarweb

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Per Similarweb, as of January 2024, Microsoft 365 monthly **total page view** was 3.4 trillion. January growth of +6.2% y/y represents an acceleration from +4.4% y/y in December 2023. We also note that since the Microsoft 365 Copilot early access program launched in May, y/y growth for engaged visit decelerated to 6% - 9% from high teens level, before reaccelerating to mid/high teens in the months leading up to GA in November. January growth of +18.8% m/m represents a rebound from the weaker -16.3% m/m in December 2023. We note that the sequential growth is stronger than the normal January seasonality (+12.5% m/m).

Exhibit 37: Similarweb Microsoft 365 monthly total page view – trailing 12 months

As of Jan 2024, monthly total page view was 3.4 trillion, +6.2% y/y and +18.8% m/m

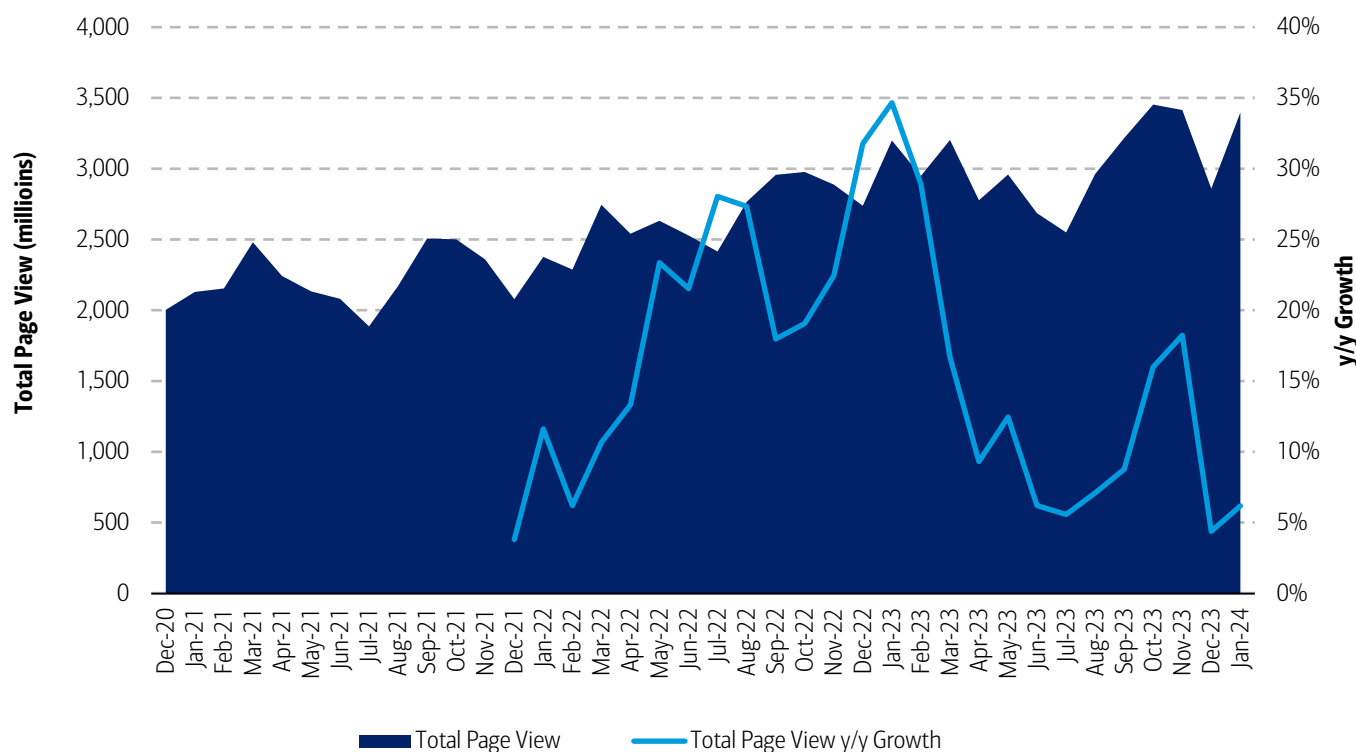
Microsoft 365	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
Total Page View (millions)	2,948.9	3,202.7	2,777.3	2,959.4	2,685.6	2,550.1	2,962.4	3,216.2	3,453.3	3,414.8	2,859.1	3,397.9
y/y %	28.9%	16.7%	9.3%	12.4%	6.2%	5.6%	7.1%	8.8%	16.0%	18.2%	4.4%	6.2%
m/m %	(7.8%)	8.6%	(13.3%)	6.6%	(9.3%)	(5.0%)	16.2%	8.6%	7.4%	(1.1%)	(16.3%)	18.8%
Trailing 2yr m/m average	(1.3%)	17.6%	(8.5%)	(0.6%)	(3.2%)	(6.9%)	14.8%	11.1%	0.2%	(4.3%)	(8.5%)	12.5%

