HOLD (From: BUY)

Change in Recommendation

TP: Bt 35.00 (From: Bt36.00)

Downside : 0.7%

24 MAY 2022

Small Cap Research

Rajthanee Hospital Pcl. (RJH TB)

Slow cash-patient rebound

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Although RJH is doing well with its COVID services, we foresee weak turnaround momentum for core non-COVID cash-patient flows. Together with what we view as a fair valuation at 31.6/25.3x non-COVID PE in 2022-23F, we downgrade RJH to HOLD with a Bt35.0 TP.

Thanachart Securities

Downgrading to HOLD

RJH posted strong 1Q22 earnings of Bt473m, up 343% y-y and 67% q-q, higher than we'd anticipated on stronger-than-expected revenue from COVID-19 services and margin. We thus raise our earnings by 26% this year to reflect higher-than-expected revenue from COVID services. But we lower our earnings by 4% in both 2023-24F to reflect slow growth in cash patients. Our DCF-based 12-month TP (2022F base year) is trimmed to Bt35.0 from Bt36.0, offering limited upside. RJH is trading on 10.8/24.2x PE in 2022-23F and 31.6/25.3x PE excluding COVID-related earnings vs. its pre-COVID PE of 22.5x in 2019. We think RJH is trading at fair value and we downgrade to HOLD from Buy.

Strong COVID services

RJH is the largest private hospital in Ayutthaya province. It therefore benefited significantly from the COVID situation with quarterly earnings of Bt138/484/283/473m in 2Q21-1Q22 vs. an average of Bt103m/quarter in a normal year in 2020. In those quarters, infections in Ayutthaya stood at 27/271/72/276 cases/day. Given still high 201 cases/day from 1 April to 23 May, we expect RJH to report y-y earnings growth again in 2Q22F. But on a q-q basis they should fall somewhat given the lower reimbursement rate for COVID services under the UCEP scheme of Bt12,000/case/seven days from 1 March 2022 from Bt2,500-3,000/case/day in early 1Q22.

Slow cash-patient rebound

RJH's cash patients grew by 6% y-y in 1Q22. Slow y-y growth momentum is continuing in 2Q22. While OPD patients in April and May have been flat y-y, IPD patients declined slightly y-y. Non-COVID cash-patient flows were hit by people worrying they would catch COVID-19 at hospitals and the economic slowdown. However, with Omicron subsiding, we expect non-COVID cash patients to improve in 2H22F. We estimate non-COVID cash patient growth of 4/10/7% in 2022-24F vs. -11/-3% in 2020-21.

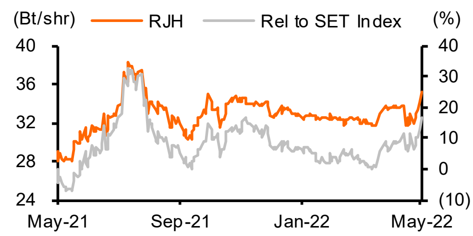
Two new projects in the pipeline

RJH has 353 beds in two hospitals with 292 beds in service. It has 238 beds (81.5% of current active beds) in the pipeline from two hospitals, i.e., the 138-bed Rajthanee Nongkae Hospital in Saraburi province and a 100-bed hospital in Bowin, Chonburi province. Construction of the Nongkae project has started and it is scheduled to open in early 2024. The Bowin project is awaiting environmental impact assessment (EIA) approval. It is scheduled to open in 2025. Both hospitals would provide services to cash and Social Security Scheme (SSS) patients. We expect these two hospitals to make losses in the first few years of operation.

COMPANY VALUATION

Y/E Dec (Bt m)	2021A	2022F	2023F	2024F
Sales	3,118	3,212	2,096	2,452
Net profit	1,012	983	437	469
Consensus NP	—	814	447	449
Diff frm cons (%)	—	*20.8*	*(2.2)*	*4.6*
Norm profit	1,012	983	437	469
Prev. Norm profit	—	778	455	487
Chg frm prev (%)	—	*26.3*	*(3.9)*	*(3.8)*
Norm EPS (Bt)	3.4	3.3	1.5	1.6
Norm EPS grw (%)	172.6	(2.8)	(55.5)	7.2
Norm PE (x)	10.4	10.8	24.2	22.6
EV/EBITDA (x)	7.9	8.0	15.9	15.7
P/BV (x)	5.4	4.9	5.2	4.9
Div yield (%)	7.7	7.4	3.1	3.3
ROE (%)	58.6	48.0	21.0	22.5
Net D/E (%)	29.3	24.8	31.0	37.0

