

# Chambal Fertilisers

## Higher fertiliser margins drive earnings

- Chambal reported yet another quarter of healthy margin improvement of 200bps to 10.5% led by 280bps improvement in fertiliser segment EBIT margins at 10% (above our estimates of 7.8%) while shipping margins jumped to 28% (+880bps)
- Q2FY17 revenues dropped by 19% yoy to Rs 22.3bn and was broadly in line with estimates due to 16% decline in fertiliser revenues to Rs 21.7bn and 58% yoy decline in shipping revenues to Rs 680mn
- Company sold 560,000 MT of urea (higher than our estimate of 525,000 MT) and 297,000 MT of complexes (estimate 250,000 MT). Management has alluded that demand continues to remain robust and it is not carrying substantial inventory in the channel
- On back of strong results in H1FY17 and benefit of lower depreciation under IND-AS, we upgrade our FY17E/18E estimates by 17%/11% and Maintain Accumulate with a target price of Rs 71. We expect company benefiting from strong rabi crop.

### Fertiliser margins continue to surpass expectations

Chambal's Q2FY17 revenues stood at Rs 22.3bn (-19% yoy) and were broadly in-line with estimates of Rs 21.8bn. Fertiliser division revenues dropped 16% yoy to Rs 21.7bn but were 6% ahead of our estimate of Rs 20.5bn. During the quarter, company sold 560,000 MT of urea (higher than our estimate of 525,000 MT) and 297,000 MT of complexes (estimate 250,000 MT). Fertiliser segment EBIT increased 18% yoy to Rs 2.1bn and was higher than our estimate of Rs 1.6bn. Segment EBIT margins improved 280bps yoy to 10% vs. our estimate of 7.8%. In the shipping division, revenues dropped 58% yoy to Rs 680bn below our estimate of Rs1.2bn due to lower charter rates and reduced operating days. Shipping segment earnings dropped 37% yoy to Rs 189mn and were below our estimates of Rs 240mn. Overall EBIT increased 8% yoy to Rs 2.2bn higher than our estimate of Rs1.6bn. PAT from continued operations increased 18% yoy to Rs 1.3bn and was higher than our estimate of Rs 1.0bn while EPS for the quarter stood at Rs 3.1.

### Capex on track, maintain Accumulate

The new brown field capex at Gadepan-3 is progressing as per schedule and is expected to be commissioned by January 2019. The management has alluded that the demand continues to remain healthy. The channel inventory for the company is not substantially high which will drive volume growth in the coming rabi season. However, delayed subsidy disbursement and huge capex continue to put pressure on balance sheet. Given strong results, we upgrade our FY17 EPS estimates by 17% to Rs 10.7 driven by higher than estimated EBITDA while upgrade our FY18E estimates by 11% to Rs 11 driven by lower depreciation. We maintain Accumulate rating with target price of Rs 71.

### Financial Snapshot (Standalone)

(Rs mn)	FY14	FY15	FY16	FY17E	FY18E
Net Sales	79,819	88,825	96,243	78,970	84,042
EBITDA	6,294	7,029	7,809	8,242	7,945
EBITDA Margin (%)	7.9	7.9	8.1	10.4	9.5
APAT	2,545	3,439	4,579	4,441	4,582
EPS (Rs)	6.1	8.3	11.0	10.7	11.0
EPS (% chg)	(9.6)	35.1	32.4	(3.0)	3.2
ROE (%)	12.2	15.3	19.7	16.6	14.2
P/E (x)	9.5	7.0	5.3	5.5	5.3
EV/EBITDA (x)	10.7	8.4	8.8	8.6	11.1
P/BV (x)	1.1	1.0	1.0	0.8	0.7

Source: Company, Emkay Research

<b>CMP</b>	<b>Target Price</b>
Rs58	Rs71 (■)
<b>Rating</b>	<b>Upside</b>
ACCUMULATE (■)	21.8 %

### Change in Estimates

EPS Chg FY17E/FY18E (%)	17/11
Target Price change (%)	NA
Previous Reco	ACCUMULATE

### Emkay vs Consensus

EPS Estimates		
	FY17E	FY18E
Emkay	10.7	11.0
Consensus	9.7	10.3
Mean Consensus TP	Rs 78	

