


Grupo Financiero Banorte SAB de CV Class O XNOR ★★★ Q 30 Apr 2024, 22:47 UTC

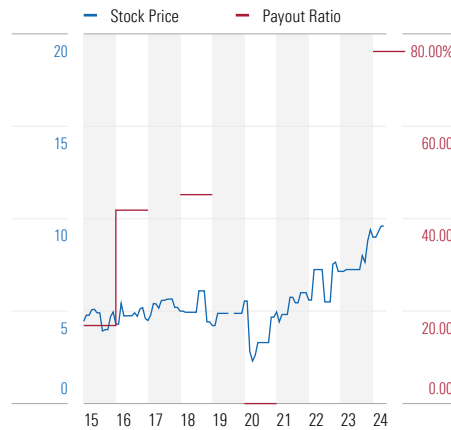
Economic Moat ^Q	Uncertainty ^Q	Price/Fair Value ^Q	ESG Risk Rating Assessment ¹	Trailing Dividend Yield %	Market Cap	Investment Style	Sector	Industry
None	High	1.0	 3 Apr 2024 05:00, UTC	7.26	26.5161 Bil	Large Core	Financial Services	Banks - Regional

Earnings as of 26 Apr 2024

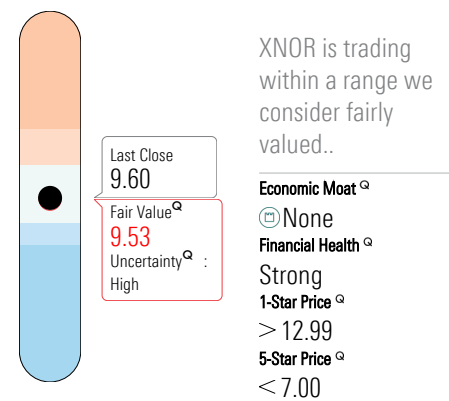
Earnings	%	Percentile in Sector
Dividend Yield*	7.5	86.0
Payout Ratio*	76.2	82.0
Price to Earnings	9.8	41.0
Price to Cash Flow	7.2	45.0
ROIC**	—	—

*28 Mar 2024
**30 Sep 2023

Dividends as of 30 Apr 2024



Valuation ^Q as of 30 Apr 2024



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Financials as of 30 Apr 2024 (Fiscal Year End 31 Dec 2023)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD	Fiscal
83	80	91	111	130	138	144	161	180	—	58	Revenue (Bil)
—	—	—	—	—	—	—	—	—	—	—	Operating Income
—	—	—	—	—	—	—	—	—	—	—	Operating Margin (%)
15	17	19	24	32	37	31	35	45	—	14	Net Income (Bil)
5.49	6.17	6.96	8.62	11.09	12.69	10.58	12.15	15.96	—	5.00	Diluted Earnings/Share
13.85	39.65	-31.56	25.02	-4.54	6.96	54.71	11.13	76.61	—	28.00	Operating Cash Flow (Bil)
-4.01	-3.91	-4.08	-4.78	-4.50	-4.58	-7.44	-4.52	-11.79	—	-1.80	Capital Spending (Bil)
9.85	35.74	-35.64	20.24	-9.05	2.38	47.27	6.61	64.81	—	26.21	Free Cash Flow (Bil)
2,773	2,772	2,774	2,774	2,881	2,879	2,883	2,883	2,883	—	2,842	Avg Shares Outstand(Mil)

Valuation as of 30 Apr 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar
0.93	0.98	0.95	1.04	0.76	1.00	0.84	0.92	0.83	0.97	1.01	Price/Fair Value ^Q
2.91	3.05	2.96	3.24	3.21	—	2.30	—	—	2.68	2.67	Price/Sales
15.85	16.22	14.63	15.09	13.03	—	9.84	—	—	9.83	9.83	Price/Earnings
16.50	11.17	—	107.29	14.99	—	5.60	—	5.90	5.99	5.98	Price/Cash Flow
1.92	1.95	1.96	2.38	1.68	—	1.54	1.73	1.78	2.04	1.94	Price/Book

