

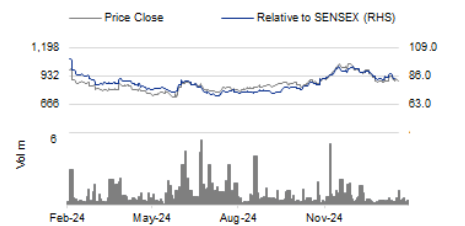
India

HOLD (no change)

Consensus ratings*: Buy 18 Hold 9 Sell 9	
Current price:	Rs890
Target price: ▲	Rs900
Previous target:	Rs870
Up/downside:	1.1%
InCred Research / Consensus:	-2.7%
Reuters:	TRCE.BO
Bloomberg:	TRCL IN
Market cap:	US\$2,897m Rs210,359m
Average daily turnover:	US\$8.0m Rs584.4m
Current shares o/s:	235.6m
Free float:	46.7%
*Source: Bloomberg	

Key changes in this note

- Cut EBITDA by 5-6% for FY26F-27F.
- Maintain HOLD rating with a higher target price of Rs900.



Source: Bloomberg

Price performance	1M	3M	12M
Absolute (%)	(6.5)	1.0	(10.0)
Relative (%)	(6.6)	4.0	(16.8)

Major shareholders	% held
Promoter & Promoter Group	42.8
LICI ULIP	7.1
Kotak MF	6.3

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The Ramco Cements Ltd

Weak realization drags profitability in 3Q

- In 3QFY25, TRCL's volume grew by ~9% yoy to 4.4mt, with EBITDA/t at ~Rs639, down by Rs56 qoq and Rs349 yoy, on weak realization (flat qoq).
- Net debt dipped qoq on the back of TRCL monetizing Rs4.4bn of non-core assets. Capex to be at Rs12bn, with ~30mtpa cement capacity by Mar 2026F.
- We cut FY26F-27F EBITDA estimates by ~5-6% to factor in the near-term industry headwinds. Retain HOLD rating with a higher target price of Rs900.

Decent growth despite testing times; concerns over core prices

3QFY25 cement volume of The Ramco Cements (TRCL) grew by 9.3% yoy and declined by ~3% qoq to ~4.4mt (vs. our estimate of ~4.3mt). The company highlighted that demand was affected due to delayed monsoon withdrawal and the pressure on cement prices in its core markets. A positive for TRCL is that in South India its B2C & B2B volume (Tamil Nadu, & Kerala B2B fell yoy, B2C grew yoy) share rose by ~300bp yoy. In the eastern region, volume of both B2B and B2C segments grew (except B2B in Odisha, which declined). Capacity utilization was up at 75% vs. 74% yoy. Blended realization was flat qoq & down 14% yoy, with continued price weakness in its key markets. We have factored in ~6% volume CAGR over FY24-27F as we believe that TRCL remains prone to rising competition from top players in its markets amid a subdued demand environment.

Soft realization drags profitability; near-term challenges persist

Total operating costs/t were up by ~1% qoq and down 9% yoy at Rs3,884, where a) P&F costs/t were down 23% yoy and up 5% qoq at Rs1,060 and blended fuel consumption stood at US\$122/t in 3QFY25 vs. US\$130/t qoq, while on a Kcal basis they were at Rs1.45 in 3Q vs. Rs1.6 qoq. b) Logistics costs/t decreased by ~11% qoq to Rs1,066, with the lead distance at 259km vs. 244km qoq. c) Fixed costs increased by ~2% qoq to Rs824/t on account of a sequential negative operating leverage. EBITDA/t stood at Rs639, down Rs56 qoq and Rs349 yoy. Green power's share is expected to reach ~42% by FY25F vs. ~39% currently. We expect unit EBITDA to remain under pressure for TRCL unless both price and demand make a substantial recovery in its markets.

Debt level dips by monetizing proceeds; ~30mtpa capacity by FY26F

Net debt declined to Rs46.2bn as of Dec 2024-end vs. Rs51.03bn qoq as TRCL has taken steps to monetize non-core assets worth Rs10bn, of which Rs4.4bn has been achieved in 9MFY25 and it expects to complete the process ahead of its schedule (expects Rs4-5bn via monetization of non-core assets in 4QFY25F). TRCL incurred Rs8bn capex in 9MFY25 and has given guidance of Rs12bn for FY26F as well. TRCL's capacity addition at Kolimigundla, having clinker and cement capacity of ~3.15mt and 1.5mt, respectively, is likely to be commissioned by 4QFY26F. TRCL aims to have ~30mtpa capacity by FY26F.