### Stock Details

Bloomberg Code	CHMB IN
Face Value (Rs)	10
Shares outstanding (mn)	416
52 Week H/L	73 / 51
M Cap (Rs bn/USD bn)	24 / 0.36
Daily Avg Volume (nos.)	6,76,198
Daily Avg Turnover (US\$ mn)	0.6

### Shareholding Pattern Sep '16

Promoters	57.3%
FII's	7.1%
DII's	12.8%
Public and Others	22.7%

### Price Performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	2	(11)	(12)	4
<b>Rel. to Nifty</b>	8	(5)	(15)	1

### Relative price chart



Source: Bloomberg

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**Exhibit 1: Actual vs. Estimates**

(Rs mn)	Actual	Emkay Estimate	Consensus Estimate (Bloomberg)	% Variation		Comment
				Emkay	Consensus	
Net Sales	22,381	21,750	23,945	2.9%	-6.5%	Tad better than our estimates due to higher than estimated volume growth
EBITDA	2,471	1,888	1,944	30.9%	27.1%	Above estimates due to higher than estimated EBIT in fertiliser
EBITDA %	11.0	8.7	8.1	230 bps	300 bps	Above estimates
APAT	1,271	1,007	1,214	26.2%	4.7%	Above estimates

Source: Company, Emkay Research, Bloomberg

**Exhibit 2: Key Assumptions**

Parameter	FY14	FY15	FY16	FY17E	FY18E
Fertiliser Revenue Growth	21%	-5%	4%	1%	5%
Fertiliser Margins	-16%	34%	-7%	0%	5%
Shipping Revenue Growth	9%	8%	8%	11%	11%
Shipping Margins	90%	22%	5%	-16%	10%

Source: Company, Emkay Research

**Exhibit 3: Fertiliser Production and Sales**

Particulars (in '000 MT)	Q2FY17	Q2FY16	YoY (%)	H1 FY17	H1 FY16	YoY (%)
Urea-Production	521	529	-1.5%	1050	1060	-0.9%
Urea- Sale	559	524	6.7%	1084	1049	3.3%
DAP/NPK Sale	297	328	-9.5%	510	509	0.2%
MOP-Sale	86	51	68.6%	117	89	31.5%

Source: Company, Emkay Research

**Exhibit 4: Subsidy outstanding and receipts as on 30<sup>th</sup> Sept'16**

Particulars (Rs mn)	As at 30-Sept'16	As at 30-Sept'15	YoY (%)
<b>Subsidy Outstanding</b>			
Urea	14,478.1	11,275.4	28.4%
P&K	6,394	5,328.5	20.0%
SSP	301.1	838.3	-64.1%
<b>Total</b>	<b>21,173.2</b>	<b>17,442.2</b>	<b>21.4%</b>
<b>Subsidy Receipts</b>			
Urea	20,925.5	28,219.4	-25.8%
P&K	7,431.7	6,778.3	9.6%
SSP	591.9	-	-
<b>Total</b>	<b>28,949.1</b>	<b>34,997.7</b>	<b>-17.3%</b>

Source: Company, Emkay Research

## Conference call highlights

### Shipping business performance impacted due to lower operating days and drop in time charter yields

Shipping business revenues dropped 58% yoy to Rs 680mn below our estimates of Rs 1200mn on the back of lower operating days compared to same period last year due to sale of one ship Ratna Puja in Q4FY16. Lower time charter yield equivalent (TCYE) of USD 20,600/day during Q2FY17 compared to 23130/day in Q2FY16 further impacted revenues. Shipping segment EBIT at Rs 189mn was down by 39% yoy, however, better operating efficiency led to EBIT margin improvement of 885bps yoy to 27.8% against our estimate of 20%.

### New capex at Gadepan III progressing as per schedule

The management has indicated that the new capex at Gadepan III is progressing as per plan and is expected to be commissioned by January 2019. This is a brown field expansion project and will increase the urea capacity by 1.34mn MT per annum. The company has incurred Rs 10bn YTD FY17 and is expected to invest another Rs 4bn in H2FY17 towards capex for this project.