Operating Performance as of 30 Apr 2024 (Fiscal Year End 31 Dec 2023)

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Q3	Fiscal (%)
1.45	1.49	1.57	1.82	2.15	2.28	1.81	1.93	2.32	—	0.59	Return on Assets
13.27	13.24	13.98	16.69	20.1	19.96	14.67	15.36	19.31	—	5.43	Return on Equity
—	—	—	—	—	—	—	—	—	—	—	Rtn on Invested Capital

Dividends as of 30 Apr 2024

2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Current	Calendar (%)
0.83	1.01	2.61	5.28	3.45	5.54	—	5.81	11.89	13.08	0.70	Dividend Per Share
1.03	1.17	3.07	—	3.25	—	—	—	7.96	—	7.26	Trailing Dividend Yield
—	0.75	0.29	—	0.04	—	—	—	—	—	0.98	Buyback Yield

Appendix

Economic Moat [®] History as of 30 Apr 2024 (No Moat: 0.00-0.70, Narrow Moat: 0.70-0.99, Wide Moat: 0.99-1.00)												
Year	January	February	March	April	May	June	July	August	September	October	November	December
2024	0.72	0.69	0.77	0.74	0.63	—	—	—	—	—	—	—
2023	0.58	0.57	0.79	0.74	0.51	0.65	0.64	0.76	0.61	0.54	0.46	0.57
2022	0.30	0.31	0.25	0.33	0.25	0.17	0.38	0.20	0.24	0.55	0.54	0.59
2021	0.59	0.46	0.52	0.43	0.53	0.67	0.60	0.53	0.27	0.39	0.35	0.34
2020	0.67	0.70	0.62	0.40	0.32	0.48	0.33	0.38	0.25	0.49	0.65	0.65
2019	0.72	0.69	0.60	0.67	0.67	0.80	0.65	0.81	0.90	0.53	0.76	0.39

Quantitative Equity Report Overview

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Morningstar's quantitative equity ratings consist of: (i) Quantitative Fair Value Estimate, (ii) Quantitative Star Rating, (iii) Quantitative Uncertainty, (iv) Quantitative Economic Moat, and (v) Quantitative Financial Health (collectively the "Quantitative Ratings").

The Quantitative Ratings are calculated daily and derived from the analyst-driven ratings of a company's peers as determined by statistical algorithms. Morningstar, Inc. ("Morningstar", "we", "our") calculates Quantitative Ratings for companies whether or not it already provides analyst ratings and qualitative coverage. In some cases, the Quantitative Ratings may differ from the analyst ratings because a company's analyst-driven ratings can significantly differ from other companies in its peer group.

i. **Quantitative Fair Value Estimate:** Intended to represent Morningstar's estimate of the per share dollar amount that a company's equity is worth today. Morningstar calculates the Quantitative Fair Value Estimate using a statistical model derived from the Fair Value Estimate Morningstar's equity analysts assign to companies. Please go to <http://global.morningstar.com/equitydisclosures> for information about Fair Value Estimate Morningstar's equity analysts assign to companies.

ii. **Quantitative Economic Moat:** Intended to describe the strength of a firm's competitive position. It is calculated using an algorithm designed to predict the Economic Moat rating a Morningstar analyst would assign to the stock. The rating is expressed as Narrow, Wide, or None.

Narrow – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 70% but less than 99%.

Wide – assigned when the probability of a stock receiving a "Wide Moat" rating by an analyst is greater than 99%.

None – assigned when the probability of an analyst receiving a "Wide Moat" rating by an analyst is less than 70%.

iii. **Quantitative Star Rating:** Intended to be the summary rating based on the combination of our Quantitative Fair Value Estimate, current market price, Quantitative Uncertainty Rating, and momentum. The rating is expressed as One-Star, Two-Star, Three-Star, Four-Star, and Five-Star.