Source: Similarweb

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Exhibit 38: Similarweb Microsoft 365 monthly total page view – Dec 20 to Jan 24

Since the Microsoft 365 Copilot early access program launched in May 2023, the y/y growth has been in the 6% to 9% range, before accelerating to 18% in October ahead of the general availability in November



Source: Similarweb

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PO changes

Autodesk (ADSK): We are raising our PO to \$280 from \$250 for multiple expansion across the design software group. Our new PO of \$280 is based on a CY24E EV/EBITDA multiple of 26x (was 23x), representing a slight discount to the design software group at 29x for a cloudier short-term outlook, partially offset by ADSK's durable business model and favorable margin profile.

Intuit (INTU): We are raising our PO to \$725 from \$650 for multiple expansion across the large cap software group. Our new PO of \$725 is based on a CY25E FCF multiple of 30x (was 27x). It implies 1.5x on a growth-adjusted basis (assuming a normalized 20% CAGR for FCF), representing a premium to the large cap GARP software peer group average of 1.4x (was 1.3x) to reflect a more durable growth profile.

MongoDB (MDB): We are raising our PO to \$555 from \$480 for multiple expansion across the large cap software group and the more stable and consistent improvement in implied Atlas consumption noted above. Our new PO of \$555 is based on a CY25E revenue multiple of 18x (was 15x), or 0.7x our C25 revenue growth rate of 26%, in line to the large-cap peers at 0.7x (was 0.6x).

Snowflake (SNOW): We are raising our PO to \$240 from \$220 for multiple expansion across the large cap software group. Our new PO of \$240 is based on a CY25E revenue multiple of 18x (was 16x), or 0.6x our C25 revenue growth rate of 31%, a discount to the large-cap peers at 0.7x (was 0.6x) for our view that headwinds facing Snowflake's consumption model are subsiding, though still present.

Exhibit 39: Price Objective (PO) changes

We revise our POs on the following companies

Company	Ticker	New PO	New PO Reasoning	Previous PO	Previous PO Reasoning
Autodesk	ADSK	\$280	26x CY24E EBITDA	\$250	23x CY24E EBITDA
Intuit	INTU	\$725	30x CY25E FCF	\$650	27x CY25E FCF
MongoDB	MDB	\$555	18x CY25E Revenue	\$480	15x CY25E Revenue
Snowflake	SNOW	\$240	18x C25E Revenue	\$220	16x C25E Revenue

Source: BofA Global Research

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Appendix

Our analysis methodology

We leverage *Similarweb* to track web traffic of a product or a platform's login page for a collective of cloud consumption vendors (namely **Datadog** and **Snowflake**) and desktop products (namely **Adobe Creative Cloud** and **Firefly**, **Autodesk**, **Intuit QuickBooks** and **Mailchimp**, and **Microsoft 365**). Given the above software offerings are web-based only, we believe the web traffic data provides a comprehensive understanding of end-user interaction and engagement with these vendors' platform or products.

For **MongoDB Atlas** (Mongo's key cloud offering), a majority of the users run workloads via a command line interface (CLI) instead of the web-based interface, which makes the web traffic data of Atlas login page less meaningful for inference. Instead, we leverage the *Similarweb Web Market Analysis*. This data represents the end-user engagement with websites/applications across a comprehensive list of industries. Given that MongoDB Atlas' consumption revenue is closely tied to end-user activity of the underlying website/application market, we believe this data is a better directional indicator for Atlas' consumption revenue.

Metric definition and calculation

For all vendors, we track two metrics: “**total page view**” and “**engaged visit**”

1. “**Total page view**” is defined as the average number of pageviews across all pages within a site over a given period, which in our analysis is a month.
2. “**Engaged visit**” is a calculated metric defined as $\text{visits} * (1 - \text{bounce rate})$, where **bounce rate** is defined as the percentage of visitors who enter a site and leave after visiting only one page.