### Debt increased due to delayed subsidy and capex at Gadepan

Total debt as at 30<sup>th</sup> Sept'16 increased by 8bn to Rs 45.8bn compared to Rs 37.7bn as at 30<sup>th</sup> Sept'15. Company has received Rs 21bn towards urea subsidy compared to Rs 28bn in the corresponding period of last year. Delayed subsidy disbursement led to increase in outstanding subsidy to Rs 14.5bn as at 30<sup>th</sup> September'16 against Rs 11.2bn in 30<sup>th</sup> September'15. However, management has alluded that this has normalized as the company has received Rs 5bn towards urea subsidy in Oct'16. Debt for Gadepan expansion has increased to Rs7bn vs. 1bn in H1FY17.

### Upgrade earnings estimates as from due to strong results

On back of strong quarterly results, we upgrade our EPS estimates for FY17E by 17% to Rs 10.7 on account of increase in EBIDTA by 11.6% to Rs 8.2bn however due to lower fertiliser volumes and revenues from shipping business, sales estimates are revised downward by 2% to Rs 79bn. For FY18E, we upgrade our EPS estimates by 11% to Rs 11. EPS upgrade in FY18 is primarily driven by fall in depreciation as company adopts for new policy under IND AS.

**Exhibit 5: Revision in earnings estimates**

Rs mn	FY17E			FY18E		
	Old Estimates	New Estimates	% Change	Old Estimates	New Estimates	% Change
Net sales	80,746	78,970	-2.2%	85,103	84,042	-1%
EBITDA	7,387	8,242	11.6%	8,119	7,945	-2%
EBITDA %	9.1%	10.4%	40 bps	9.5%	9.5%	100 bps
APAT	3,799	4,441	16.9%	4,143	4,582	11%
EPS	9.1	10.7	16.9%	10.0	11.0	11%

Source: Company, Emkay Research

**Exhibit 6: Quarterly Result Summary**

Rs mn	Q2FY16	Q3FY16	Q4FY16	Q1FY17	Q2FY17	YoY (%)	QoQ (%)	H1 FY16	H1 FY17	YoY (%)
Revenue	27,525	28,351	15,953	19,083	22,381	(18.7)	17.3	51,006	41,465	(18.7)
Expenditure	25,103	25,895	14,718	16,644	19,910	(20.7)	19.6	46,214	36,554	(20.9)
as % of sales	91.2	91.3	92.3	87.2	89.0			90.6	88.2	
Consumption of RM	17,746	18,207	8,267	11,353	14,509	(18.2)	27.8	31,637	25,862	(18.3)
as % of sales	64.5	64.2	51.8	59.5	64.8			62.0	62.4	
Power & Fuel	3,352	3,000	2,520	2,259	2,581	(23.0)	14.2	6,954	4,840	(30.4)
as % of sales	12.2	10.6	15.8	11.8	11.5			13.6	11.7	
Employee Cost	364	364	390	349	356	(2.0)	2.2	721	705	(2.2)
as % of sales	1.3	1.3	2.4	1.8	1.6			1.4	1.7	
Other expenditure	3,642	4,324	3,541	2,683	2,464	(32.3)	(8.2)	6,901	5,147	(25.4)
as % of sales	13.2	15.3	22.2	14.1	11.0			13.5	12.4	
EBITDA	2,422	2,456	1,235	2,440	2,471	2.0	1.3	4,792	4,911	2.5
Depreciation	354	395	398	249	247	(30.4)	(0.9)	709	495	(30.1)
EBIT	2,068	2,061	837	2,191	2,224	7.6	1.5	4,083	4,415	8.1
Other Income	348	182	226	723	282	(18.9)	(60.9)	1,056	1,005	(4.8)
Interest	781	345	360	890	620	(20.6)	(30.3)	1,517	1,510	(0.4)
PBT	1,635	1,897	703	2,023	1,887	15.4	(6.8)	3,622	3,910	8.0
Total Tax	558	569	(123)	617	615	10.3	(0.2)	1,121	1,232	10.0
Adjusted PAT	1,077	1,329	826	1,407	1,271	18.0	(9.6)	2,501	2,678	7.1
Profit from Discontinued Ops*	213	0	0	0	0	-	-	213	0	-
Exceptional Items	0	(2962)	(1120)	0	0	-	-	-	-	-
Reported PAT	1,290	(1,633)	(294)	1,407	1,271	(1.5)	(9.6)	2,714	2,678	(1.4)
Other Comprehensive Income	0	0	0	0	-15	-	0.0	0	-15	
Total Comprehensive Income	1,090	(1,633)	(294)	1,407	1,257	18.0	(9.6)	2,501	2,678	7.1
Reported EPS	3.1	(3.9)	1.6	3.4	3.1	(1.5)	(9.6)	6.5	6.4	(1.4)

