

15 Oct 2020

China Tower (788 HK)

A unique moat fully supports 5G construction

Hong Kong | Telecommunication | Initial Coverage Research Report

Investment Summary

China Tower Co., Ltd. (the Company) was established in 2014. The Company is a Chinese communications tower infrastructure service provider. The Company's main business includes tower services based on site resources and communications operators, room services, as well as address resource services and site-based information services for customers in different industries.

A unique asset economic moat

China Tower is the world's largest telecommunications tower infrastructure service provider. According to the Frost & Sullivan Report (F&S Report), in and as of December 31, 2017, the Company ranked first among the global telecommunications tower infrastructure service providers in terms of number of sites, number of tenants and revenue. As of December 31, 2017, the Company's market share in China's telecommunications tower infrastructure market was 96.3% and 97.3% in terms of revenue. In other words, the Company is a monopoly of the industry leader to enjoy a unique advantage.

Implementation of the "One Core two wings" development strategy to enhance competencies

The company implemented "One Core two wings" development strategy, that is, to carry out tower business as the core, DAS and TSSAI business as the wings. Companies can use their extensive site resources to provide services to telecommunication service providers (TSP) and charge stable rents. At the same time, the Company can provide infrastructure, power services, and site-based information services, including data acquisition, data transmission, data analysis and data applications, through the integration of data collection devices, transmission networks, data platforms and other resources. Increase single-site revenue and gross margin by generating stable cash flow and expanding cross-industry application services to achieve high growth and share efficiency.

A sharing-centric business model

By the end of June 2020, the Company had 2.015 million tower sites and 3.124 million carrier tower tenants. The average number of tenants for tower stations is only 1.64. As the industry enjoys a very high renewal rate (primarily due to (i) the difficulties faced by customers in securing alternative sites (ii) the additional costs and expenses to be incurred for replacing the occupied sites, (iii) the potential impact on quality of network coverage during the relocation from the occupied sites.); as a results, companies can find more tenants over time, increasing sharing rates. Furthermore, the marginal cost of additional tenant to the firm is low, by increasing one additional tenant to the same site typically requires only a relatively simple retrofit of the site, which requires lower capital expenditure than building a new site, from a single tenant to a multi-tenants at a site increases the Company marginal profit, even after the co-location discounts; Therefore, Co-location by TSP could allow the Company to enhance profitability.

Valuation and investment recommendation

The Company is currently at the bottom range based on historical record, and we believe that based on the Company's good fundamentals and the monopoly position in the industry leader, coupled with the return to growth in the next 2 years after COVID-19, there is little risk of further drop in current prices. We expect the Company's net book value per share to be RMB1.06/1.08/1.14 for 2020/2021/2022, giving a 12-month target price of HK1.54, corresponding to the P/B of 1.24x/1.17x/1.09x for 2020/2021/2020. Accumulate rating is recommended for the initial coverage.

Accumulate (Initiation)

Current market price HKD1.39
(Closing price as at 12nd Oct 2020)
Target price HKD 1.54 (+10.6%)

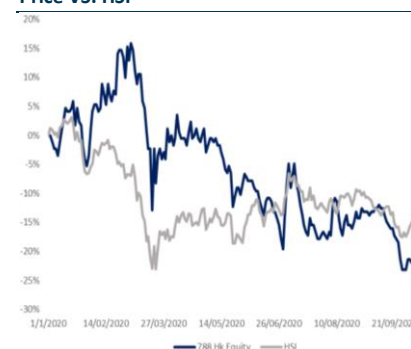
COMPANY DATA

O/S SHARES(MN):	176,008
MARKET CAP (HKD MN) :	17432
52- WK HI/LO(HKD) :	2.04/1.30

Major Shareholder %

China Mobile	27.93
China Unicom	20.65
China Telecom	20.50

Price VS. HSI



Source: Wind, PSHK

KEY FINANCIALS

CNYmn except per share data	FY19	FY20E	FY21E	FY22E
Net Sales	76,428	79,765	84,256	91,720
Net Profit	5,221	5,565	7,866	9,585
EPS, CNY	0.03	0.03	0.05	0.06
P/E x	40.86	38.34	27.12	22.26
BVPS, CNY	1.06	1.08	1.14	1.22
P/BV, x	1.17	1.15	1.08	1.01
ROE%	2.86	3.00	3.99	4.54
ROA%	0.84	1.54	1.87	2.49

Source: Company reports, PSHK
(Closing price as at 12nd October 2020)

