COMPANY UPDATE

2025. 12. 31

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Lotte Chemical (011170)

To miss 4Q forecasts as industry conditions deteriorate

- We expect Lotte Chemical to post a 4Q operating loss of KRW261.9b (widening KRW129.4b q-q), missing consensus (of a loss of KRW175.7b). The weaker-than-expected results are attributable to a further deterioration in industry conditions, which weighed on the performance of its basic chemicals businesses, including olefins, LC Titan, and LC USA.
- While Lotte Chemical is pursuing the most aggressive and proactive capacity restructuring in Korea, near-term fundamentals are likely to remain more heavily influenced by weak industry conditions. We lower our target price and reiterate our HOLD rating.

EV/Mobility Team

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AT A GLANCE

HOLD

Target price	KRW80,000	13.8%
Current price	KRW70,300	
Market cap	KRW3.0t/USD2.1b	
Shares (float)	42,775,419 (44.0%)	
52-week high/low	KRW87,000/KRW53,400	
Avg daily trading value (60-day)	KRW13.1b/ USD9.1m	

ONE-YEAR PERFORMANCE

	1M	6M	12M
Lotte Chemical (%)	-2.6	19.6	17.6
Vs Kospi (%pts)	-9.3	-12.9	-33.1

KEY CHANGES

(KRW)	New	Old	Diff
Recommend.	HOLD	HOLD	
Target price	80,000	90,000	-11.1%
2025E EPS	-21,020	-21,020	0.0%
2026E EPS	-7,821	-7,821	0.0%

SAMSUNG vs THE STREET

No of estimates	16
Target price	107,688
Recommendation	3.8

※ Rating: 4 < → BUY, 3 = HOLD, 2 > → SELL

WHAT'S THE STORY?

4Q results to miss consensus: We expect Lotte Chemical to report a 4Q operating loss of KRW261.9b (widening KRW129.4b q-q), missing the FnGuide consensus (of a loss of KRW175.7b). Operating loss from the basic chemicals businesses (olefins, aromatics, LC Titan, and LC USA) is estimated at KRW262.5b (widening KRW140.0b q-q). The q-q earnings deterioration is attributable to: 1) worsening industry conditions following the start-up of new NCC capacity in China; 2) expanded losses related to the ramp-up of the Indonesian facility; and 3) inventory valuation losses stemming from falling naphtha prices. In 4Q25, HDPE, PP, and butadiene spreads declined flat, 20%, and 34% q-q, respectively. Meanwhile, operating profit at the advanced materials business is expected at KRW58.5b (+2% q-q). While sales volumes likely declined due to seasonal weakness and scheduled maintenance, this impact is expected to be largely offset by favorable KRW/USD movements.

(Continued on the next page)

SUMMARY FINANCIAL DATA

(KRWb)	2024	2025E	2026E	2027E
Revenue	20,430	18,769	19,189	18,862
Operating profit	-894	-772	-434	-206
Net profit (adj)	-1,826	-1,095	-411	-291
EPS (adj) (KRW)	-39,988	-21,020	-7,821	-3,090
EPS (adj) growth (% y-y)	nm	nm	nm	nm
EBITDA margin (%)	1.9	2.3	5.0	7.0
ROE (%)	-11.4	-6.5	-2.5	-1.0
P/E (adj) (x)	n/a	n/a	n/a	n/a
P/B (x)	0.2	0.2	0.2	0.2
EV/EBITDA (x)	41.4	38.5	18.0	12.8
Dividend yield (%)	3.3	1.4	1.4	1.4

Source: Company data, Samsung Securities estimates

Domestic restructuring—the most aggressive and proactive among peers: Under the domestic restructuring plans submitted by end-December, Lotte Chemical proposed not only the restructuring of its Daesan ethylene cracker (capacity: 1.1m tonnes) but also an integration plan for the Yeosu ethylene cracker (capacity: 1.23m tonnes) jointly with Yeochun NCC. Following the spin-off of the Daesan plant, Lotte Chemical plans to merge it with HD Hyundai Chemical (ethylene capacity: 0.85m tonnes; ownership: HD Hyundai Oilbank 60%, Lotte Chemical 40%), with the merged entity to be jointly owned on a 50:50 basis. The transaction is currently under review by the Fair Trade Commission, with completion expected in 1H26. As for the Yeosu complex, the plan involves shutting down Yeochun NCC's third cracker (capacity: 0.47m tonnes) and one additional cracker (to be selected from Yeochun NCC's first or second cracker or Lotte Chemical's Yeosu plant), followed by the establishment of a new integrated entity combining Yeochun NCC's and Lotte Chemical's Yeosu operations.