Retain HOLD rating with a higher target price of Rs900

TRCL trades at EV/EBITDA multiple of 15.3x for FY26F. We retain HOLD rating on it with a Mar 2026F target price of Rs900 (Rs870 earlier), set at 13x EV/EBITDA. **Downside risks:** Weak demand, pricing pressure, delay in capacity and a rise in input costs. **Upside risks:** Better demand and pricing growth in South & East India markets, sharp deleveraging and better-than-expected cost control.

Financial Summary

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue (Rsm)	81,353	93,498	87,481	97,180	108,115
Operating EBITDA (Rsm)	11,820	15,525	13,565	16,657	19,846
Net Profit (Rsm)	3,435	3,950	1,898	4,161	6,385
Core EPS (Rs)	14.5	16.7	8.0	17.6	27.0
Core EPS Growth	(61.6%)	15.0%	(51.9%)	119.2%	53.4%
FD Core P/E (x)	61.23	53.26	110.83	50.56	32.95
DPS (Rs)	2.0	2.5	1.2	2.6	4.0
Dividend Yield	0.22%	0.28%	0.13%	0.30%	0.45%
EV/EBITDA (x)	21.45	16.63	18.86	15.38	12.86
P/FCFE (x)	70.85	50.07	14.03	13.63	13.01
Net Gearing	63.6%	66.9%	62.3%	60.0%	55.0%
P/BV (x)	3.10	2.94	2.88	2.75	2.58
ROE	5.2%	5.7%	2.6%	5.6%	8.1%
% Change In Core EPS Estimates			(0.78%)	(0.64%)	(0.54%)
InCred Research/Consensus EPS (x)					

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Weak realization drags profitability in 3Q

3QFY25 results review

Key operational highlights of the quarter

- **Volume:** Sales volume was ~4.4mt (including construction chemical sales - 0.86bnt or billion tonne), up by ~9% yoy while down by ~3% qoq (2% above Incred estimate).
- During 3Q, **capacity utilization** was 75% vs. 74% yoy. Volume share in southern and eastern regions stood at 79% and 21% vs. 76% and 24% yoy, respectively. B2B sales were ~33% vs. 32% qoq and 36% yoy.
- **Blended realization** came in at Rs4,523/t, flat qoq and down 14% yoy (~1% below Incred estimate) due to a 14% yoy fall in cement prices in its core market during the quarter. However, prices have been flat qoq.
- The share of premium products was 26% in 3QFY25 vs. 31% yoy in the southern region and 23% vs. 20% yoy in the eastern region.
- **Total operating costs/t** were up by ~1% qoq and down 9% yoy at Rs3,884 (~1% above Incred estimate), where a) P&F costs/t declined 23% yoy and 5% qoq to Rs1,060 where blended fuel consumption stood at US\$122 in 3QFY25 vs. US\$130/t qoq, and US\$138 yoy, while on a Kcal basis they stood at Rs1.45 in 3QFY25 vs. Rs1.6 qoq and Rs1.64 yoy. b) Logistics costs/t decreased by ~11% qoq to Rs1,066 .c) Fixed costs were up by ~2% qoq at Rs824/t.
- **Pet-coke consumption** stood at 69% in 3QFY25 vs. 51% yoy and 58% qoq.
- The overall green power usage increased to 39% in 3QFY25 vs. 36% yoy.
- **EBITDA/t:** For the quarter, it was ~11% below our estimate at ~Rs2.8bn, down ~29% yoy and ~11% qoq. EBITDA/t stood at Rs639 during the quarter (vs. our estimate of Rs731/t) vs. Rs695 in 2QFY25 and Rs988 in 3QFY24.
- **TRCL reported a loss after tax** (exceptional gains earlier) of Rs37m in 3Q vs. our estimated profit of Rs273m. It recognized a gain of Rs3.3bn on sale of land. Interest costs increased by 11% yoy to Rs1.13bn.
- **Net debt** stood at ~Rs46.2bn as of Dec 2024-end vs. Rs51.03bn qoq. Cost of debt stood at 7.89%.