Margins (%)						(bps)	(bps)				(bps)
EBIDTA	8.8	8.7	7.7	12.8	11.0	224	(174)	9.4	11.8	245	
EBIT	7.5	7.3	5.2	11.5	9.9	242	(154)	8.0	10.6	264	
EBT	4.7	6.1	3.0	6.8	7.2	249	35	5.0	7.0	198	
PAT	3.9	4.7	5.2	7.4	5.7	177	(169)	4.9	6.5	155	
Effective Tax rate	34.1	30.0	(17.5)	30.5	32.6	(151)	214	30.9	31.5	58	

Source: Company, Emkay Research

**Exhibit 7: Segmental Quarterly Summary**

Rs mn	Q2FY16	Q3FY16	Q4FY16	Q1FY17	Q2FY17	YoY (%)	QoQ (%)	H1 FY16	H1 FY17	YoY (%)
<b>Revenues</b>										
Fertilisers	25,900	25,993	14,061	17,953	21,701	(16.2)	20.9	47,734	39,654	(16.9)
Shipping	1,625	2,358	1,892	1,131	680	(58.2)	(39.9)	3,271	1,810	(44.7)
Textiles*	1,046	0	0	0	0	-	-	1,923	0	-
<b>Total</b>	<b>28,571</b>	<b>28,351</b>	<b>15,953</b>	<b>19,083</b>	<b>22,381</b>	<b>(21.7)</b>	<b>17.3</b>	<b>52,929</b>	<b>41,465</b>	<b>(21.7)</b>
<b>Earnings</b>										
Fertilisers	1,821	2,150	985	2,090	2,142	17.6	2.5	3,693	4,232	14.6
Shipping	308	440	282	238	189	(38.6)	(20.6)	623	427	(31.4)
Textiles*	279	0	0	0	0	-	-	380	0	-
<b>Total</b>	<b>2,407</b>	<b>2,590</b>	<b>1,266</b>	<b>2,328</b>	<b>2,331</b>	<b>(3.2)</b>	<b>0.1</b>	<b>4,696</b>	<b>4,659</b>	<b>(0.8)</b>
<b>Segment margins</b>										
Fertilisers	7.0	8.3	7.0	11.6	9.9	284	(177)	7.7	10.7	293
Shipping	18.9	18.7	14.9	21.0	27.8	885	675	19.0	23.6	455
Textiles*	26.6	-	-	-	-	-	-	19.8	0.0	-
<b>Total</b>	<b>8.4</b>	<b>9.1</b>	<b>7.9</b>	<b>12.2</b>	<b>10.4</b>	<b>199</b>	<b>(178)</b>	<b>8.9</b>	<b>11.2</b>	<b>236</b>

Source: Company, Emkay Research \*Profit from Discontinued operations pertains to textile division which was sold in Q2FY16

**Key Financials (Standalone)****Income Statement**

Y/E Mar (Rs mn)	FY14	FY15	FY16	FY17E	FY18E
<b>Net Sales</b>	<b>79,819</b>	<b>88,825</b>	<b>96,243</b>	<b>78,970</b>	<b>84,042</b>
<b>Expenditure</b>	<b>73,525</b>	<b>81,797</b>	<b>88,435</b>	<b>70,728</b>	<b>76,097</b>
<b>EBITDA</b>	<b>6,294</b>	<b>7,029</b>	<b>7,809</b>	<b>8,242</b>	<b>7,945</b>
Depreciation	2,303	1,733	1,640	995	1,000
<b>EBIT</b>	<b>3,991</b>	<b>5,296</b>	<b>6,168</b>	<b>7,246</b>	<b>6,945</b>
Other Income	1,573	1,351	1,465	1,705	1,400
Interest expenses	1,990	1,575	1,404	2,510	1,800
<b>PBT</b>	<b>3,575</b>	<b>5,071</b>	<b>6,229</b>	<b>6,441</b>	<b>6,545</b>
Tax	1,029	1,633	1,651	2,001	1,964
Extraordinary Items	(486)	1,070	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
<b>Reported Net Income</b>	<b>3,031</b>	<b>2,369</b>	<b>4,579</b>	<b>4,441</b>	<b>4,582</b>
<b>Adjusted PAT</b>	<b>2,545</b>	<b>3,439</b>	<b>4,579</b>	<b>4,441</b>	<b>4,582</b>