PRICE PERFORMANCE



COMPANY INFORMATION

Price *as of* 24-May-22 (Bt)	35.25
Market Cap (US$ m)	309.7
Listed Shares (m shares)	300.0
Free Float (%)	57.6
Avg Daily Turnover (US$ m)	0.5
12M Price H/L (Bt)	38.25/28.00
Sector	Health Care
Major Shareholder	Prasithirun family 22.92%

Sources: Bloomberg, Company data, Thanachart estimates

Downgrading to HOLD

We raise our earnings by 26% this year but cut them by 4% in both 2023-24F

Rajthanee Hospital Pcl (RJH) reported strong 1Q22 earnings of Bt473m, up by 343% y-y and 67% q-q. This was higher than we had anticipated as a result of stronger-than-expected revenue from COVID-19 services and margin. We therefore raise our earnings by 26% this year to reflect higher-than-expected revenue from COVID services. However, we revise down our earnings by 4% in both 2023-24F to reflect slow growth in cash patients. Details of our new assumptions and earnings revision are shown in Exhibit 1.

Ex 1: Changes In Our Key Assumptions And Earnings Revisions

	2020	2021	2022F	2023F	2024F
OPD patients (people)					
- New	273,077	267,100	277,784	305,562	363,452
- Old			293,810	314,377	363,452
- Change (%)			*(5.5)*	*(2.8)*	-
IPD patients (people)					
- New	11,023	9,047	10,133	11,653	14,034
- Old			10,920	12,230	14,425
- Change (%)			*(7.2)*	*(4.7)*	*(2.7)*
Revenue from Covid-19 services (Bt m)					
- New		1,344	1,389	47	35
- Old			1,037	62	46
- Change (%)			*33.8*	*(24.4)*	*(24.4)*
Gross margin (%)					
- New	32.0	46.0	43.7	33.1	29.9
- Old			38.7	33.0	29.9
- Change (pp)			*5.0*	*0.1*	*(0.0)*
SG&A to sales (%)					
- New	8.8	5.9	5.6	8.1	8.0
- Old			6.6	8.5	8.5
- Change (pp)			*(1.0)*	*(0.5)*	*(0.5)*
Normalized profit (Bt m)					
- New	371	1,012	983	437	469
- Old			778	455	487
- Change (%)			*26.3*	*(3.9)*	*(3.8)*

Sources: Company data, Thanachart estimates

Downgrading to HOLD

Given our medium- to long-term earnings downgrades, our DCF-based 12-month TP, using a 2022F base year, is trimmed to Bt35.0/share from Bt36.0, offering limited potential upside. RJH is trading on 10.8/24.2x PE in 2022-23F and 31.6/25.3x PE excluding COVID-related earnings vs. its pre-COVID PE of 22.5x in 2019. We think RJH is trading at fair value and we therefore downgrade our rating to HOLD from Buy.

Less exciting 2022F earnings

Both non-COVID and COVID earnings look set to decline in 2022F

We estimate RJH's net profit to decline by 3% in 2022F due to falling earnings from COVID-19 and non-COVID services. The decline in COVID-19 earnings will likely be a result of the high base last year. Meanwhile, falling earnings from non-COVID service would be because of slow growth in non-COVID cash patients and no extra revenue from the Social Security Scheme (SSS), as opposed to the Bt25m it booked in 2021. Note that RJH delayed revenue recognition for high-intensity care services under the SSS of Bt25m from 2020 to 2021. Excluding COVID-19 services, we estimate RJH's earnings to decline by 5% y-y in 2022F.

Slow growth in non-COVID cash patients

RJH's cash patients grew by 6% y-y in 1Q22. Slow y-y growth momentum looks likely to continue in 2Q22F. While OPD patients in April and May have been flat y-y, IPD patients have declined slightly y-y. Weak non-COVID cash patient flows have been caused by people being fearful of catching COVID-19 in hospitals and the economic slowdown. However, we expect non-COVID cash patients to improve in 2H22F as a result of the Omicron wave subsiding and a new client base comprising government officials as RJH is scheduled to sign a contract to participate in the direct disbursement program for civil servants' medical benefits late this month. We therefore estimate non-COVID cash patient growth of 4/10/7% in 2022-24F vs. -11/-3% in 2020-21.