Other Updates

- **Capex:** TRCL will be incurring Rs12bn capex in FY26F. Capex incurred was Rs8bn in 9MFY25. The company has monetized non-core assets worth Rs4.43bn vs. its target of Rs10bn in the next 12 months.
- **Capacity update:** TRCL is on track to achieve cement capacity of 30mtpa by Mar 2026F by commissioning the second line in Kolimigundla along with de-bottlenecking of existing facilities and adding grinding capacity at existing locations. The railway siding at Kolimigundla to be operational before 4QFY25F.
- ~53% of mining land and ~13% of factory land for a new project in Karnataka has been acquired.
- The WHRS plant, with a capacity of 10MW in Ramasamy Raja Nagar, is scheduled to be commissioned by 1QFY26F (earlier guidance was 4QFY25F).
- Expansion of capacity for building products: New unit in Odisha to be commissioned before Mar 2025F.
- Avg. lead distance in 3Q stood at 259km vs. 282km yoy and 244km qoq. Rail co-efficient for cement despatches in 3Q stood at 9% vs. 9% yoy & 6% qoq.
- **The AFR** mix was 1% in 1QFY25 vs. 8% qoq and 2% yoy.
- **The OPC** mix was 30%, same on qoq basis and 33% yoy.

- **B2B sales** were 33% vs 32% qoq and 36% yoy. In South India, Tamil Nadu and Kerala B2B reported a decline yoy, while the B2C segment grew yoy. In East Odisha, the B2B segment declined yoy.
- **Thermal power** mix was 38% in 3QFY25 vs. 39% qoq and 36% yoy.

Figure 1: Standalone quarterly performance

Particulars (Rs m)	3QFY25	3QFY25F	2QFY25	3QFY24	% Change		
					3QFY25F	2QFY25	3QFY24
Net Sales	19,766	19,671	20,382	21,061	0.5%	-3.0%	-6.2%
Raw Materials Consumed	4,076	2,844	3,210	2,240	43.3%	27.0%	82.0%
Freight and Forwarding Expenses	4,660	5,387	5,373	5,334	-13.5%	-13.3%	-12.6%
Power and Fuel Costs	4,632	4,817	5,031	5,536	-3.8%	-7.9%	-16.3%
Employee Costs	1,316	1,277	1,360	1,368	3.0%	-3.2%	-3.8%
Other Expenses	2,287	2,210	2,287	2,630	3.5%	0.0%	-13.1%
Total Expenditure	16,971	16,535	17,261	17,108	2.6%	-1.7%	-0.8%
EBITDA	2,794	3,137	3,121	3,954	-10.9%	-10.5%	-29.3%
Depreciation	1,738	1,708	1,686	1,655	1.8%	3.1%	5.0%
EBIT	1,056	1,428	1,436	2,299	-26.1%	-26.4%	-54.1%
Interest	1,125	1,120	1,199	1,019	0.4%	-6.1%	10.5%
Other Income	113	83	113	70	36.4%	-0.3%	61.5%
PBT	3,334	391	350	1,350	753.6%	853.2%	147.0%
Tax	80	117	94	416	-31.5%	-14.5%	-80.7%
Recurring PAT	-37	273	256	934	-113.5%	-114.4%	-103.9%
Extraordinary Items	3,290	0	0	0			
Reported PAT	3,253	273	256	934	1,090.1%	1,171.8%	248.4%
EPS (Rs)	13.8	1.2	1.1	4.0	1,090.1%	1,171.8%	248.4%
Gross Margin	32.4%	33.7%	33.2%	37.8%	-131bp	-84bp	-539bp
EBITDA Margin	14.1%	15.9%	15.3%	18.8%	-181bp	-118bp	-464bp
EBIT Margin	5.3%	7.3%	7.0%	10.9%	-192bp	-170bp	-557bp
PBT Margin	16.9%	2.0%	1.7%	6.4%	1,488bp	1515bp	1,046bp
PAT Margin	16.5%	1.4%	1.3%	4.4%	1,507bp	1,520bp	1,203bp
Tax Rate	2.4%	30.0%	26.9%	30.8%	-2,759bp	-2,444bp	-2,841bp
Cost Items as a % of Sales							
RM Costs	67.6%	66.3%	66.8%	62.2%	131bp	84bp	539bp
Employee Cost	6.7%	6.5%	6.7%	6.5%	16bp	-1bp	16bp
Other Expenses	11.6%	11.2%	11.2%	12.5%	34bp	35bp	-92bp