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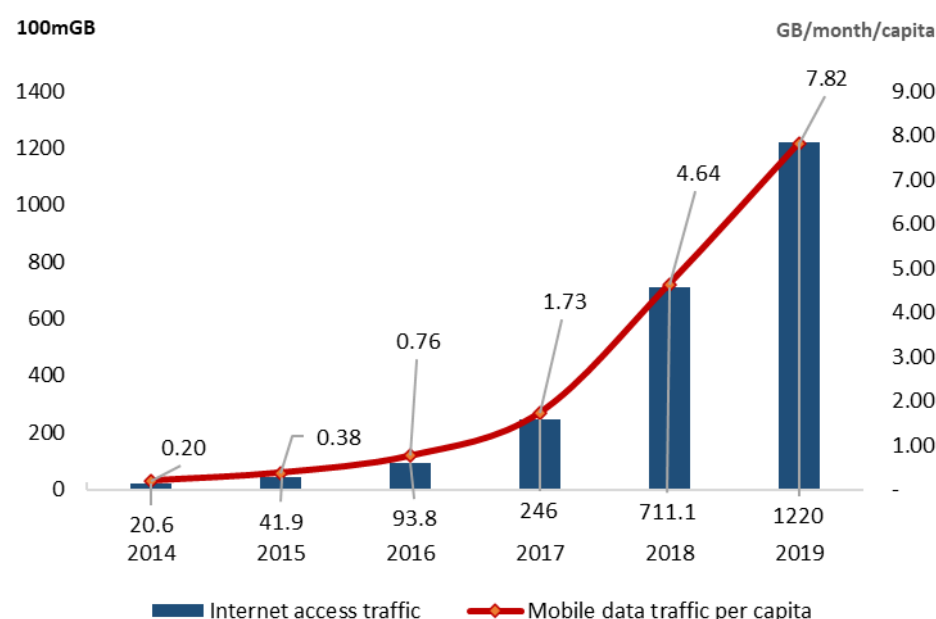
Industry analytics

The telecommunications tower infrastructure industry refers to the market for the provision of site resources and relevant services by telecommunications tower infrastructure service providers to TSPs and other customers. To alleviate the burden of capital expenditure and operating cost, TSPs would spin off their sites and related assets or sell to telecommunications tower infrastructure service providers.

Growth in data traffic is driving increased demand for network coverage

In recent years, the demand for mobile applications, e-commerce, online games, and video streaming services has grown exponentially in the PRC, resulting in a significant growth in mobile communication data traffic in PRC. According to the Ministry of Industry and Information Technology, from 2014 to 2019, Internet access traffic increased from 2.06 billion GB to 122 billion GB, with a compound annual growth rate of 126%. The monthly average mobile Internet traffic also increased from 0.2GB per capita per month to 7.82GB per capita per month. The compound annual growth rate is 108%. The integration and innovation of online and offline services remained active, and various Internet applications accelerated their penetration to fourth- and fifth-tier cities and rural users, enabling mobile Internet access traffic consumption to maintain rapid growth.

Figure 1: Internet access traffic and traffic per capita in the PRC



Source: Miit, PSHK

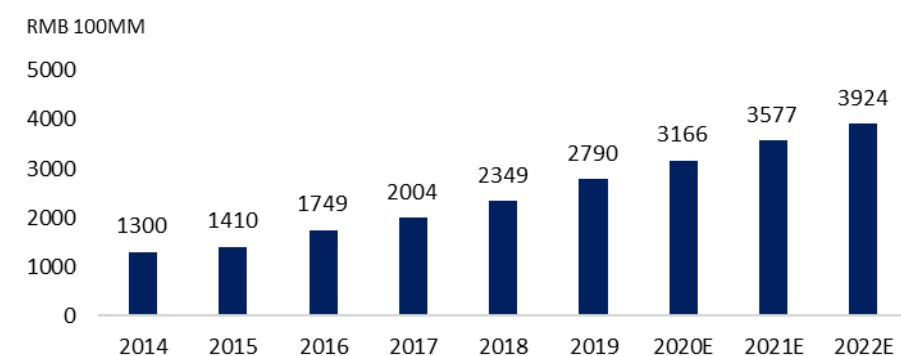
5G development will bring a new round of demand for large-scale network build-out

Due to the increase in speed and frequency, the transmission distance for 5G signals will reduce when compared to 4G signals. It is expected that the coverage radius for a single 5G base station will be substantially smaller than a 4G base station with the same power in the same environment. Therefore, TSPs will need a denser deployment of 5G base stations. According to the Ministry of Industry and Information Technology, as of 2019, 4G base stations reached 5.44 million. We predict that if the same coverage is to be achieved, 1.1 times the current 4G base stations will be needed, and at least 6 million 5G base stations will be built. We expect that the 2021-2022 5G base stations will be built exponentially.