Correlation analysis

We define and calculate correlation as the correlation coefficient of Similarweb data and the respective company's growth metric. While the correlation to growth metrics such as subscription and product revenue varies by vendor, we believe the data is helpful for directional read across the group.

Exhibit 40: Correlation analysis – cloud consumption vendors

Our analysis shows high correlation between Similarweb data and the respective company's revenue (growth)

Company Product	Revenue Line Item	Similarweb Metric	Trailing 8 Quarters Correlation
Datadog	Total revenue y/y growth	Quarterly engaged visit y/y growth	82.8%
MongoDB Atlas	Atlas Revenue y/y growth	Daily engaged visit previous 90 day average	84.2%
Snowflake	Product Revenue sequential adds	Quarterly total page view	78.4%

Source: BofA Global Research

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Exhibit 41: Correlation analysis – desktop vendors

Our analysis shows high correlation between Similarweb data and the respective company's product revenue (growth)

Company Product	Revenue Line Item	Similarweb Metric	Trailing 8 Quarters Correlation
Adobe Creative Cloud	Creative Cloud ARR y/y growth	Quarterly engaged visit with 4 quarters lag	92.3%
Autodesk	Subscription & Maintenance Revenue	Quarterly engaged visit	84.3%
Intuit QuickBooks + Mailchimp	Small Business & Self Employed revenue	Quarterly engaged visit	99.0%
Microsoft 365	Office Products & Cloud Services revenue	Quarterly engaged visit	83.2%

Source: Similarweb

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Exhibit 42: Companies mentioned

Companies mentioned in this report

BofA Ticker	Bloomberg ticker	Company name	Price	Rating
ADBE	ADBE US	Adobe	US\$ 627.21	B-1-9
ADSK	ADSK US	Autodesk	US\$ 266.68	B-2-9
DDOG	DDOG US	Datadog Inc	US\$ 134.91	C-2-9
INTU	INTU US	Intuit	US\$ 658.16	B-1-7
MSFT	MSFT US	Microsoft	US\$ 420.55	B-1-7
MDB	MDB US	MongoDB	US\$ 500.9	C-1-9
SNOW	SNOW US	Snowflake	US\$ 233.28	C-2-9

Source: BofA Global Research

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Price objective basis & risk**Adobe (ADBE)**

Our PO of \$700 is based on an EV/FCF multiple of 31x our C25E free cash flow estimate. This represents 1.5x our 3-year mid-teens FCF CAGR, a premium to the large-cap GARP (growth at reasonable price) software group average of 1.3x. We view the premium as justified given Adobe's AI leadership position and durability of both top- and bottom-line growth.

Risks to our PO are 1) competition from point solutions and platform vendors, 2) application spending cyclicity, and 3) future acquisitions, which could weigh on margin expansion.

Autodesk (ADSK)

Our \$280 PO is based on an EV/EBITDA multiple of 26x our CY24 EBITDA estimate. The 23x multiple is slightly below the design software peer group average of 29x. We believe a slight discount multiple is warranted by a cloudier short-term outlook, partially offset by ADSK's durable business model and favorable margin profile.

Downside risks to our PO are increased competition leading to higher churn, greater than expected headwinds to FCF in association with Autodesk's billing transition, spending reductions in the company's end markets arising from an economic slowdown and lower than expected net subscriber additions.

Upside risks to our PO are better than expected economic activity, greater than projected net subscriber additions and NR3, lower than expected impact of billing transition on FCF and better than expected execution leading to heightened operating margin expansion.

Datadog Inc (DDOG)

Our \$144 PO is based on an EV/revenue multiple of 18.8x EV/CY24E (was 16.3x) to our CY24E revenue estimate of \$2.6bn. We raise our multiple to account for our increased confidence in Datadog's potential to drive upside to consensus estimates and infrastructure group multiple expansion. The 18.8x multiple represents an EV/revenue/growth multiple of 0.8x, which is above infrastructure peers at 8.2x/0.7x.

Upside risks to our PO: 1) better-than-expected revenue growth, 2) faster-than-expected AI tailwinds, 3) better-than-expected expanding free cash flow margins, 4) expanding NRR, and 5) stronger-than-expected competitive differentiation.

Downside risks to our PO: 1) valuation risk, 2) competition, 3) deteriorating NRR, 4) execution, and 5) enterprise software spend can be cyclical.