**Balance Sheet**

Y/E Mar (Rs mn)	FY14	FY15	FY16	FY17E	FY18E
Equity share capital	4,140	4,140	4,162	4,162	4,162
Reserves & surplus	17,722	19,016	19,071	26,243	29,851
<b>Net worth</b>	<b>21,862</b>	<b>23,155</b>	<b>23,233</b>	<b>30,405</b>	<b>34,013</b>
<b>Minority Interest</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Loan Funds</b>	<b>43,491</b>	<b>36,758</b>	<b>44,922</b>	<b>54,922</b>	<b>64,922</b>
Net deferred tax liability	4,188	4,271	3,984	3,984	3,984
<b>Total Liabilities</b>	<b>69,541</b>	<b>64,184</b>	<b>72,140</b>	<b>89,311</b>	<b>1,02,919</b>
<b>Net block</b>	<b>26,046</b>	<b>26,432</b>	<b>25,255</b>	<b>44,260</b>	<b>63,260</b>
<b>Investment</b>	<b>5,775</b>	<b>5,017</b>	<b>2,351</b>	<b>3,250</b>	<b>3,250</b>
<b>Current Assets</b>	<b>45,240</b>	<b>41,292</b>	<b>56,181</b>	<b>51,805</b>	<b>46,650</b>
Cash & bank balance	237	2,065	309	8,400	617
Other Current Assets	657	826	560	560	560
<b>Current liabilities &amp; Provision</b>	<b>8,220</b>	<b>8,558</b>	<b>11,648</b>	<b>10,003</b>	<b>10,240</b>
<b>Net current assets</b>	<b>37,019</b>	<b>32,734</b>	<b>44,533</b>	<b>41,802</b>	<b>36,410</b>
Misc. exp	0	0	0	0	0
<b>Total Assets</b>	<b>69,540</b>	<b>64,183</b>	<b>72,140</b>	<b>89,311</b>	<b>1,02,919</b>

**Cash Flow**

Y/E Mar (Rs mn)	FY14	FY15	FY16	FY17E	FY18E
<b>PBT (Ex-Other income) (NI+Dep)</b>	<b>2,001</b>	<b>3,721</b>	<b>4,764</b>	<b>4,736</b>	<b>5,145</b>
Other Non-Cash items	0	0	0	0	0
Chg in working cap	3,874	6,197	(13,842)	10,823	(2,391)
<b>Operating Cashflow</b>	<b>9,384</b>	<b>10,275</b>	<b>(11,416)</b>	<b>20,627</b>	<b>3,449</b>
Capital expenditure	(3,669)	(1,419)	(463)	(20,000)	(20,000)
<b>Free Cash Flow</b>	<b>5,716</b>	<b>8,856</b>	<b>(11,879)</b>	<b>627</b>	<b>(16,551)</b>
Investments	669	758	2,665	(898)	0
Other Investing Cash Flow	0	0	0	0	0
<b>Investing Cashflow</b>	<b>(1,426)</b>	<b>689</b>	<b>3,667</b>	<b>(19,193)</b>	<b>(18,600)</b>
Equity Capital Raised	(23)	0	23	0	0
Loans Taken / (Repaid)	(5,801)	(6,733)	8,165	10,000	10,000
Dividend paid (incl tax)	(828)	(828)	(791)	(832)	(832)
Other Financing Cash Flow	0	0	0	0	0
<b>Financing Cashflow</b>	<b>(8,641)</b>	<b>(9,136)</b>	<b>5,992</b>	<b>6,657</b>	<b>7,368</b>
<b>Net chg in cash</b>	<b>(683)</b>	<b>1,829</b>	<b>(1,757)</b>	<b>8,091</b>	<b>(7,783)</b>
Opening cash position	919	237	2,065	309	8,400
<b>Closing cash position</b>	<b>237</b>	<b>2,065</b>	<b>309</b>	<b>8,400</b>	<b>617</b>