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

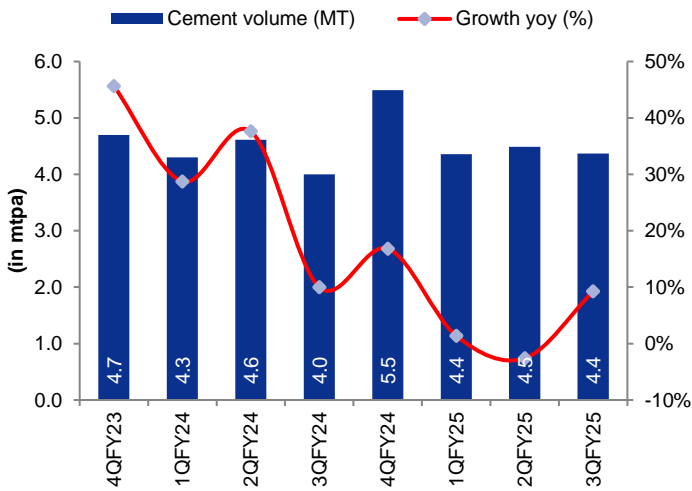
Figure 2: 3QFY25 results on per tonne analysis

Per tonne analysis	3QFY25	3QFY25F	2QFY25	3QFY24	% Change		
					3QFY25F	2QFY25	3QFY24
Sales volume (Cement + Clinker)	4.37	4.29	4.49	4.00	1.8%	-2.7%	9.3%
Realization	4,523	4,584	4,539	5,265	-1.3%	-0.4%	-14.1%
EBITDA/t	639	731	695	988	-12.5%	-8.0%	-35.3%
RM Costs/t	933	663	715	560	40.7%	30.4%	66.6%
P&F Costs/t	1,060	1,123	1,121	1,384	-5.6%	-5.4%	-23.4%
Freight Costs/t	1,066	1,255	1,197	1,333	-15.1%	-10.9%	-20.0%
Employee Costs/t	301	298	303	342	1.2%	-0.5%	-11.9%
Other Expenses/t	523	515	509	658	1.6%	2.7%	-20.4%
Total Cost/t	3,884	3,853	3,844	4,277	0.8%	1.0%	-9.2%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