View—strategic direction positive, but industry headwinds persist: The latest domestic restructuring plan underscores the company's strong commitment to downsizing its commodity product businesses, even at the expense of consolidated revenue, which we view positively from a medium- to long-term strategic perspective. However, amid an expansionary phase of global ethylene capacity additions over 2025–2027, industry conditions remain challenging. As the impact of the restructuring on near-term fundamentals is expected to be limited, we forecast operating and net losses to persist into 2026. Reflecting a further cut to our 2026 ROE forecast (from -2.1% to -2.5%), we lower our target price by 11% (from KRW90,000 to KRW80,000) and reiterate our HOLD rating.

Table 1. Lotte Chemical: P/B valuation

(KRW)	Old	New	Note
Target P/B (x)	0.29	0.26	1.5 standard deviations below post-2013 average
Forward BVPS	316,766	310,729	Revised down 1.9%
Fair price per share	**90,292**	**80,460**	
Target price	**90,000**	**80,000**	**Revised down 11.1%**
Current price		70,300	As of Dec 30 close
Upside (%)		13.8	
2026 implied P/E (x)	nm	nm	
2027 implied P/E (x)	nm	nm	

Source: Samsung Securities estimates

Table 2. Lotte Chemical: Quarterly results and forecasts

(KRWb)	4Q25E	3Q25	4Q24	Consensus	Diff (%)		
					(% q-q)	(% y-y)	Consensus
Sales	4,996	4,786	5,328	4,911	4.4	-6.2	1.7
Operating profit	-262	-133	-213	-176	To remain neg	To remain neg	To remain neg
Pre-tax profit	-316	-246	-1,312	-258	To remain neg	To remain neg	To remain neg
Net profit	-214	-164	-1,144	-212	To remain neg	To remain neg	To remain neg
Attributable to parent	-186	-118	-1,068	-186	To remain neg	To remain neg	To remain neg
Margins (%)							
Operating profit	-5.2	-2.8	-4.0	-3.6			
Pre-tax profit	-6.3	-5.1	-24.6	-5.3			
Net profit	-4.3	-3.4	-21.5	-4.3			
Attributable to parent	-3.7	-2.5	-20.1	-3.8			

Source: Company data, FnGuide, Samsung Securities estimates

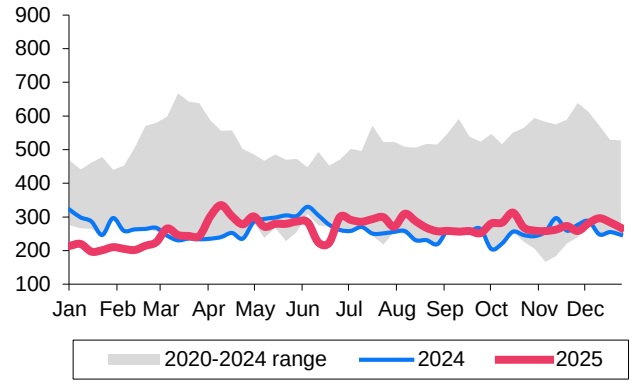
Table 3. Lotte Chemical: Quarterly results and forecasts, by division