Ex 2: 12-month DCF-based TP Calculation, Using A Base Year Of 2022F

(Bt m)	2022F	2023F	2024F	2025F	2026F	2027F	2028F	2029F	2030F	2031F	2032F	2033F	Terminal Value
EBITDA excl. depre from right of use	1,397	703	724	756	847	914	991	1,079	1,170	1,267	1,377	1,512	—
Free cash flow	924	543	188	562	653	711	766	832	905	984	1,069	676	12,689
PV of free cash flow	922	485	159	430	467	475	479	486	495	480	486	286	5,365

Risk-free rate (%)	2.5
Market risk premium (%)	8.0
Beta	0.6
WACC (%)	5.8
Terminal growth (%)	2.0
Enterprise value - add investments	11,014
Net debt (end-2021)	575
Minority interest	9
Equity value	10,429
# of shares (m)	300
Equity value / share (Bt)	**35.00**

Sources: Company data, Thanachart estimates

Valuation Comparison

Ex 3: Valuation Comparison With Regional Peers

Name	BBG code	Country	Market Cap (US$ m)	EPS growth 22F (%)	EPS growth 23F (%)	PE 22F (x)	PE 23F (x)	P/BV 22F (x)	P/BV 23F (x)	EV/EBITDA 22F (x)	EV/EBITDA 23F (x)	Div yield 22F (%)	Div yield 23F (%)
Ramsay Healthcare	RHC AU	Australia	12,607	(26.1)	73.2	54.5	31.5	4.4	4.1	13.7	11.2	1.4	2.0
Guangzhou Pharmaceutical	874 HK	Hong Kong	6,756	3.5	6.3	8.6	8.1	1.0	0.9	7.0	6.7	2.3	2.3
Lijun Int'l Pharmaceutical	2005 HK	Hong Kong	1,389	57.8	23.7	8.9	7.2	1.5	1.3	7.6	6.2	3.4	4.1
Apollo Hospitals Enterprise	APHS IN	India	6,731	498.0	28.0	56.5	44.2	9.2	7.8	24.2	20.6	0.3	0.3
Fortis Healthcare India	FORH IN	India	2,389	na	42.6	50.0	35.0	2.8	2.6	18.6	16.7	0.0	0.0
KPJ Healthcare	KPJ MK	Malaysia	899	177.3	33.3	27.6	20.7	1.7	1.7	11.3	10.2	1.9	2.4
IHH Healthcare Bhd	IHH MK	Malaysia	12,816	(7.9)	13.4	34.4	30.3	2.3	2.1	15.2	14.1	1.0	1.1
Ryman	RYM NZ	New Zealand	3,177	na	23.6	21.6	17.5	1.5	1.3	20.3	15.5	2.0	2.3
Raffles Medical Group	RFMD SP	Singapore	1,540	(15.7)	7.9	30.0	27.8	2.2	2.1	14.6	13.9	2.2	2.1
Bangkok Chain Hospital *	BCH TB	Thailand	1,373	(46.7)	(50.9)	12.8	26.1	3.3	3.2	8.3	13.6	3.9	1.9
Bangkok Dusit Medical *	BDMS TB	Thailand	12,333	16.0	15.3	45.8	39.7	4.8	4.6	27.8	24.7	1.2	1.4
Bumrungrad Hospital *	BH TB	Thailand	4,015	127.3	27.8	47.3	37.0	7.8	7.7	29.5	23.7	2.1	2.7
Chularat Hospital *	CHG TB	Thailand	1,140	(58.4)	(18.8)	22.3	27.4	5.1	4.9	15.6	18.4	3.1	2.6
Ladprao General Hospital *	LPH TB	Thailand	124	(49.9)	(17.6)	18.3	22.2	2.4	2.4	10.1	11.9	4.1	3.4
Praram 9 Hospital *	PR9 TB	Thailand	350	35.2	17.9	35.5	30.1	2.7	2.5	15.6	13.6	1.3	1.5
Rajthanee Hospital *	RJH TB	Thailand	310	(2.8)	(55.5)	10.8	24.2	4.9	5.2	8.0	15.9	7.4	3.1
Ratchaphruek Hospital *	RPH TB	Thailand	116	(26.2)	(52.4)	13.3	27.9	2.2	2.2	8.1	13.8	4.5	2.7
Thonburi Healthcare Group*	THG TB	Thailand	1,638	(31.3)	(32.0)	59.6	87.7	6.0	6.0	29.6	34.4	1.0	0.7
Average				**40.6**	**4.8**	**31.0**	**30.3**	**3.7**	**3.5**	**15.8**	**15.8**	**2.4**	**2.0**