★ – the stock is overvalued with a reasonable margin of safety.

*Log (Quant FVE/Price) < -1*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) < -1.5*Quantitative Uncertainty*

★★ – the stock is somewhat overvalued.

*Log (Quant FVE/Price) between (-1*Quantitative Uncertainty, -0.5*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-1.5*Quantitative Uncertainty, -0.75*Quantitative Uncertainty)*

★★★ – the stock is approximately fairly valued.

*Log (Quant FVE/Price) between (-0.5*Quantitative Uncertainty, 0.5*Quantitative Uncertainty)*

*Micro-Caps: Log (Quant FVE/Price) between (-0.75*Quantitative Uncertainty, 0.75*Quantitative Uncertainty)*

★★★★ – the stock is somewhat undervalued.

*Log (Quant FVE/Price) between (0.5*Quantitative Uncertainty, 1*Quantitative*

Uncertainty)

*Micro-Caps: Log (Quant FVE/Price) between (0.75*Quantitative Uncertainty, 1.5*Quantitative Uncertainty)*

★★★★★ – the stock is undervalued with a reasonable margin of safety.

*Log (Quant FVE/Price) > 1*Quantitative Uncertainty*

*Micro-Caps: Log (Quant FVE/Price) > 1.5*Quantitative Uncertainty*

After the initial calculation for the star rating, there is a final filtering step based on the momentum of the company. We rank the companies based on their 12-1 month momentum, then restrict those below the 30th percentile to a maximum of 3 stars.

iv. **Quantitative Uncertainty:** Intended to represent Morningstar's level of uncertainty about the accuracy of the Quantitative Fair Value Estimate. Generally, the lower the Quantitative Uncertainty, the narrower the potential range of outcomes for that particular company. The rating is expressed as Low, Medium, High, Very High, and Extreme.

Low – the interquartile range for possible fair values is less than 10%

Medium – the interquartile range for possible fair values is less than 15% but greater than 10%

High – the interquartile range for possible fair values is less than 35% but greater than 15%

Very High – the interquartile range for possible fair values is less than 80% but greater than 35%

Extreme – the interquartile range for possible fair values is greater than 80%

v. **Quantitative Financial Health:** Intended to reflect the probability that a firm will face financial distress in the near future. The calculation uses a predictive model designed to anticipate when a company may default on its financial obligations. The rating is expressed as Weak, Moderate, and Strong.

Weak – assigned when Quantitative Financial Health < 0.2

Moderate – assigned when Quantitative Financial Health is between 0.2 and 0.7

Strong – assigned when Quantitative Financial Health > 0.7

Other Definitions

i. **Last Close** – Price of the stock as of the close of the market of the last trading day before date of the report.

ii. **Quantitative Valuation** – Using the below terms, intended to denote the relationship between the security's **Last Price** and Morningstar's quantitative fair value estimate for that security.

Undervalued – Last Price is below Morningstar's quantitative fair value estimate.

Fairly Valued – Last Price is in line with Morningstar's quantitative fair value estimate.

Fairly Valued – Last Price is in line with Morningstar's quantitative fair value estimate.

Overvalued – Last Price is above Morningstar's quantitative fair value estimate.

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Based on their quantitative scores, companies are grouped into one of five Risk Categories (negligible, low, medium, high, severe). These risk categories are absolute, meaning that a 'high risk' assessment reflects a comparable degree

of unmanaged ESG risk across all subindustries covered.

The ESG Risk Rating Assessment is a visual representation of Sustainalytics ESG Risk Categories on a 1 to 5 scale. Companies with Negligible Risk = 5 Globes, Low Risk = 4, Medium Risk = 3 Globes, High Risk = 2 Globes, Severe Risk = 1 Globe. For more information, please visit sustainalytics.com/esg-ratings/

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