Promote the "Safe Cities" and accelerate the development of the video surveillance market

The continuously increased investment in telecommunications networks by the PRC government, utilities as well as industrial and commercial sectors, the promotion of "Safe Cities" and "Smart Cities" by the PRC government, and its video surveillance market is expected to develop rapidly. According to the Askci report, from 2014 to 2019, the size of China's video surveillance market rose from 130 billion to 279 billion. The compound annual growth rate is 16.5%. According to the Sullivan report, China's video surveillance market is expected to reach 392.2 billion people in 2022.

Figure 2. China's video surveillance market size



Source: Askci, F&S Report, PSHK

Company profile

China Tower is a telecommunications tower infrastructure service provider in China. On July 15, 2014, China's Big three TSPs (China Mobile, China Unicom, and China Telecom) initiated the establishment of a "China Communications Facilities Services Corporation Limited". In September 2014, the Company adopted its current name "China Tower Corporation Limited". In December 2015, China Tower issued additional shares to the Big three TSPs and China Reform. After such increase in share capital, China Mobile, China Unicom, China Telecom and China Reform hold 38.0%, 28.1%, 27.9% and 6.0% shareholding respectively. The Company's main business includes 1) tower business, 2) DAS business, 3) TSSAI business and 4) Energy business.

- 1) Tower business refers to the development of macro cell and micro cell business with TSPs based on the site space.

The macro cell business is to provide site space, including towers and shelters or cabinets, to TSPs and to host their antennas and other macro cell equipment. Through macro cell business, we support TSPs to achieve the extensive coverage of their wireless communications networks in the PRC.

Figure3. General Ground Tower



Source: Company website, PSHK

The micro cell business is to provide TSPs with site space including towers, other public infrastructure resources and cabinets, and to host their small cell equipment.

Figure4. Major types of small cell

Monopole Tower Small Cell: By building poles or sharing existing ground tower site space, to meet the needs of customers for the construction of small cell equipment.



Rooftop Pole Small Cell: By building or sharing of existing rooftop pole site space, it can meet the needs of TSPs for the construction of small cell. The height ranges from 1-6 meters. It is in simple shape and easy to install. It is a universal carrier for communication antennas. It is easy construction, easy installation, easy relocation and low cost. It is widely used in various rooftop.



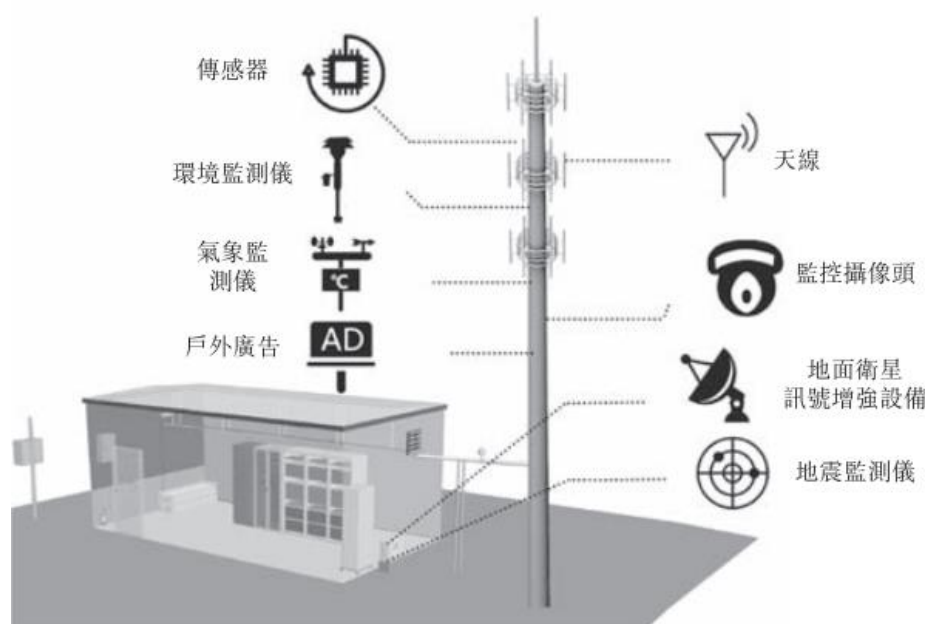
Shared Municipal Facility Small Cell: Through the shared use of various social resources such as lamp poles, monitoring poles, power towers, billboards, transmission poles, public building facades, bridges, etc., to meet the needs of TSPs.



Source: Company website, PSHK

- 2) DAS business: We provide indoor distributed antenna systems to TSPs and to attach their telecommunications equipment. Through our DAS business, we support TSPs to achieve the in-depth coverage of wireless communications networks in buildings and tunnels.
- 3) Trans-sector site application and information business ("TSSAI" business): Using our sites dispersed nationwide, we provide site resource services, including our infrastructure, maintenance services and power services, to host different types of devices for our customers from different industries and support them to build up different types of nationwide or regional networks. Furthermore, by integrating data collection devices, transmission networks, data platforms and other resources, we provide site-based information services, including data collection, transmission, analysis and application.

