

# GAP (Hold)

**Current price: \$303.58, PT \$300.00**

**Flash: Expected to be the group with the greatest passenger growth during November**

Gap reported that total passengers in October showed an annual increase of 22.3% vs. 23.0%, comprised by an increase in domestic passengers of 21.6% and in international passengers of 23.3%, as a result of a good demand performance. It should be noted that total traffic increase at the 12 airports it operates in Mexico was 20.2% y/y, in line with our estimate of 20.0%.

On the other hand, the group mentioned that 8 new routes were opened during the month and that volume of seats offered rose 23.9% y/y, while annual increase in occupancy factor was 7.9pp to 80.3%.

**Neutral implication:** The solid performance of demand in Mexico, as well as the continued recovery in Jamaica, point to sustained growth in coming months. Notwithstanding the above, valuation levels at 11.4x FV/EBITDA (vs. 11.1x average of domestic peers) already reflect, in our view, much of the favorable outlook, so we reiterate Hold.

## Passenger traffic summary – November

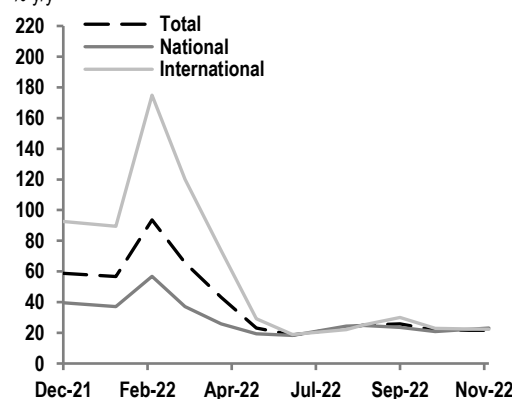
Figures in thousands

Airport	2021	2022	% Var
Guadalajara	1,164.8	1,433.8	23.1
Tijuana	894.9	1,118.6	25.0
Los Cabos	549.6	598.2	8.8
Puerto Vallarta	468.8	570.1	21.6
Montego Bay	271.0	375.9	38.7
Guanajuato	185.9	241.4	29.8
Hermosillo	156.9	182.9	16.6
Kingston	78.0	131.7	68.8
Mexicali	104.6	120.3	15.0
Morelia	82.2	111.3	35.4
La Paz	89.6	92.6	3.4
Aguascalientes	77.9	76.4	(2.0)
Los Mochis	36.5	38.8	6.1
Manzanillo	14.5	13.3	(8.0)
<b>Total</b>	<b>4,175.1</b>	<b>5,105.4</b>	<b>22.3</b>

Source: Banorte, Bloomberg, Gap.

## Gap – Passenger traffic – LTM

% y/y



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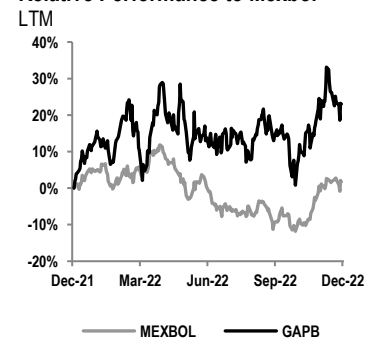
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## HOLD

Current Price	\$303.58
<b>PT</b>	<b>\$300.00</b>
Upside Potential	-1.2%
ADS Price	US\$154.01
PT ADS	US\$141.50
Shares per ADS	10
Max – Min LTM (\$)	339.0 – 247.4
Market Cap (US\$m)	7,773.2
Shares Outstanding (m)	505
Float	85%
Daily Turnover (\$m)	387.3
<b>Valuation metrics LTM</b>	
FV/EBITDA	11.4x
P/E	17.2x
<b>MSCI ESG Rating*</b>	<b>BB</b>

## Relative Performance to Mexbol



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Document for distribution among public

## Certification of Analyst.

We, Alejandro Padilla Santana, Juan Carlos Alderete Macal, Alejandro Cervantes Llamas, Manuel Jiménez Zaldívar, Marissa Garza Ostos, Katia Celina Goya Ostos, Francisco José Flores Serrano, José Luis García Casales, Víctor Hugo Cortes Castro, José Itzamna Espitia Hernández, Carlos Hernández García, Leslie Thalía Orozco Vélez, Hugo Armando Gómez Solís, Yazmín Selene Pérez Enríquez, Cintia Gisela Nava Roa, Miguel Alejandro Calvo Domínguez, Daniela Olea Suárez, José De Jesús Ramírez Martínez, Gerardo Daniel Valle Trujillo, Luis Leopoldo López Salinas, Isaías Rodríguez Sobrino, Paola Soto Leal and Daniel Sebastián Sosa Aguilar certify that the points of view expressed in this document are a faithful reflection of our personal opinion on the company (s) or firm (s) within this report, along with its affiliates and/or securities issued. Moreover, we also state that we have not received, nor receive, or will receive compensation other than that of Grupo Financiero Banorte S.A.B. of C.V for the provision of our services.

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	Reference
<b>BUY</b>	When the share expected performance is greater than the MEXBOL estimated performance.
<b>HOLD</b>	When the share expected performance is similar to the MEXBOL estimated performance.
<b>SELL</b>	When the share expected performance is lower than the MEXBOL estimated performance.

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## History of PT and Ratings

Stock	Date	Rating	PT
GAP	02/22/2022	Hold	\$300.00
GAP	10/27/2021	Buy	\$300.00
GAP	04/28/2021	Buy	\$245.00
GAP	02/24/2021	Mantener	\$233.00

## MSCI ESG Rating scale

CCC	B	BB	BBB	A	AA	AAA
LAGGARD			AVERAGE		LEADER	

\*The MSCI ESG Rating is an indicator that evaluates companies in Environment, Society and Governance (ESG) metrics.

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