Source: Bloomberg

Note: * Thanachart estimates, using Thanachart normalized EPS

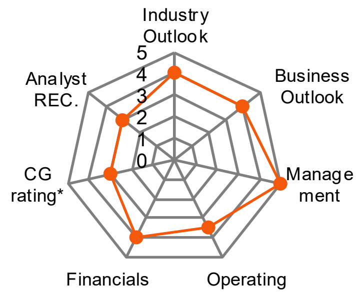
Based on 24-May-2022 closing prices

COMPANY DESCRIPTION

Rajthanee Hospital Pcl (RJH) operates a private hospital with 292 active beds under the "Rajthanee" brand in Thailand's Ayutthaya province. The company was established in 1992. It also acquired a 52% stake in Rajthanee Rojana Hospital (RRH) in 2014. Presently, RJH provides medical treatment to cash patients and Social Security Scheme patients. RJH has expertise in emergency care, children's care and orthopaedics. The company has increased its stake in RRH to 98% presently.

Source: Thanachart

COMPANY RATING



Rating Scale	
Excellent	**5**
Good	**4**
Fair	**3**
Weak	**2**
Very Weak	**1**
None	**0**

Source: Thanachart; * CG Rating

THANACHART'S SWOT ANALYSIS

S — Strength

- The largest private hospital in Ayutthaya province with considerable experience and a reputable brand in managed-care scheme services.
- Hospitals in RJH's portfolio are in prime locations (communities, factories and industrial estates).

W — Weakness

- Limited patient-base diversification as RJH still mainly focuses on the low- to mid-tier and managed-care markets.

O — Opportunity

- Limited public healthcare supply in Thailand.
- Capacity expansion to support rising healthcare demand in the future.
- Rising patient flows from neighbouring countries.
- COVID pandemic.

T — Threat

- Growing importance of franchise names and big players such as Bangkok Dusit Medical Services (BDMS TB, Bt26.50, BUY), which have entered the mid-market segment.
- Rising competition from new non-listed rivals in Ayutthaya province.
- Regulatory risk.
- COVID pandemic.

CONSENSUS COMPARISON

	Consensus	Thanachart	Diff
Target price (Bt)	37.20	35.00	-6%
Net profit 22F (Bt m)	814	983	21%
Net profit 23F (Bt m)	447	437	-2%
Consensus REC	**BUY: 4**	**HOLD: 2**	**SELL: 0**

HOW ARE WE DIFFERENT FROM THE STREET?

- Our 2023F earnings and TP are slightly below the Bloomberg consensus numbers, which we attribute to us having a more conservative view on a non-COVID cash patient rebound.

Sources: Bloomberg consensus, Thanachart estimates

RISKS TO OUR INVESTMENT CASE

- If RJH's strategy of boosting revenue from the cash-patient business works/does not work out, this would present the key upside/downside risk to our call.
- Given RJH's capacity expansion plans, its new hospitals may turn profitable faster/slower than we currently expect if there is less/more competition from existing or new private healthcare operators, representing the secondary upside/downside risk to our call.
- If the Adjusted Relative Weight (RW) under the SSS were to increase/fall, there could be upside/downside risk to our earnings projections.