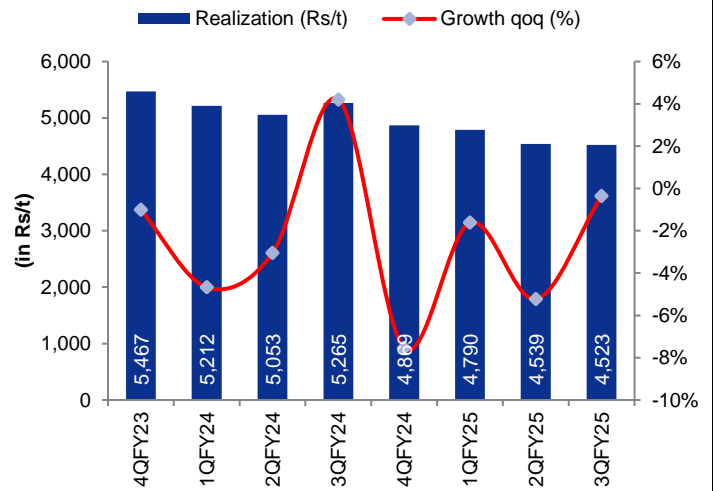
Key charts ➤

Figure 3: Cement sales volume grew by ~9.1% yoy and decline ~3% qoq to 4.4mt



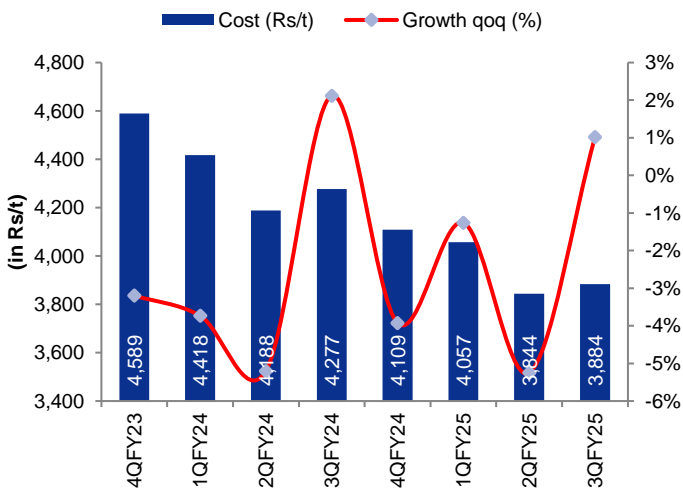
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 4: Blended realization was flat qoq; however, lower by ~14% yoy, in a similar trend to prices in its core markets



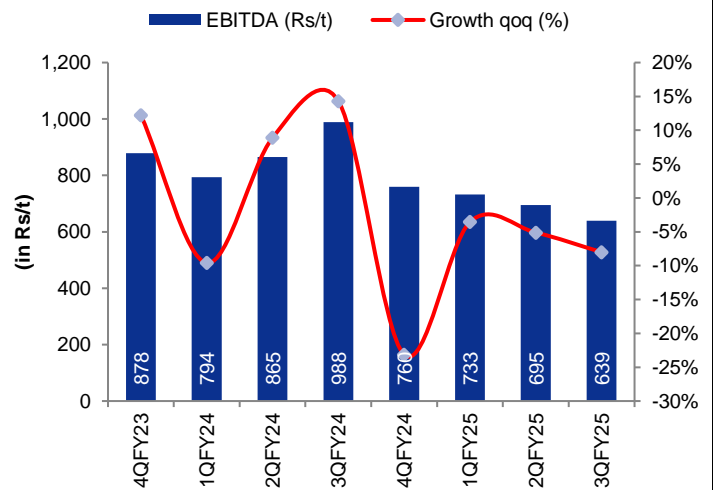
SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 5: Costs/t savings up by ~1% qoq and down by ~9% yoy



SOURCE: INCRED RESEARCH, COMPANY REPORTS

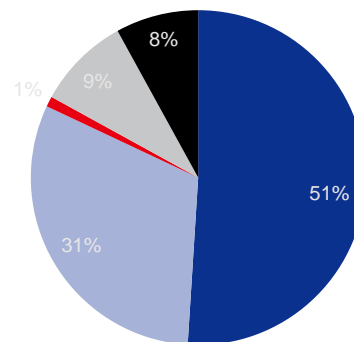
Figure 6: Unit EBITDA fell by Rs56 qoq and Rs349 yoy to Rs639/t



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 7: TRCL's capacity share state-wise as of FY24-end

■ Tamil Nadu ■ Andhra Pradesh ■ Karnataka ■ West Bengal ■ Odisha



SOURCE: INCRED RESEARCH, COMPANY REPORTS

Figure 8: Our revised earnings estimates

Rs.m	New			Old			Change (%)		
	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Sales	87,481	97,180	1,08,115	88,522	98,923	1,11,133	-1%	-2%	-3%
EBITDA	13,565	16,656	19,846	14,681	17,468	21,032	-8%	-5%	-6%
PAT	1,898	4,161	6,384	2,235	4,675	7,416	-18%	-12%	-16%
EPS (Rs.)	8.0	17.6	27.0	9.0	20.0	32.0	-12%	-14%	-18%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 9: Changes in our estimates vs. Bloomberg consensus estimates

Rs.m	Incred			Consensus			Change (%)		
	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F	FY25F	FY26F	FY27F
Sales	87,481	97,180	1,08,115	91,030	1,01,789	1,12,658	-4%	-5%	-4%
EBITDA	13,565	16,656	19,846	14,992	19,135	22,340	-10%	-13%	-11%
PAT	1,898	4,161	6,384	3,574	5,853	8,064	-47%	-29%	-21%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS, BLOOMBERG