(KRWb)	4Q25E	3Q25	4Q24	Chg (% q-q)	Chg (% y-y)
Sales	**4,996**	**4,786**	**5,328**	**4.4**	**-6.2**
Olefin	2,021	2,112	2,107	-4.3	-4.0
Aromatic	313	312	460	0.4	-32.0
LC Titan	1,038	806	573	28.8	81.2
Lotte Advanced Materials	1,011	1,022	1,094	-1.1	-7.7
LC USA	135	154	168	-12.0	-19.5
Lotte Fine Chemical	471	443	429	6.3	10.0
Lotte Energy Materials	171	144	186	18.8	-8.4
Operating profit	**-262**	**-133**	**-213**	**To remain neg**	**To remain neg**
Olefin	-185	-76	-118	To remain neg	To remain neg
Aromatic	17	12	-11	49.9	To turn pos
LC Titan	-82	-51	-64	To remain neg	To remain neg
Lotte Advanced Materials	59	58	30	1.8	97.1
LC USA	-12	-7	18	To remain neg	To turn neg
Lotte Fine Chemical	28	28	12	1.0	129.0
Lotte Energy Materials	-25	-34	-40	To remain neg	To remain neg
Pre-tax profit	-316	-246	-1,312	To remain neg	To remain neg
Net profit	**-214**	**-164**	**-1,144**	**To remain neg**	**To remain neg**
Margins (%)					
Operating profit	-5.2	-2.8	-4.0		
Olefin	-9.2	-3.6	-5.6		
Aromatic	5.5	3.7	-2.4		
LC Titan	-7.9	-6.3	-11.2		
Lotte Advanced Materials	5.8	5.6	2.7		
LC USA	-9.2	-4.5	10.9		
Lotte Fine Chemical	5.9	6.2	2.8		
Lotte Energy Materials	-14.6	-23.9	-21.5		
Pre-tax profit	-6.3	-5.1	-24.6		
Net profit	-4.3	-3.4	-21.5		

Source: Company data, Samsung Securities estimates

Chart 1. HDPE-naphtha spread

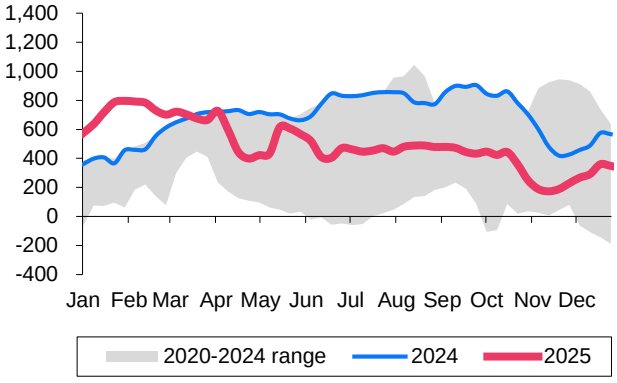
(USD/tonne)



Source: S&P Global Platts, Samsung Securities

Chart 2. Butadiene-naphtha spread

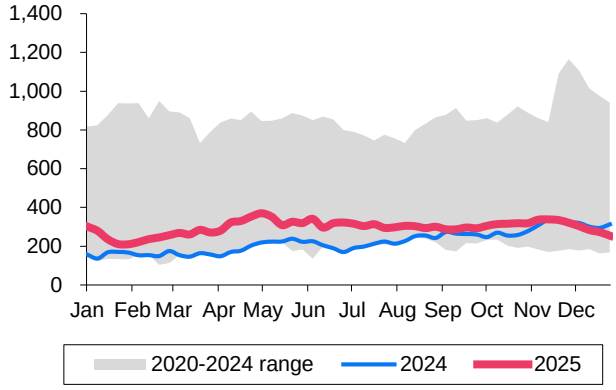
(USD/tonne)



Source: S&P Global Platts, Samsung Securities

Chart 3. ABS-AN/BD/SM spread

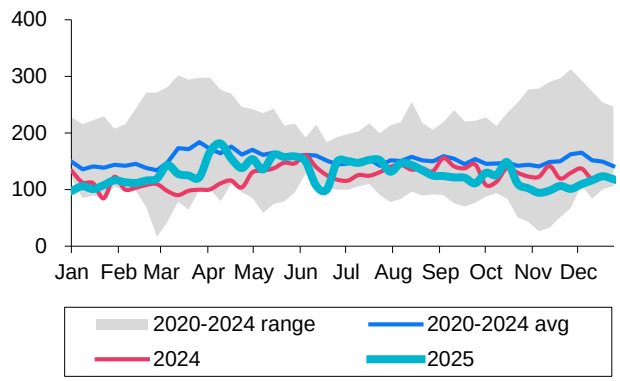
(USD/tonne)



Source: S&P Global Platts, Samsung Securities

Chart 4. Lotte Chemical: Mixed spread (spot)