Intuit (INTU)

Our PO of \$755 is based on 30x our C25E FCF. It implies 1.5x on a growth-adjusted basis (assuming a normalized 20% CAGR for FCF), a premium to the large cap GARP software peer group average of 1.4x to reflect a more durable growth profile.

Risks to our price objective are a deepening of the macroeconomic slowdown, leading to increased pressure on the SMB business, potential government intervention requiring the tax-filing process be free for all users, increased complications in the tax code driving users to professionals for tax filing, increased focus from competitors in the SMB accounting and payroll space.

Microsoft Corporation (MSFT)

Our PO of \$480 is based on an EV/FCF multiple of 43x our C25E free cash flow estimate. The growth-adjusted multiple of 1.8x trades at a premium to the large cap GARP group, which we view as warranted given our view of Microsoft as a leading AI play in software.

Downside risks to our price objective: 1) Microsoft could see some near term gross margin pressure as the Azure business grows as a percentage of overall revenue. While Microsoft's on premise offerings offer a high margin profile, growth in these lines of business is decelerating. 2) Enterprise application spending has proven to be highly cyclical, given the more discretionary nature of applications projects. During an economic slowdown, when firms are faced with shrinking IT budgets, projects involving application upgrades, migrations or new installations are often deferred. This could present a higher degree of risk for a bookings deceleration for Microsoft and other application vendors, in the event of an economic slowdown.

MongoDB Inc (MDB)

Our PO of \$555 is based on EV/sales of 18x our CY25e, or 0.7x our C25 revenue growth rate of 26%, in line with the large-cap peers at 0.7x (16% growth).

Downside risks to our PO are: 1) MongoDB trades at a significant premium to its software large-cap peer group on an EV/Sales basis. In the event of changes to market sentiment stemming from global macro uncertainty, or potentially disappointing quarterly revenue results, there could be risk of a potential pullback. 2) The company recognizes a large majority of its revenue based on actual consumption which implies more revenue volatility than a traditional subscription model. 3) MongoDB serves in a highly competitive market, which consists of deep-pocketed next-gen NoSQL database, public cloud vendors and legacy database vendors. An inability to execute on a product roadmap for added capabilities could result in slowing share gains or even share losses.

Snowflake (SNOW)

Our PO of \$240 is based on EV/sales of 18x our CY25e, implying 0.6x our C25E revenue growth rate of 31%, a discount to the large-cap peers at 0.7x for our view that headwinds facing Snowflake's consumption model are subsiding, though still present.

Upside risks to our PO: Snowflake recognizes revenue based on actual consumption (versus subscription ratably in arrears). In the event of changes to market sentiment on macro abating and IT spend returning to normal, consumption and revenue growth could quickly reaccelerate which could drive multiple expansion.

Downside risks to our PO: 1) Snowflake trades at a significant premium to its software large-cap peer group. In the event of changes to market sentiment stemming from



global macro uncertainty, or potentially disappointing quarterly revenue results, there could be risk of a potential pullback, 2) The company's consumption model implies more revenue volatility than a traditional subscription model, 3) Snowflake serves in a highly competitive market, which consists of deep-pocketed next-gen DBMS vendors, public cloud vendors and legacy DBMS. An inability to execute on a product roadmap for added capabilities could result in slowing share gains or even share losses.

Analyst Certification

We, Brad Sills, Koji Ikeda, CFA and Michael J. Funk, hereby certify that the views each of us has expressed in this research report accurately reflect each of our respective personal views about the subject securities and issuers. We also certify that no part of our respective compensation was, is, or will be, directly or indirectly, related to the specific recommendations or view expressed in this research report.