**Key Ratios**

<b>Profitability (%)</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17E</b>	<b>FY18E</b>
EBITDA Margin	7.9	7.9	8.1	10.4	9.5
EBIT Margin	5.0	6.0	6.4	9.2	8.3
Effective Tax Rate	28.8	32.2	26.5	31.1	30.0
Net Margin	3.2	3.9	4.8	5.6	5.5
ROCE	7.8	9.9	11.2	11.1	8.7
ROE	12.2	15.3	19.7	16.6	14.2
RoIC	6.2	8.8	9.7	9.8	7.9

<b>Per Share Data (Rs)</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17E</b>	<b>FY18E</b>
EPS	6.1	8.3	11.0	10.7	11.0
CEPS	11.7	12.5	14.9	13.1	13.4
BVPS	52.8	55.9	55.8	73.1	81.7
DPS	2.0	2.0	1.9	2.0	2.0

<b>Valuations (x)</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17E</b>	<b>FY18E</b>
PER	9.5	7.0	5.3	5.5	5.3
P/CEPS	5.1	4.8	4.0	4.6	4.5
P/BV	1.1	1.0	1.0	0.8	0.7
EV / Sales	0.8	0.7	0.7	0.9	1.1
EV / EBITDA	10.7	8.4	8.8	8.6	11.1
Dividend Yield (%)	3.4	3.4	3.3	3.4	3.4

<b>Gearing Ratio (x)</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17E</b>	<b>FY18E</b>
Net Debt/ Equity	2.0	1.5	1.9	1.5	1.9
Net Debt/EBIDTA	6.9	4.9	5.7	5.6	8.1
Working Cap Cycle (days)	168.2	126.0	167.7	154.4	155.5

<b>Growth (%)</b>	<b>FY14</b>	<b>FY15</b>	<b>FY16</b>	<b>FY17E</b>	<b>FY18E</b>
Revenue	8.8	11.3	8.4	(17.9)	6.4
EBITDA	(12.9)	11.7	11.1	5.5	(3.6)
EBIT	(20.3)	32.7	16.5	17.5	(4.2)
PAT	(0.9)	(21.9)	93.3	(3.0)	3.2

<b>Quarterly (Rs mn)</b>	<b>Q2FY16</b>	<b>Q3FY16</b>	<b>Q4FY16</b>	<b>Q1FY17</b>	<b>Q2FY17</b>
Revenue	27,525	28,351	15,953	19,083	22,381
EBITDA	2,422	2,456	1,235	2,440	2,471
<b>EBITDA Margin (%)</b>	<b>8.8</b>	<b>8.7</b>	<b>7.7</b>	<b>12.8</b>	<b>11.0</b>
PAT	866	4,290	1,945	1,407	1,271
<b>EPS (Rs)</b>	<b>2.1</b>	<b>10.3</b>	<b>4.7</b>	<b>3.4</b>	<b>3.1</b>

<b>Shareholding Pattern (%)</b>	<b>Sep-15</b>	<b>Dec-15</b>	<b>Mar-16</b>	<b>Jun-16</b>	<b>Sep-16</b>
Promoters	56.8	56.9	57.1	57.3	57.3
FII's	6.0	7.4	3.4	7.2	7.1
DII's	13.8	13.7	17.5	13.7	12.8
Public and Others	23.5	22.1	22.0	21.8	22.7

## Emkay Rating Distribution

BUY	Expected total return (%) (Stock price appreciation and dividend yield) of over 25% within the next 12-18 months.
ACCUMULATE	Expected total return (%) (Stock price appreciation and dividend yield) of over 10% within the next 12-18 months.
HOLD	Expected total return (%) (Stock price appreciation and dividend yield) of upto 10% within the next 12-18 months.
REDUCE	Expected total return (%) (Stock price depreciation) of upto (-) 10% within the next 12-18 months.
SELL	The stock is believed to underperform the broad market indices or its related universe within the next 12-18 months.

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