Figure 5. Diagram of TSSAI business based on site resources



Source: Company data, PSHK

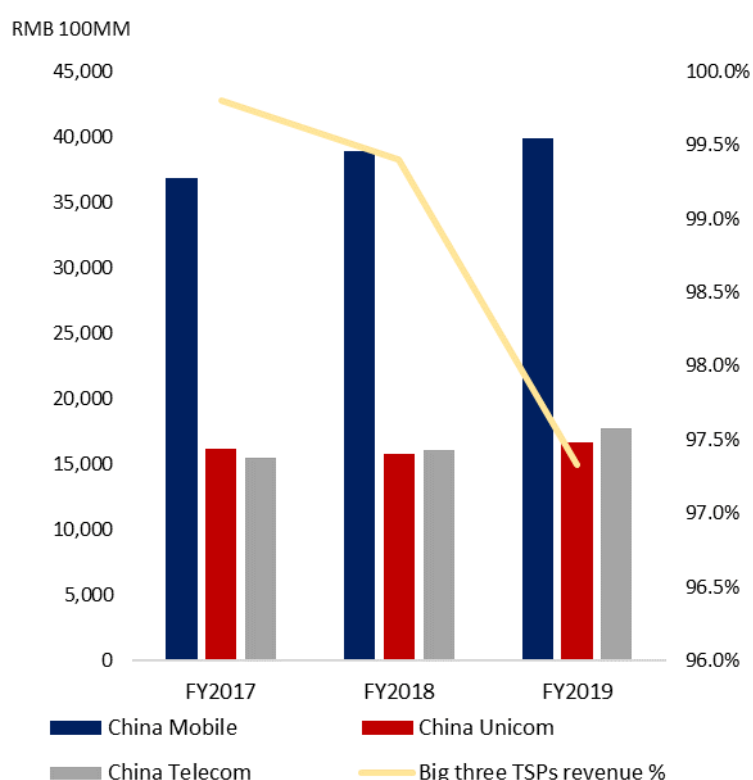
- 4) Energy operation business refers to the provision of diversified energy services to customers based on the power guarantee and backup power service capabilities of the site, including the provision of power backup, power generation, power exchange, and power sales. The Company has also established a recycling system for retired power batteries.

Company competitive advantage

A unique asset economic moat

China Tower is the world's largest telecommunications tower infrastructure service provider. According to the Frost & Sullivan Report (F&S Report), in and as of December 31, 2017, the Company ranked first among the global telecommunications tower infrastructure service providers in terms of number of sites, number of tenants and revenue. As of December 31, 2017, the Company's market share in China's telecommunications tower infrastructure market was 96.3% and 97.3% in terms of revenue. In other words, the Company is a monopoly of the industry leader to enjoy a unique advantage. As of the end of June 2020, the Company has 2.015 million tower sites with assets of RMB 338.1 billion and the Company's main customers are Big three TSPs. They have high credit ratings, good payment capabilities, and sufficient liquidity. High-quality customer resources can provide the Company with stable profit and cash flow. From 2017 to 2019, the revenue generated by the above three communication operators accounted for 99.8%, 99.4%, and 97.33% of the total revenue, respectively.

Figure 6. Graph of revenue and percentage of customer



Source: Company data, PSHK

Implementation of the "One Core two wings" development strategy to enhance competencies

The Company implemented "One Core two wings" development strategy, that is, to carry out tower business as the core, DAS and TSSAI business as the wings.

Companies can use their extensive site resources to provide services to TSP and charge stable rents. At the same time, the Company can provide infrastructure, power services, and site-based information services, including data acquisition, data transmission, data analysis and data applications, through the integration of data collection devices, transmission networks, data platforms and other resources. Increase single-site revenue and gross margin by generating stable cash flow and expanding cross-industry application services to achieve high growth and share efficiency.

The tower can become the carrier of various sensors, providing video surveillance services for customers in different industries, such as air quality monitoring, earthquake warning detector, fire monitoring and so on. According to the F&S report, China's video surveillance market is expected to reach 392.2 billion RMB in 2022. It is expected that the compound annual growth rate will be 12% from 2019 to 2022. As the Chinese government promotes "Safe Cities", it not only needs to meet the needs of public security management, urban management, traffic management, and emergency command, but also needs to take into account the needs for image monitoring in disaster and accident early warning and safety production monitoring. It is expected that in the foreseeable future, its cross-industry application services will maintain rapid growth.

In terms of energy operation business, the Company began to explore development opportunities in the business of Power Backup, Power generation, Power Supply and Recycling Business in 2019. For example, the company provides electric vehicle battery replacement services for delivery personnel such as Meituan, Ele.me ,etc; and courier such as China Post, SF Express, JD.com, the five major logistics companies (STO,YTO, ZTO, Best Express and Yunda), etc. Although the Company's energy business revenue in 2019 only reached 193 million yuan, only 0.25% of total revenue. However, with the vigorous development of the new energy industry, it is believed that its energy operation business will achieve rapid growth and bring considerable revenue growth to the Company.