Source: Thanachart

2023F revenue hit by falling revenue from COVID services

Two new hospitals are planned in 2024-25

INCOME STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Sales	1,855	3,118	3,212	2,096	2,452
Cost of sales	1,262	1,684	1,808	1,402	1,719
Gross profit	**594**	**1,434**	**1,404**	**694**	**733**
% gross margin	32.0%	46.0%	43.7%	33.1%	29.9%
Selling & administration expenses	163	183	181	169	197
Operating profit	**431**	**1,250**	**1,223**	**526**	**536**
% operating margin	23.2%	40.1%	38.1%	25.1%	21.9%
Depreciation & amortization	109	163	175	178	188
EBITDA	**539**	**1,413**	**1,397**	**703**	**724**
% EBITDA margin	29.1%	45.3%	43.5%	33.5%	29.5%
Non-operating income	23	27	36	38	39
Non-operating expenses	0	0	0	0	0
Interest expense	(0)	(6)	(19)	(10)	(13)
Pre-tax profit	**453**	**1,271**	**1,240**	**553**	**562**
Income tax	81	255	249	111	101
After-tax profit	**372**	**1,016**	**991**	**442**	**461**
% net margin	20.1%	32.6%	30.9%	21.1%	18.8%
Shares in affiliates' Earnings	0	0	0	0	0
Minority interests	(1)	(4)	(8)	(5)	8
Extraordinary items	41	0	0	0	0
NET PROFIT	**412**	**1,012**	**983**	**437**	**469**
Normalized profit	**371**	**1,012**	**983**	**437**	**469**
EPS (Bt)	1.4	3.4	3.3	1.5	1.6
Normalized EPS (Bt)	1.2	3.4	3.3	1.5	1.6

BALANCE SHEET

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
ASSETS:					
Current assets:	441	1,203	1,000	563	653
Cash & cash equivalent	58	175	50	50	50
Account receivables	343	965	880	459	537
Inventories	36	60	64	50	61
Others	4	4	6	4	5
Investments & loans	0	566	626	626	626
Net fixed assets	1,272	1,428	1,509	1,784	2,050
Other assets	187	155	163	171	180
Total assets	**1,899**	**3,352**	**3,298**	**3,144**	**3,508**
LIABILITIES:					
Current liabilities:	340	1,298	1,045	1,045	1,277
Account payables	241	378	347	269	330
Bank overdraft & ST loans	70	750	586	682	850
Current LT debt	0	0	0	0	0
Others current liabilities	29	169	112	94	98
Total LT debt	**0**	**0**	**0**	**0**	**0**
Others LT liabilities	57	89	95	62	72
Total liabilities	**398**	**1,387**	**1,140**	**1,107**	**1,349**
Minority interest	5	9	17	17	9
Preferreds shares	0	0	0	0	0
Paid-up capital	300	300	300	300	300
Share premium	1,093	1,093	1,093	1,093	1,093
Warrants	0	0	0	0	0
Surplus	(354)	(240)	(240)	(240)	(240)
Retained earnings	**457**	**802**	**987**	**867**	**996**
Shareholders' equity	1,496	1,955	2,140	2,020	2,150
Liabilities & equity	**1,899**	**3,352**	**3,298**	**3,144**	**3,508**

Sources: Company data, Thanachart estimates

Strong cash flow

CASH FLOW STATEMENT

FY ending Dec (Bt m)	2020A	2021A	2022F	2023F	2024F
Earnings before tax	453	1,271	1,240	553	562
Tax paid	(80)	(114)	(306)	(129)	(97)
Depreciation & amortization	109	163	175	178	188
Chg In w orking capital	9	(509)	49	357	(28)
Chg In other CA & CL / minorities	5	(1)	(7)	(13)	(14)
Cash flow from operations	**496**	**810**	**1,151**	**945**	**610**
Capex	(411)	(315)	(253)	(450)	(450)
Right of use	(1)	0	0	0	0
ST loans & investments	0	0	0	0	0
LT loans & investments	10	(566)	(60)	0	0
Adj for asset revaluation	0	0	0	0	0
Chg In other assets & liabilities	(16)	59	(1)	(34)	12
Cash flow from investments	**(419)**	**(821)**	**(313)**	**(484)**	**(438)**
Debt financing	70	680	(164)	96	167
Capital increase	0	0	(0)	0	0
Dividends paid	(315)	(643)	(798)	(557)	(340)
Warrants & other surplus	3	91	0	0	0
Cash flow from financing	**(243)**	**127**	**(962)**	**(461)**	**(172)**
Free cash flow	**85**	**495**	**898**	**495**	**160**