(USD/tonne)



Source: S&P Global Platts, Samsung Securities

Table 4. Lotte Chemical: Results and forecasts

(KRWb)	1Q25	2Q25	3Q25	4Q25E	1Q26E	2Q26E	3Q26E	4Q26E	2023	2024	2025E	2026E
KRW/USD (average)	1,453	1,401	1,387	1,449	1,430	1,390	1,350	1,315	1,306	1,365	1,422	1,371
Sales	**4,790**	**4,197**	**4,786**	**4,996**	**4,972**	**4,822**	**4,731**	**4,664**	**19,949**	**20,430**	**18,769**	**19,189**
Chg (% q-q)	-10.1	-12.4	14.0	4.4	-0.5	-3.0	-1.9	-1.4				
Chg (% y-y)	-5.8	-15.0	-5.8	-6.2	3.8	14.9	-1.2	-6.6	-7.8	2.4	-8.1	2.2
Olefin	2,200	1,751	2,112	2,021	2,005	1,940	1,893	1,853	8,414	8,920	8,084	7,692
Aromatic	514	357	312	313	310	300	293	287	2,774	2,366	1,495	1,191
LC Titan	487	466	806	1,038	1,030	996	987	966	2,196	2,216	2,798	3,980
Lotte Advanced Materials	1,108	1,046	1,022	1,011	1,003	970	946	927	4,184	4,382	4,187	3,845
LC USA	155	114	154	135	134	130	127	124	540	590	558	515
Lotte Fine Chemical	446	425	443	471	477	480	470	482	1,769	1,671	1,785	1,909
Lotte Energy Materials	158	205	144	171	178	172	179	190	809	902	677	719
Operating profit	**-127**	**-250**	**-133**	**-262**	**-171**	**-82**	**-101**	**-80**	**-333**	**-894**	**-772**	**-434**
Chg (% q-q)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg				
Chg (% y-y)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg	Remained neg	Remained neg	To remain neg	To remain neg
Olefin	-77	-128	-76	-185	-130	-65	-72	-62	-175	-407	-467	-330
Chg (% q-q)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg				
Chg (% y-y)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg	Remained neg	Remained neg	To remain neg	To remain neg
Aromatic	15	3	12	17	19	21	10	12	-27	-35	46	61
Chg (% q-q)	Turned pos	-80.7	310.7	49.9	8.4	14.4	-53.8	17.1				
Chg (% y-y)	Turned pos	-42.9	Turned pos	To turn pos	28.9	663.5	-14.2	-32.9	Remained neg	Remained neg	To turn pos	33.6
LC Titan	-41	-52	-51	-82	-74	-72	-67	-55	-254	-262	-226	-268
Chg (% q-q)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg				
Chg (% y-y)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg	Remained neg	Remained neg	To remain neg	To remain neg
Lotte Advanced Materials	73	56	58	59	63	65	53	53	233	188	245	234
Chg (% q-q)	145.5	-23.2	2.7	1.8	6.8	3.9	-18.0	-0.7				
Chg (% y-y)	64.2	-26.0	50.9	97.1	-14.2	16.1	-7.3	-9.6	36.8	-19.2	30.4	-4.6
LC USA	-5	-38	-7	-12	-8	-8	-8	-8	-45	-107	-62	-32
Chg (% q-q)	Turned neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg				
Chg (% y-y)	Remained neg	Remained neg	Remained neg	To turn neg	To remain neg	To remain neg	To remain neg	To remain neg	Remained neg	Remained neg	To remain neg	To remain neg
Lotte Fine Chemical	19	9	28	28	31	36	39	34	155	50	83	140
Chg (% q-q)	54.4	-53.6	216.5	1.0	13.0	13.7	7.8	-11.7				
Chg (% y-y)	74.3	-49.1	167.0	129.0	67.6	310.9	40.0	22.4	83.8	-67.5	64.6	68.8
Lotte Energy Materials	-46	-31	-34	-25	-20	-8	-4	-2	6	-64	-136	-34
Chg (% q-q)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg				
Chg (% y-y)	Turned neg	Turned neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg		Turned neg	To remain neg	To remain neg
Pre-tax profit	-241	-507	-246	-316	-224	-125	-136	-123	-452	-2,258	-1,310	-609
Chg (% q-q)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg				
Chg (% y-y)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg	Remained neg	Remained neg	To remain neg	To remain neg
Net profit	**-246**	**-471**	**-164**	**-214**	**-152**	**-85**	**-92**	**-83**	**-39**	**-1,826**	**-1,095**	**-411**
Chg (% q-q)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg				
Chg (% y-y)	Remained neg	Remained neg	Remained neg	To remain neg	To remain neg	To remain neg	To remain neg	To remain neg	Turned neg	Remained neg	To remain neg	To remain neg
Attributable to parent	-191	-405	-118	-186	-127	-64	-72	-71	-50	-1,711	-899	-335
Margins (%)												
Operating profit	-2.6	-6.0	-2.8	-5.2	-3.4	-1.7	-2.1	-1.7	-1.7	-4.4	-4.1	-2.3
Olefin	-3.5	-7.3	-3.6	-9.2	-6.5	-3.4	-3.8	-3.3	-2.1	-4.6	-5.8	-4.3
Aromatic	2.8	0.8	3.7	5.5	6.0	7.1	3.4	4.0	-1.0	-1.5	3.1	5.2
LC Titan	-8.4	-11.2	-6.3	-7.9	-7.1	-7.2	-6.8	-5.7	-11.6	-11.8	-8.1	-6.7
Lotte Advanced Materials	6.6	5.4	5.6	5.8	6.2	6.7	5.6	5.7	5.6	4.3	5.9	6.1
LC USA	-3.1	-33.7	-4.5	-9.2	-6.0	-6.1	-6.3	-6.1	-8.4	-18.1	-11.2	-6.1
Lotte Fine Chemical	4.2	2.1	6.2	5.9	6.6	7.5	8.2	7.1	8.8	3.0	4.6	7.3
Lotte Energy Materials	-29.1	-15.2	-23.9	-14.6	-11.3	-4.5	-2.0	-1.3	0.7	-7.1	-20.1	-4.7
Pre-tax profit	-5.0	-12.1	-5.1	-6.3	-4.5	-2.6	-2.9	-2.6	-2.3	-11.1	-7.0	-3.2
Net profit	-5.1	-11.2	-3.4	-4.3	-3.0	-1.8	-1.9	-1.8	-0.2	-8.9	-5.8	-2.1