A sharing-centric business model

By the end of June 2020, the Company had 2.015 million tower sites and 3.124 million carrier tower tenants. The average number of tenants for tower stations is only 1.64. As the industry enjoys a very high renewal rate (primarily due to (i)the difficulties faced by customers in securing alternative sites (ii) the additional costs and expenses to be incurred for replacing the occupied sites, (iii) the potential impact on quality of network coverage during the relocation from the occupied sites.); as a results, companies can find more tenants over time, increasing sharing rates. Furthermore, the marginal cost of additional tenant to the firm is low, by increasing one additional tenant to the same site typically requires only a relatively simple retrofit of the site, which requires lower capital expenditure than building a new site, from a single tenant to a multi-tenants at a site increases the Company marginal profit, even after the co-location discounts; Therefore, Co-location by TSP could allow the Company to enhance profitability.

Financial Analysis

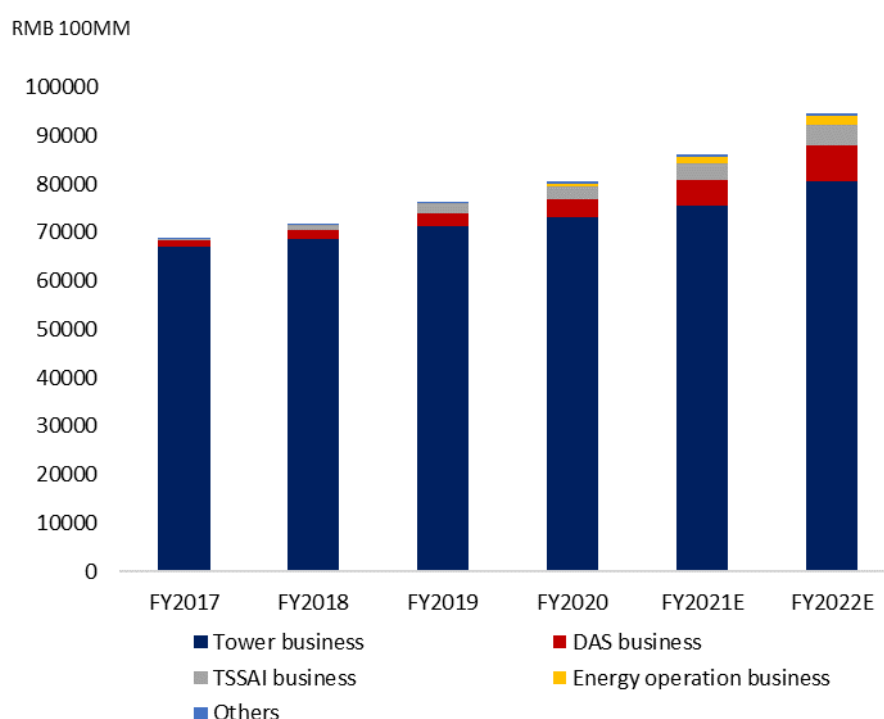
Revenue analysis

The Company's revenue is mainly divided into 4 parts, including 1) tower business, 2) DAS business, 3) TSSAI business and 4) Energy business. Among them, the Company's tower business revenue increased from RMB 67.1 billion in 2017 to RMB 71.4 billion in 2019, with a compound annual growth rate of 2.1%. Since most of the previous 5G base station construction was completed through the transformation of the original 4G base station site, and the Company only charged a small fee for the upgraded base station, or even no charge, the revenue growth of the tower business in 2017-2019 was slow. We expect slow growth in first half year 2020 due to the impact of

the COVID-19. However, as the demand for 5G construction increases from 2021 to 2022, TSPs will build new base stations and increase the coverage density of 5G base stations in the future. In addition, new base stations are also being leased. So we expect 2021-2022 would maintain high single digit growth. In summary, we estimate that the Company's tower business revenue for 2020/2021/2022 will be RMB 72.4/73.9/77.5 billion, increase 1.45%/1.97%/4.95% year-on-year.

On the other hand, combined with the previous analysis of the Company's "one body and two wings" strategy, we expect the Company's DAS business, TSSAI business and Energy business in 2020/2021/2022 will accelerate growth. The year-on-year increase was 42%/41%/40%, the TSSAI business increased by 34%/32%/30% year-on-year, and the energy operation business increased by 226%/100%/50% year-on-year. All in all, we forecast the Company's revenue for 2020/2021/2022 is RMB 80/84/92 billion respectively. The year-on-year increase is 4.37%/5.63%/8.86% respectively.