Figure 10: Key assumptions

	FY23	FY24	FY25F	FY26F	FY27F
Volume (mtpa)	15	18	19	21	23
Yoy	36%	23%	3%	10%	10%
Realization (per tonne)	5,416	5,081	4,594	4,660	4,735
Yoy	0%	-6%	-10%	1%	2%
Cost (per tonne)	4,629	4,238	3,881	3,861	3,866
Yoy	9%	-8%	-8%	-1%	0%
EBITDA (per tonne)	787	844	712	799	869
Yoy	-32%	7%	-16%	12%	9%
EBITDA (Rs m)	11,818	15,525	13,565	16,656	19,846
Yoy	-8%	31%	-13%	23%	19%

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 11: Maintain HOLD rating with a Mar 2026F target price of Rs900, set at 13x EV/EBITDA

Valuation	TP
Target EV/EBITDA (x)	13.0
Target EV (Rs m)	2,57,994
Net debt / (cash) (Rs m)	45,862
No. of shares (m)	236
Fair value per share (Rs)	900

SOURCE: INCRED RESEARCH ESTIMATES, COMPANY REPORTS

Figure 12: TRCL's shareholding pattern (as of Dec 2024-end)

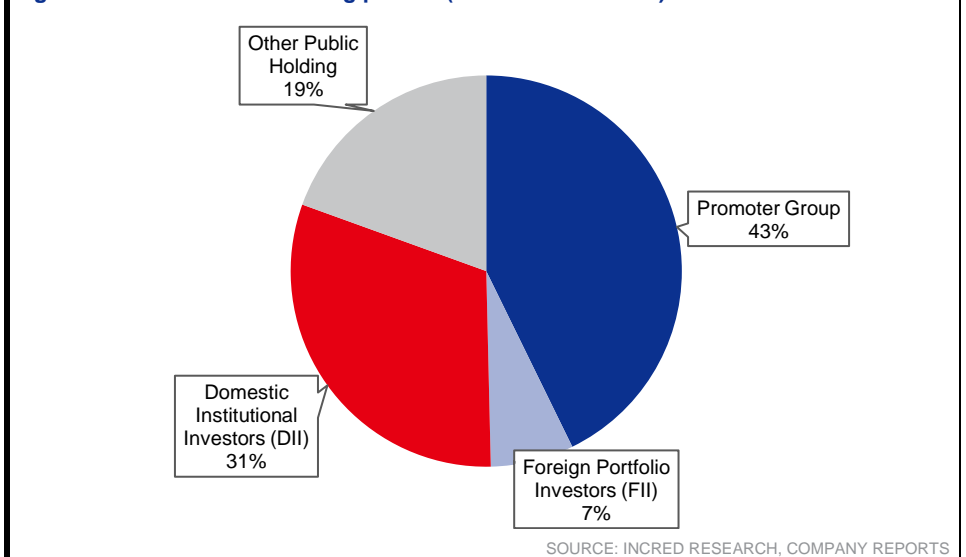
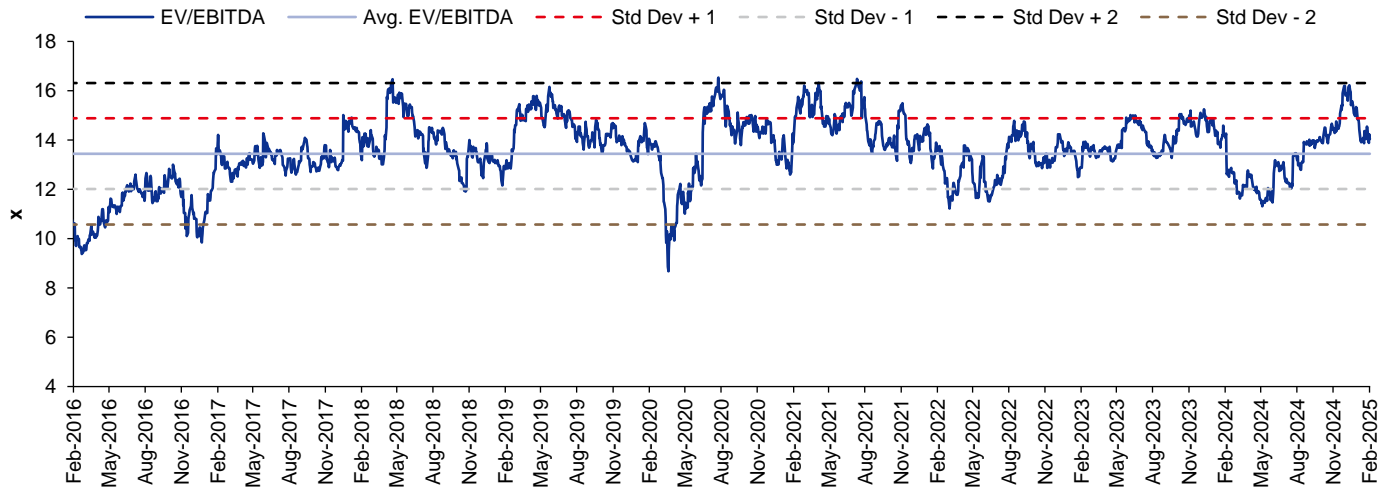
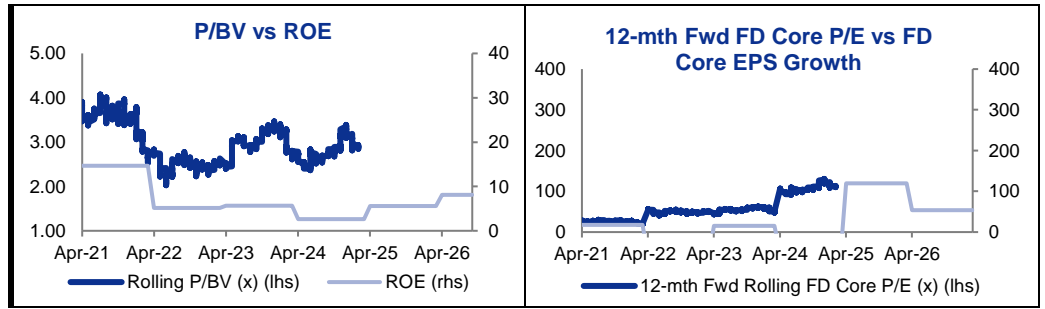