Source: Company data, Samsung Securities estimates

Income statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Sales	**19,946**	**20,430**	**18,769**	**19,189**	**18,862**
Cost of goods sold	19,165	20,101	18,430	18,481	17,949
Gross profit	**781**	**330**	**339**	**708**	**913**
Gross margin (%)	3.9	1.6	1.8	3.7	4.8
SG&A expenses	1,129	1,224	1,111	1,143	1,120
Operating profit	**-348**	**-894**	**-772**	**-434**	**-206**
Operating margin (%)	-1.7	-4.4	-4.1	-2.3	-1.1
Non-operating gains (losses)	**-105**	**-1,364**	**-531**	**-174**	**-224**
Financial profit	510	445	160	384	244
Financial costs	735	802	601	601	596
Equity-method gains (losses)	20	-121	-128	-14	26
Other	100	-886	38	57	101
Pre-tax profit	**-452**	**-2,258**	**-1,303**	**-609**	**-431**
Taxes	-413	-433	-209	-198	-140
Effective tax rate (%)	91.3	19.2	16.1	32.5	32.5
Profit from continuing operations	-39	-1,826	-1,101	-411	-291
Profit from discontinued operations	0	0	6	0	0
Net profit	**-39**	**-1,826**	**-1,095**	**-411**	**-291**
Net margin (%)	-0.2	-8.9	-5.8	-2.1	-1.5
Net profit (controlling interests)	-50	-1,711	-899	-335	-132
Net profit (non-controlling interests)	11	-115	-196	-76	-159
EBITDA	825	397	439	957	1,312
EBITDA margin (%)	4.1	1.9	2.3	5.0	7.0
EPS (parent-based) (KRW)	-1,194	-39,988	-21,020	-7,821	-3,090
EPS (consolidated) (KRW)	-936	-42,678	-25,592	-9,609	-6,800
Adjusted EPS (KRW)*	-1,194	-39,988	-21,020	-7,821	-3,090