Figure 7. Company historical revenue and forecast



Source: Company data, PSHK

Costs and expenses

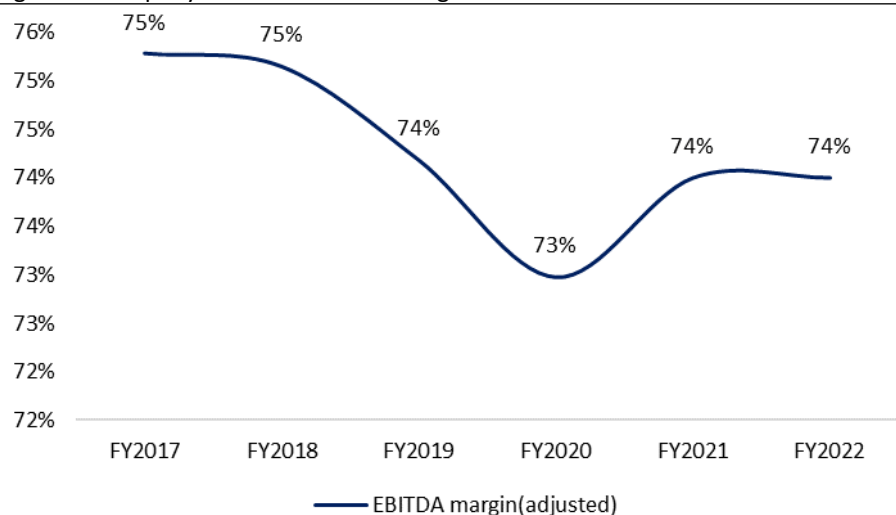
The Company's main costs are depreciation and amortization, maintenance and repair costs, labor costs, and other operating expenses. In 2019, they were RMB 45/6.0/5.9/7.2 billion, accounting for 59.42%/7.8%/7.7%/9.5% of revenue. In terms of depreciation and amortization, considering that the Company has changed the estimated useful life of the new ground tower from 10 years to 20 years in 2018, we expect that the Company's depreciation and amortization over revenue ratio will gradually decrease from 2020 to 2022. , they are 58%/57%/56% respectively. We believe that maintenance and repair costs, labor costs, and other operating expenses will maintain a stable ratio to revenue. Based on the above, we estimate that the operating costs of the Company in 2020-2022 will be RMB 68.2/69.9/75.2 billion.

Profitability

The Company's profit before interest, tax, depreciation and amortization (EBITDA margin) margin has remained stable in the past three years, from 75.28% in 2017 (adjusted to a comparable basis) to 74.18% in 2019. Mainly because of the increase in the development costs of related expansion industries and energy operations in 2019

and the increase in labor costs due to stock incentive plans. We expect that labor costs and new business development due to the epidemic in 2020 will continue to pressure the EBITDA margin to 72.98%. In 2021-2022, business will return to normal and the ratio of depreciation and amortization to revenue will decline. It rose slightly back to 74%.

Figure 8. Company historical EBITDA margin and forecast



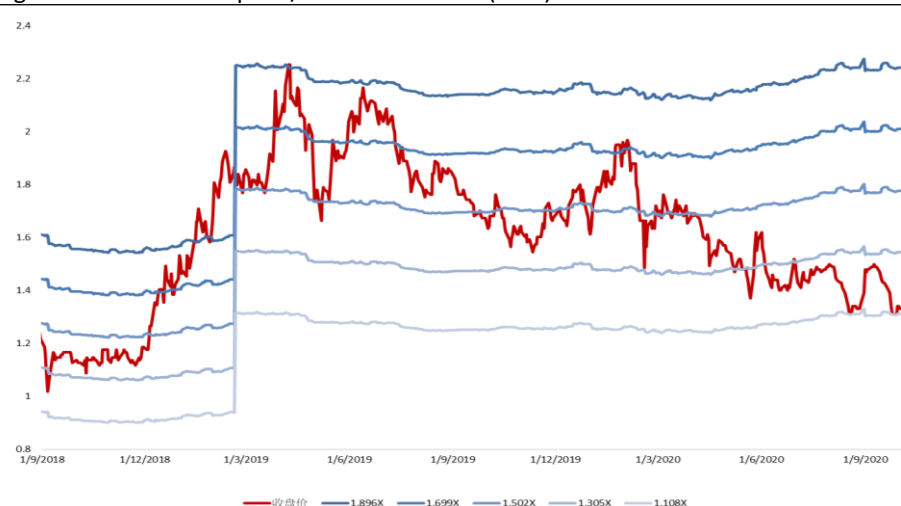
Source: Company data, PSHK

Valuation

As of the closing price as of 12nd October 2020, the Company's current PB for the most recent fiscal year (2020 1H) is 1.16. The Company is now at the bottom of its historical price-book ratio. We believe that based on the Company's sound fundamentals, the Company is the industry leader and has a monopoly position. There is little downside risk at the current price. We give the Company a target price-to-book ratio of 1.17x for 2021.

