

EVALUATE NEWSLETTER

December 2018

Welcome to Evaluate Research's Newsletter for December 2018!

This newsletter talks about our New Coverage on 2 leading companies – HK-listed IRC Ltd. [1029_HK] & India-listed Sintex Plastics Technology Ltd. [SINTEX_IN]; and also speaks about how Fintech is changing the Investment Research industry.....

New Coverage on 2 Leading Companies in HK & India [reports attached]:

HK-listed IRC Ltd. [1029_HK]

We have recently initiated coverage on IRC Ltd. [1029_HK] a Hong Kong listed, HK\$700 mn [US\$90 mn] market cap company with iron ore mining operations in Russia. **IRC is the only supplier of premium 65% grade iron ore operating in the Russian Far East.** The company has 4 mining projects with total resources of 1,425 mn tons and reserves of 387 mn tons, enough to support 30+ years of mining activity. With rapidly increasing sales volume, a sustained higher pricing premium for the 65% Fe grade and reducing costs, the company's revenues and earnings are expected to grow at a rapid pace in the next 3-4 years. **We have had several interactions with the company before publishing our detailed 39-page Initiation Report, including meeting with senior management at their headquarters in Hong Kong.**

Sintex Plastics [Sintex_IN]

We have also initiated coverage on Sintex Plastics Technology Ltd. [SINTEX_IN], a leading India-listed plastic products manufacturer with US\$200 mn market cap. Post its separate listing in mid-2017 the company has undergone a period of restructuring, with things now stabilizing. SPTL's custom molding business continues to grow steadily, and management expects to see significant increases at its retail division. **We have visited the company's production facilities in Kalol, Gujarat in India and have also met with the company's Managing Director and CEO, Mr. Amit Patel, before publishing our Initiation Report, a detailed 26-page analysis** of the company's growth opportunities, catalysts, risks, competitive positioning, etc. with complete 5-year forecasts of their financial statements and a specific price target.

Please see our Initiation and Update Reports on IRC Ltd. as well as the Initiation Report on Sintex Plastics on our website [<http://evaluatorresearch.com/all-reports>], for your reference.

How Fintech is Changing the Investment Research Industry

- New sources of quality information are emerging in the Investment Research space. Asset managers often have their own valuation models but are also keenly interested in analysts' hypotheses and input parameters from various sources.
- Modern online distribution platforms are a natural answer to the industry's changing needs. The immediate visible impact of their “platform” approach is putting smarter, better research analysis and production tools within easy reach of independent analysts as well as institutional investors.
- Alternative research platforms have contributors ranging from market professionals to passionate amateurs. Through the quality of carried content and the variety of fresh alternative investment opinions on global stocks, such platforms have slowly made their way to portfolio managers desks, or rather, screens.
- Automatically bringing relevant themes to the attention of the fund managers and investors helps not only to shorten a lengthy and costly research process, but also to provide richer information by discovering hard-to-find sources.

In a global survey [by Greenwich Associates and Refinitiv in June 2018] of 30 leading chief investment officers, portfolio managers and investment analysts from across North America, Europe and Asia, 70 percent of respondents said they are currently using alternative research platforms or plan to within the next 12 months.

At Evaluate Research, we believe that we can add more value to the entire investment community by making our research available without any restricted access on various online distribution platforms.

The reach and real-time capacity of such online platforms is far better at attracting the investor’s interest and increasing visibility of the company and its stock amongst all kinds of investors – retail, institutional, foreign, etc.

Acknowledging this fact, all our reports are accessible free of cost to everyone and without any restrictions on all major platforms used by the investment community like Bloomberg, S&P Capital IQ, Thomson Reuters, FactSet, and alternative research platforms like Harvest Exchange, Research Bytes etc.