Balance sheet

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Current assets	**9,814**	**8,983**	**8,053**	**7,422**	**7,285**
Cash & equivalents	2,702	2,112	1,737	966	937
Accounts receivable	2,267	2,088	1,918	1,961	1,928
Inventories	2,802	2,818	2,589	2,647	2,602
Other current assets	2,044	1,965	1,809	1,848	1,817
Fixed assets	**23,662**	**25,569**	**25,618**	**25,667**	**25,042**
Investment assets	4,494	4,656	4,315	4,401	4,334
Tangible assets	14,273	16,085	16,662	16,791	16,381
Intangible assets	3,732	3,314	3,126	2,960	2,812
Other long-term assets	1,163	1,515	1,515	1,515	1,515
Total assets	**33,476**	**34,552**	**33,671**	**33,089**	**32,326**
Current liabilities	**6,524**	**8,502**	**8,051**	**7,769**	**7,364**
Accounts payable	1,354	1,276	1,172	1,198	1,178
Short-term debt	3,444	2,788	3,288	3,288	3,288
Other current liabilities	1,725	4,439	3,591	3,283	2,899
Long-term liabilities	**6,720**	**6,062**	**6,701**	**6,854**	**6,829**
Bonds & long-term debt	5,708	5,131	5,151	5,171	5,171
Other long-term liabilities	1,013	931	1,550	1,683	1,658
Total liabilities	**13,244**	**14,564**	**14,752**	**14,623**	**14,193**
Owners of parent equity	**15,543**	**14,352**	**13,479**	**13,103**	**12,928**
Capital stock	214	214	214	214	214
Capital surplus	1,943	1,730	1,730	1,730	1,730
Retained earnings	12,965	11,062	10,100	9,723	9,549
Other	422	1,346	1,435	1,435	1,435
Non-controlling interests' equity	**4,689**	**5,636**	**5,440**	**5,364**	**5,205**
Total equity	**20,233**	**19,988**	**18,919**	**18,466**	**18,133**
Net debt	5,919	8,212	8,440	8,878	8,558

Cash flow statement

Year-end Dec 31 (KRWb)	2023	2024	2025E	2026E	2027E
Cash flow from operations	**790**	**1,542**	**1,290**	**1,232**	**1,409**
Net profit	-39	-1,826	-1,095	-411	-291
Non-cash profit and expenses	909	2,392	1,287	1,381	1,532
Depreciation	987	1,079	1,023	1,225	1,370
Amortization	185	211	188	167	148
Other	-263	1,101	77	-10	14
Changes in A/L from operating activities	110	1,029	889	65	28
Cash flow from investments	**-5,075**	**-1,948**	**-1,171**	**-1,124**	**-688**
Change in tangible assets	-3,548	-2,224	-1,600	-1,354	-960
Change in financial assets	-634	-105	138	-35	27
Other	-892	381	291	264	245
Cash flow from financing	**4,196**	**-188**	**-768**	**-786**	**-836**
Change in debt	3,589	1,648	-257	-306	-370
Change in equity	1,160	-213	0	0	0
Dividends	-190	-225	-63	-42	-42
Other	-363	-1,398	-448	-437	-424
Change in cash	-108	-590	-375	-772	-28
Cash at beginning of year	2,810	2,702	2,112	1,737	966
Cash at end of year	2,702	2,112	1,737	966	937
Gross cash flow	**870**	**566**	**193**	**970**	**1,241**
Free cash flow	**-2,850**	**-696**	**-310**	**-122**	**449**