We estimate that the Company's net book value of assets per share for 2020/2021/2022 is RMB 1.08/1.14/1.22, and the target price is HK\$1.54, corresponding to the P/B ratio of the net book value of assets per share for 2020/2021/2022 is 1.27x/1.20x /1.12x. Accumulate rating is given for the first coverage. (Exchange rate: 0.89 RMB/HKD) (Current price as at 12nd October 2020)

Figure 9. China Tower price/book value band (TTM)



Source: Wind, PSHK

Peer Comparison

Figure 10. Peer comparison

Company	Ticker	Closing Price(LCY)	Market Cap	P/E			P/B			EV/EBITDA		
				TTM	2020	2021	TTM	2020	2021	TTM	2020	2021
(million RMB)												
美股												
AMERICAN TOWER(美國發射塔公司)	amt us equity	243.56	732,293	55.8x	58.2x	47.6x	30.0x	38.2x	65.0x	28.1x	26.8x	24.9x
CROWN CASTLE (冠城國際公司)	cci us equity	165.78	473,894	90.8x	71.1x	53.4x	8.5x	7.5x	8.4x	27.5x	26.4x	24.8x
印度股												
Bharti Airtel (巴帝電信有限公司)	bharti in equity	425.20	209,677	-	-	-	2.96x	2.64x	3.27x	10.56x	10.01x	8.24x
港股												
China Tower (中國鐵塔)	788 hk equity	1.39	212,995	37.5x	38.3x	27.1x	1.16x	1.15x	1.08x	3.89x	3.17x	2.80x
Average				61.4x	55.9x	42.7x	10.7x	12.4x	19.4x	14.0x	13.2x	11.9x
Median				55.8x	58.2x	47.6x	5.7x	5.1x	5.8x	19.0x	18.2x	16.5x

Closing price as at 12nd October 2020

Source: Bloomberg, PSHK

Risk factors

- 1) COVID-19 outbreak in China
- 2) The development of 5G was not as expected
- 3) The number of tenants grew slower than expected

Financial statements

Key financial data

FYE DEC	FY18	FY19	FY20E	FY21E	FY22E
Valuation Ratio					
P/E ratio	80.51	40.86	38.34	27.12	22.26
P/B ratio	1.18	1.17	1.15	1.08	1.01
Per share data (RMB)					
EPS	0.02	0.03	0.03	0.05	0.06
Book value per share	1.05	1.06	1.08	1.14	1.22
Growth & Margin					
Revenue growth	5%	6%	4%	6%	9%
Operating income growth	18%	24%	2%	25%	15%
EBITDA growth	4%	36%	2%	7%	9%
Net profit growth	36%	97%	7%	41%	22%
Operating income margin	13%	15%	14%	17%	18%
Adjusted EBITDA margin*	75%	75%	74%	73%	74%
Net profit margin	4%	7%	7%	9%	10%
Key Ratios					
ROE	1.5%	2.9%	3.0%	4.0%	4.5%
ROA	0.6%	0.8%	1.5%	1.9%	2.5%

Closing price as at 12nd October 2020

*EBITDA Margin is adjusted by PSHK

Consolidated statement of comprehensive income

(RMB million)

Fiscal year	2017A	2018A	2019A	2020E	2021E	2022E
Fiscal year end date	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
Revenue	68,665	71,819	76,428	79,765	84,256	91,720
Operating expenses						
Depreciation and amortization	(32,642)	(32,692)	(45,415)	(46,518)	(48,026)	(51,363)
Site operating lease charges	(11,336)	(12,196)	(639)	-	-	-
Repairs and maintenance	(6,156)	(6,165)	(5,993)	(6,002)	(5,898)	(6,420)
Employee benefits and expenses	(4,229)	(4,917)	(5,863)	(7,298)	(7,583)	(8,255)
Other operating expenses	(6,587)	(6,768)	(7,237)	(8,448)	(8,426)	(9,172)
Operating expenses	(60,950)	(62,738)	(65,147)	(68,266)	(69,933)	(75,210)
Operating profit (EBIT)	7,715	9,081	11,281	11,499	14,324	16,510
Interest income	104	248	63	63	215	471
Interest expense	(5,559)	(6,171)	(4,801)	(4,572)	(4,537)	(4,729)
Other gains	425	317	294	294	294	294
Pretax profit	2,685	3,475	6,837	7,284	10,295	12,545
Taxes	(742)	(825)	(1,616)	(1,719)	(2,430)	(2,961)
Net income	1,943	2,650	5,221	5,565	7,866	9,585
Net profit margin(%)	2.83%	3.69%	6.83%	6.98%	9.34%	10.45%
EPS (RMB\$ cent)	1.13	1.54	3.03	3.23	4.56	5.56