Trading at fair value, in our view

VALUATION

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Normalized PE (x)	28.5	10.4	10.8	24.2	22.6
Normalized PE - at target price (x)	28.3	10.4	10.7	24.0	22.4
PE (x)	25.6	10.4	10.8	24.2	22.6
PE - at target price (x)	25.5	10.4	10.7	24.0	22.4
EV/EBITDA (x)	19.6	7.9	8.0	15.9	15.7
EV/EBITDA - at target price (x)	19.5	7.8	7.9	15.8	15.6
P/BV (x)	7.1	5.4	4.9	5.2	4.9
P/BV - at target price (x)	7.0	5.4	4.9	5.2	4.9
P/CFO (x)	21.3	13.1	9.2	11.2	17.3
Price/sales (x)	5.7	3.4	3.3	5.0	4.3
Dividend yield (%)	2.8	7.7	7.4	3.1	3.3
FCF Yield (%)	0.8	4.7	8.5	4.7	1.5
(Bt)					
Normalized EPS	1.2	3.4	3.3	1.5	1.6
EPS	1.4	3.4	3.3	1.5	1.6
DPS	1.0	2.7	2.6	1.1	1.2
BV/share	5.0	6.5	7.1	6.7	7.2
CFO/share	1.7	2.7	3.8	3.2	2.0
FCF/share	0.3	1.7	3.0	1.7	0.5

Sources: Company data, Thanachart estimates

Core operation, excluding COVID services, remains strong

FINANCIAL RATIOS

FY ending Dec	2020A	2021A	2022F	2023F	2024F
Growth Rate					
Sales (%)	4.8	68.0	3.0	(34.7)	17.0
Net profit (%)	4.2	145.3	(2.8)	(55.5)	7.2
EPS (%)	4.2	145.3	(2.8)	(55.5)	7.2
Normalized profit (%)	17.2	172.6	(2.8)	(55.5)	7.2
Normalized EPS (%)	17.2	172.6	(2.8)	(55.5)	7.2
Dividend payout ratio (%)	72.7	80.0	80.0	75.0	75.0
Operating performance					
Gross margin (%)	32.0	46.0	43.7	33.1	29.9
Operating margin (%)	23.2	40.1	38.1	25.1	21.9
EBITDA margin (%)	29.1	45.3	43.5	33.5	29.5
Net margin (%)	20.1	32.6	30.9	21.1	18.8
D/E (incl. minor) (x)	0.0	0.4	0.3	0.3	0.4
Net D/E (incl. minor) (x)	0.0	0.3	0.2	0.3	0.4
Interest coverage - EBIT (x)	na	211.3	65.4	51.0	40.0
Interest coverage - EBITDA (x)	na	238.8	74.7	68.2	54.0
ROA - using norm profit (%)	20.7	38.5	29.6	13.6	14.1
ROE - using norm profit (%)	25.7	58.6	48.0	21.0	22.5
DuPont					
ROE - using after tax profit (%)	25.8	58.9	48.4	21.3	22.1
- asset turnover (x)	1.0	1.2	1.0	0.7	0.7
- operating margin (%)	24.4	41.0	39.2	26.9	23.5
- leverage (x)	1.2	1.5	1.6	1.5	1.6
- interest burden (%)	99.9	99.5	98.5	98.2	97.7
- tax burden (%)	82.2	79.9	79.9	80.0	82.0
WACC (%)	5.8	5.8	5.8	5.8	5.8
ROIC (%)	30.2	66.3	38.6	15.7	16.6
NOPAT (Bt m)	354	999	977	420	440
invested capital (Bt m)	1,508	2,531	2,677	2,653	2,949

Sources: Company data, Thanachart estimates

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Note: Our major shareholder TCAP (Thanachart Capital Pcl) which holding 50.96% of Thanachart Securities and also TCAP holding 100% of Thanachart SPV1 Co. Ltd. TCAP and Thanachart SPV1 Co. Ltd has stake in THANI for 60% and being the major shareholder of THANI.

Note: Thanachart Capital Public Company Limited (TCAP), TMBThanachart Bank Public Company Limited (TTB), are related companies to Thanachart Securities Public Company Limited (TNS). Thanachart Securities Pcl is a subsidiary of Thanachart Capital Pcl (TCAP) which holds 23% of the shareholding in TMBThanachart Bank Pcl.

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Recommendations are based on absolute upside or downside, which is the difference between the target price and the current market price. If the upside is 10% or more, the recommendation is BUY. If the downside is 10% or more, the recommendation is SELL. For stocks where the upside or downside is less than 10%, the recommendation is HOLD. Unless otherwise specified, these recommendations are set with a 12-month horizon. Thus, it is possible that future price volatility may cause a temporary mismatch between upside/downside for a stock based on the market price and the formal recommendation.

For sectors, an “Overweight” sector weighting is used when we have BUYs on majority of the stocks under our coverage by market cap. “Underweight” is used when we have SELLs on majority of the stocks we cover by market cap. “Neutral” is used when there are relatively equal weightings of BUYs and SELLs.

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