Financial ratios

Year-end Dec 31	2023	2024	2025E	2026E	2027E
Growth (%)					
Sales	-10.5	2.4	-8.1	2.2	-1.7
Operating profit	nm	nm	nm	nm	nm
Net profit	nm	nm	nm	nm	nm
Adjusted EPS**	nm	nm	nm	nm	nm
Per-share data (KRW)					
EPS (parent-based)	-1,194	-39,988	-21,020	-7,821	-3,090
EPS (consolidated)	-936	-42,678	-25,592	-9,609	-6,800
Adjusted EPS**	-1,194	-39,988	-21,020	-7,821	-3,090
BVPS	368,608	340,367	319,663	310,729	306,594
DPS (common)	3,500	2,000	1,000	1,000	1,000
Valuations (x)					
P/E***	n/a	n/a	n/a	n/a	n/a
P/B***	0.4	0.2	0.2	0.2	0.2
EV/EBITDA	20.8	41.4	38.5	18.0	12.8
Ratios (%)					
ROE	-0.3	-11.4	-6.5	-2.5	-1.0
ROA	-0.1	-5.4	-3.2	-1.2	-0.9
ROIC	-0.2	-3.2	-2.8	-1.2	-0.6
Payout ratio	-295.0	-4.9	-4.7	-12.6	-31.9
Dividend yield (common)	2.3	3.3	1.4	1.4	1.4
Net debt to equity	29.3	41.1	44.6	48.1	47.2
Interest coverage (x)	-0.9	-2.1	-1.7	-1.0	-0.5

Note: *Excluding one-off items;
**Fully diluted, excluding one-off items;
***From companies subject to equity-method valuation

Source: Company data, Samsung Securities estimates

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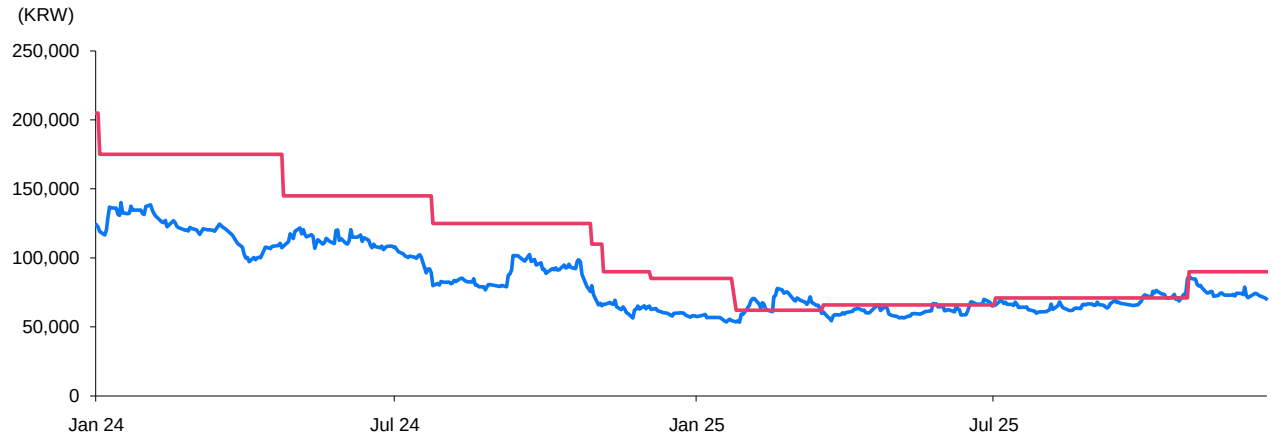
Target price changes in past two years



Rating changes over past two years (adjusted share prices)

Date	2023/11/10	2024/1/19	5/10	8/9	11/14	11/21	12/20	2025/2/10	4/4	7/18	11/13	12/31
Recommendation	BUY	BUY	BUY	BUY	BUY	BUY	BUY	HOLD	HOLD	HOLD	HOLD	HOLD
Target price (KRW)	205000	175000	145000	125000	110000	90000	85000	62000	66000	71000	90000	80000
Gap* (average)	-26.60	-31.14	-24.60	-29.79	-38.25	-29.01	-31.50	8.77	-6.29	-5.38	-16.66	
(max or min)**	-20.68	-19.94	-16.07	-18.08	-33.27	-22.89	-25.53	25.65	6.06	19.44	-5.33	

Note: * [(average, maximum, or minimum share price over duration of target price minus target price) / target price] x 100%
** Maximum/minimum share price if new target is higher/lower than market close on the business day prior to target price change

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Industry

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UNDERWEIGHT	Expected to underperform market by 5% or more within 12 months

* Note: Effective Jul 27, 2023, BUY, HOLD, and SELL criteria are based on expectations of share-price moves of 15% or more within 12 months

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