Consolidated balance sheet

(RMB million)						
Fiscal year	2017A	2018A	2019A	2020E	2021E	2022E
Fiscal year end date	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
Non-current assets						
Property, plant and equipment	258,138	249,055	239,925	231,276	223,252	215,434
Construction in progress	10,930	12,193	12,263	12,798	13,519	14,717
Long-term prepayments	9,910	13,216	-	-	-	-
Deferred income tax assets	689	706	1,199	1,251	1,322	1,439
Other non-current assets	12,459	8,395	7,545	6,485	6,485	6,485
Right-of-use assets	-	-	36,140	33,868	31,596	29,324
	292,126	283,565	297,072	251,811	244,578	238,074
Current assets						
Cash and cash equivalents	7,852	4,836	6,223	9,757	32,742	60,339
Trade and other receivables	15,262	19,158	26,258	27,405	28,948	31,512
Prepayments and other current assets	7,403	7,805	8,514	8,886	9,386	10,217
	30,517	31,799	40,995	46,047	71,076	102,068
Total assets	322,643	315,364	338,067	297,859	315,653	340,142
Non-current liabilities						
Borrowings	43,793	19,064	8,480	12,856	12,856	9,116
Deferred revenue	1,314	1,039	800	835	882	960
Lease liabilities	-	-	17,862	16,678	15,494	14,310
	45,107	20,103	27,142	30,369	29,232	24,386
Current liabilities						
Borrowings	95,260	79,946	87,019	76,893	81,222	88,417
Deferred considerations payables	17,252	382	-	-	-	-
Accounts payable	31,906	30,591	29,313	30,593	32,315	35,178
Accrued expenses and other payables	5,400	3,263	4,641	4,844	5,116	5,570
Current income tax payable	223	577	399	416	440	479
Lease liabilities	-	-	6,992	6,868	6,744	6,620
	150,041	114,759	128,364	119,614	125,838	136,263
Total liabilities	195,148	134,862	155,506	112,330	118,654	129,164
Common stock	129,345	176,008	176,008	176,008	176,008	176,008
(Accumulated deficits)/Retained earnings	(1,850)	4,494	6,551	9,521	20,991	34,970
Non-controlling interests	-	-	2	1	1	1
Total equity	127,495	180,502	182,561	185,529	196,999	210,978
BVPS (RMB)	0.74	1.05	1.06	1.08	1.14	1.22

Consolidated statement of cash flows

(RMB million)						
Fiscal year	2017A	2018A	2019A	2020E	2021E	2022E
Fiscal year end date	12/31/17	12/31/18	12/31/19	12/31/20	12/31/21	12/31/22
Net income	9,298	9,861	10,981	5,565	7,866	9,585
Depreciation and amortization	32,642	32,692	45,415	46,518	48,026	51,363
Decreases / (Increases) in working capital assets	(4,857)	(7,470)	(7,809)	(1,518)	(2,043)	(3,395)
Increases / (Decreases) in working capital liabilities	915	2,652	343	1,500	2,019	3,355
Decrease/ (Increase) in other non current assets	(3,063)	7,805	1,005	(1,060)	-	-
Other non current liabilities	-	-	-	-	-	-
Cash from operating activities	34,935	45,540	49,935	51,005	55,867	60,907
Cash from investing activities	(51,915)	(32,923)	(28,136)	(37,869)	(40,002)	(43,545)
Cash from financing activities	7,583	(15,634)	(20,412)	(9,601)	7,120	10,235
Net change in cash during period	(9,397)	(3,017)	1,387	3,534	22,985	27,597
Cash and cash equivalents at beginning of year	17,249	7,852	4,836	6,223	9,757	32,742
Effect of changes in foreign exchange rates on cash and cash equivalents	-	1	-	-	-	-
Cash and cash equivalents at end of year	7,852	4,836	6,223	9,757	32,742	60,339

PHILLIP RESEARCH STOCK SELECTION SYSTEMS

Total Return	Recommendation	Rating	Remarks
>+20%	Buy	1	>20% upside from the current price
+5% to +20%	Accumulate	2	+5% to +20% upside from the current price
-5% to +5%	Neutral	3	Trade within $\pm 5\%$ from the current price
-5% to -20%	Reduce	4	-5% to -20% downside from the current price
<-20%	Sell	5	>20% downside from the current price

We do not base our recommendations entirely on the above quantitative return bands. We consider qualitative factors like (but not limited to) a stock's risk reward profile, market sentiment, recent rate of share price appreciation, presence or absence of stock price catalysts, and speculative undertones surrounding the stock, before making our final recommendation

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