Figure 13: TRCL's one-year forward EV/EBITDA trades between +1 SD and its historical level



SOURCE: INCRED RESEARCH, BLOOMBERG

BY THE NUMBERS



Profit & Loss

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Net Revenues	81,353	93,498	87,481	97,180	108,115
Gross Profit	81,353	93,498	87,481	97,180	108,115
Operating EBITDA	11,820	15,525	13,565	16,657	19,846
Depreciation And Amortisation	(5,044)	(6,359)	(6,836)	(7,246)	(7,608)
Operating EBIT	6,775	9,167	6,729	9,411	12,238
Financial Income/(Expense)	(2,405)	(4,155)	(4,592)	(4,224)	(4,055)
Pretax Income/(Loss) from Assoc.					
Non-Operating Income/(Expense)	367	423	428	436	445
Profit Before Tax (pre-EI)	4,737	5,435	2,565	5,623	8,628
Exceptional Items					
Pre-tax Profit	4,737	5,435	2,565	5,623	8,628
Taxation	(1,302)	(1,485)	(667)	(1,462)	(2,243)
Exceptional Income - post-tax					
Profit After Tax	3,435	3,950	1,898	4,161	6,385
Minority Interests					
Preferred Dividends					
FX Gain/(Loss) - post tax					
Other Adjustments - post-tax					
Net Profit	3,435	3,950	1,898	4,161	6,385
Recurring Net Profit	3,435	3,950	1,898	4,161	6,385
Fully Diluted Recurring Net Profit	3,435	3,950	1,898	4,161	6,385