US - Enterprise Software Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
BUY				
	8x8	EGHT	EGHT US	Michael J. Funk
	Adobe	ADBE	ADBE US	Brad Sills
	Alarm.com	ALRM	ALRM US	Michael J. Funk
	Amplitude, Inc.	AMPL	AMPL US	Koji Ikeda, CFA
	BILL	BILL	BILL US	Brad Sills
	CCC Intelligent Solutions	CCCS	CCCS US	Michael J. Funk
	Dropbox	DBX	DBX US	Michael J. Funk
	Dynatrace	DT	DT US	Koji Ikeda, CFA
	Elastic NV	ESTC	ESTC US	Koji Ikeda, CFA
	GitLab Inc.	GTLB	GTLB US	Koji Ikeda, CFA
	Global-e Online Ltd.	GLBE	GLBE US	Koji Ikeda, CFA
	HubSpot	HUBS	HUBS US	Brad Sills
	Informatica Inc.	INFA	INFA US	Koji Ikeda, CFA
	Intapp Inc.	INTA	INTA US	Koji Ikeda, CFA
	Intuit	INTU	INTU US	Brad Sills
	JFrog Ltd	FROG	FROG US	Koji Ikeda, CFA
	MeridianLink, Inc.	MLNK	MLNK US	Koji Ikeda, CFA
	Microsoft Corporation	MSFT	MSFT US	Brad Sills
	MongoDB Inc	MDB	MDB US	Brad Sills
	nCino, Inc.	NCNO	NCNO US	Adam Bergere
	NICE Ltd.	NICE	NICE US	Michael J. Funk
	NICE Ltd.	NCSYF	NICE IT	Michael J. Funk
	PagerDuty	PD	PD US	Koji Ikeda, CFA
	PowerSchool Holdings, Inc.	PWSC	PWSC US	Koji Ikeda, CFA
	RingCentral	RNG	RNG US	Michael J. Funk
	Salesforce.com	CRM	CRM US	Brad Sills
	ServiceNow	NOW	NOW US	Brad Sills
	UiPath	PATH	PATH US	Brad Sills
	Unity	U	U US	Michael J. Funk
	Weave	WEAV	WEAV US	Michael J. Funk
	Workday Inc.	WDAY	WDAY US	Brad Sills
	Zeta Global	ZETA	ZETA US	Koji Ikeda, CFA
	ZoomInfo	ZI	ZI US	Koji Ikeda, CFA
NEUTRAL				
	Autodesk	ADSK	ADSK US	Michael J. Funk
	Bentley Systems	BSY	BSY US	Michael J. Funk
	BigCommerce Holdings, Inc.	BIGC	BIGC US	Koji Ikeda, CFA
	Coveo	YCVO	CVO CN	Koji Ikeda, CFA
	Datadog Inc	DDOG	DDOG US	Koji Ikeda, CFA
	DocuSign	DOCU	DOCU US	Brad Sills
	Freshworks, Inc.	FRSH	FRSH US	Adam Bergere
	HashiCorp	HCP	HCP US	Brad Sills
	Jamf	JAMF	JAMF US	Koji Ikeda, CFA
	Lightspeed Commerce Inc.	LSPD	LSPD US	Koji Ikeda, CFA
	Lightspeed Commerce Inc.	YLSPD	LSPD CN	Koji Ikeda, CFA
	Oracle Corporation	ORCL	ORCL US	Brad Sills
	Paycom	PAYC	PAYC US	Adam Bergere
	Paylocity	PCTY	PCTY US	Adam Bergere
	Shopify, Inc.	SHOP	SHOP US	Brad Sills
	Snowflake	SNOW	SNOW US	Brad Sills
	Veeva Systems, Inc.	VEEV	VEEV US	Brad Sills
	Zoom Video Communications	ZM	ZM US	Michael J. Funk
UNDERPERFORM				
	AvidXchange, Inc.	AVDX	AVDX US	Brad Sills
	Blackbaud, Inc.	BLKB	BLKB US	Koji Ikeda, CFA
	BlackLine, Inc.	BL	BL US	Koji Ikeda, CFA
	C3.ai	AI	AI US	Brad Sills
	Confluent	CFLT	CFLT US	Brad Sills
	CS Disco, Inc.	LAW	LAW US	Koji Ikeda, CFA
	Enfusion, Inc.	ENFN	ENFN US	Koji Ikeda, CFA
	Five9	FIVN	FIVN US	Michael J. Funk
	Guidewire Software, Inc.	GWRE	GWRE US	Michael J. Funk
	Twilio	TWLO	TWLO US	Michael J. Funk



US - Enterprise Software Coverage Cluster

Investment rating	Company	BofA Ticker	Bloomberg symbol	Analyst
	Vertex, Inc.	VERX	VERX US	Brad Sills
RSTR				
	Splunk	SPLK	SPLK US	Brad Sills

Disclosures

Important Disclosures

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

Coverage Universe	Count	Percent	Inv. Banking Relationships ^{R1}	Count	Percent
Buy	215	53.09%	Buy	111	51.63%
Hold	97	23.95%	Hold	45	46.39%
Sell	93	22.96%	Sell	24	25.81%

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

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

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

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

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

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