Cash Flow

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
EBITDA	11,820	15,525	13,565	16,657	19,846
Cash Flow from Invt. & Assoc.					
Change In Working Capital	(3,224)	(3,652)	2,374	(464)	(609)
(Incr)/Decr in Total Provisions					
Other Non-Cash (Income)/Expense	367	423	428	436	445
Other Operating Cashflow	8,794	12,289	13,289	14,289	14,789
Net Interest (Paid)/Received	(2,405)	(4,155)	(4,592)	(4,224)	(4,055)
Tax Paid	(1,302)	(1,485)	(667)	(1,462)	(2,243)
Cashflow From Operations	14,050	18,945	24,397	25,232	28,173
Capex	(17,628)	(19,141)	(12,200)	(12,500)	(12,500)
Disposals Of FAs/subsidiaries					
Acq. Of Subsidiaries/investments					
Other Investing Cashflow	759	142	3,300	1,700	1,000
Cash Flow From Investing	(16,869)	(18,999)	(8,900)	(10,800)	(11,500)
Debt Raised/(repaid)	5,788	4,256	(500)	1,000	(500)
Proceeds From Issue Of Shares			(344)	(753)	(1,156)
Shares Repurchased					
Dividends Paid	(473)	(591)	(344)	(753)	(1,156)
Preferred Dividends					
Other Financing Cashflow	(2,571)	(3,945)	(12,446)	(13,336)	(13,434)
Cash Flow From Financing	2,745	(280)	(13,633)	(13,842)	(16,245)
Total Cash Generated	(75)	(334)	1,864	590	428
Free Cashflow To Equity	2,969	4,202	14,997	15,432	16,173
Free Cashflow To Firm	(414)	4,102	20,089	18,656	20,728

SOURCE: INCRED RESEARCH, COMPANY REPORTS

BY THE NUMBERS...cont'd

Balance Sheet

(Rs mn)	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Total Cash And Equivalents	1,686	1,352	3,216	3,806	4,233
Total Debtors	4,650	8,522	7,670	8,254	9,182
Inventories	8,823	9,823	7,670	8,786	9,775
Total Other Current Assets	3,715	2,750	2,712	2,915	3,189
Total Current Assets	18,874	22,446	21,267	23,761	26,380
Fixed Assets	99,557	118,266	123,431	128,185	132,577
Total Investments	4,209	4,397	4,597	5,097	5,597
Intangible Assets	19,873	13,784	10,284	8,084	6,584
Total Other Non-Current Assets	2,656	2,789	2,989	3,489	3,989
Total Non-current Assets	126,295	139,237	141,302	144,856	148,748
Short-term Debt	8,653	9,896	10,396	10,896	10,896
Current Portion of Long-Term Debt					
Total Creditors	6,373	9,910	8,953	9,912	10,474
Other Current Liabilities	15,812	19,833	20,121	20,602	21,623
Total Current Liabilities	30,837	39,639	39,470	41,411	42,993
Total Long-term Debt	36,222	39,272	38,272	38,772	38,272
Hybrid Debt - Debt Component					
Total Other Non-Current Liabilities	10,175	11,331	11,831	12,031	12,231
Total Non-current Liabilities	46,397	50,603	50,103	50,803	50,503
Total Provisions					
Total Liabilities	77,234	90,242	89,573	92,214	93,496
Shareholders Equity	67,935	71,441	72,996	76,403	81,632
Minority Interests					
Total Equity	67,935	71,441	72,996	76,403	81,632

Key Ratios

	Mar-23A	Mar-24A	Mar-25F	Mar-26F	Mar-27F
Revenue Growth	36.0%	14.9%	(6.4%)	11.1%	11.3%
Operating EBITDA Growth	(7.9%)	31.4%	(12.6%)	22.8%	19.1%
Operating EBITDA Margin	14.5%	16.6%	15.5%	17.1%	18.4%
Net Cash Per Share (Rs)	(182.77)	(202.35)	(192.35)	(194.09)	(190.16)
BVPS (Rs)	287.50	302.33	308.91	323.33	345.46
Gross Interest Cover	2.82	2.21	1.47	2.23	3.02
Effective Tax Rate	27.5%	27.3%	26.0%	26.0%	26.0%
Net Dividend Payout Ratio	13.8%	15.0%	15.0%	15.0%	15.0%
Accounts Receivables Days	18.28	25.71	33.78	29.90	29.43
Inventory Days	38.49	36.40	36.49	30.90	31.33
Accounts Payables Days	29.57	38.11	46.57	42.76	42.15
ROIC (%)	5.8%	7.3%	5.4%	7.3%	9.2%
ROCE (%)	6.2%	7.9%	5.6%	7.6%	9.5%
Return On Average Assets	4.2%	5.3%	4.0%	5.1%	6.1%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

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Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

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Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.