

# Asia Pac Quant Panorama

## Cyclical momentum

### Asia cyclical stocks with Triple Momentum

The recent trough in the [Global Wave](#) is a positive signal for APxJ equities and cyclicals. One risk for a broad-based cyclical rally is Developed Market economies recover but the China economy does not. A stock screen that may be relevant in this environment is Boosters coupled with Triple Momentum. [Boosters](#) are stocks with style characteristics for an upturn, but some Boosters may rely on a China recovery. Triple Momentum highlights stocks that are currently in vogue. The combination of [Boosters with Triple Momentum](#) potentially avoids cyclicals that may not suit the current environment.

### Steady Compounds have started outperforming again

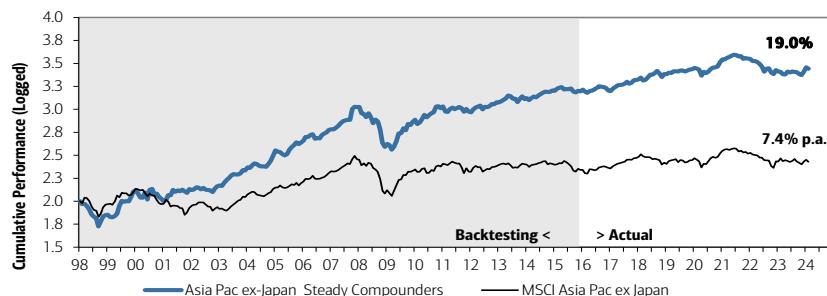
The Asia Pac ex-Japan [Steady Compounds](#) are stocks that have delivered stable and superior earnings growth over a ten-year period. This has been one of the best performing strategies over the long-term but has struggled as bond yields jumped in recent years. Now that falling inflation has placed downward pressure on bond yields, Steady Compounds have started outperforming again. In the last 12 months, the APxJ Steady Compounds have outperformed the MSCI APxJ Index by +16.5%.

### Triple Momentum = India, Tech, Bharti, TSMC

[Triple Momentum](#) (earnings, price, and news) highlights current and emerging themes. By country in APxJ, Triple Momentum is strongest for [India](#) and weakest for [Hong Kong](#). By sector, the signal is strongest for [Software](#) and [Tech Hardware](#). The stocks with the strongest Triple Momentum are Bharti (Airtel), TSMC, and Reliance Industries.

#### Chart 1: Asia Pac ex-Japan Steady Compounds Performance

The APxJ Steady Compounds have outperformed by 11.6% pa, on average.



Source: BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Trading ideas and investment strategies discussed herein may give rise to significant risk and are not suitable for all investors. Investors should have experience in relevant markets and the financial resources to absorb any losses arising from applying these ideas or strategies.

>> Employed by a non-US affiliate of BofAS and is not registered/qualified as a research analyst under the FINRA rules.

Refer to "Other Important Disclosures" for information on certain BofA Securities entities that take responsibility for the information herein in particular jurisdictions.

**BofA Securities does and seeks to do business with issuers covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.**

Refer to important disclosures on page 206 to 208.

12665374

29 February 2024

Quant Strategy  
Asia Pacific

**Nigel Tupper >>**  
Quant Strategist  
Merrill Lynch (Australia)  
+61 2 9226 5735  
nigel.tupper@bofa.com

**Amar Vashi >>**  
Quant Strategist  
Merrill Lynch (Australia)  
amar.vashi@bofa.com

**Sumuhan Shanmugalingam >>**  
Quant Strategist  
Merrill Lynch (Australia)  
sumuhani.shanmugalingam@bofa.com

Unless otherwise noted, all links on the front page of this report refer to sections in this research report.

#### Executive Summary

- Top-down: [Global Wave](#), [Earnings Policy](#).
- Stock: [Contenders & Defenders](#)
- Style: [Performance Boosters & Bunkers](#), [Speculation](#).
- [Steady Compounds](#)
- [Boosters by Investor type](#)
- [Valuations](#)
- [Country-Sector Allocation](#)
- The [APxJ Quant Strategy Fifty](#), The [AxJ Quant Strategy Fifty](#)
- [Geographic Revenue Exposure](#)
- [Pacific Positioning](#)
- [Global ProductPaedia](#)
- [NewsAlpha](#)
- [Tactical View](#)

# Contents

---

Executive Summary	4
Global Wave	7
Asia Pac ex-Japan Best Strategies	12
Global ProductPaedia	14
NewsAlpha	18
Early vs Late	23
Price Sensitivity to Earnings Trends and Bond Yields	24
Earnings Growth	25
Valuations	28
ROE Aggregates	30
Speculation	32
Inflation & Short Rates	34
Asia Pac ex-Japan Quantessential Styles	36
Asia Pac ex-Japan Style Performance	37
Steady Compounders	43
Asia Pac ex-Japan Boosters & Bunkers	49
Asia Pac ex-Japan Boosters by Investor Type	52
APxJ Contenders and Defenders	53
Geographic Revenue Exposure	54
Pacific Positioning	61
Country-Sector Allocation	65
Most Important Stocks	127
Additional Macro Indicators	131
USA Yield Curve Slope and Asia Pac Equity Performance	134
Cash - Over \$3 trillion	139
Margins	145
Sales Growth	147
Tactical View	149
Interest Rate Sensitivity	154
FX Sensitivity	158
Oil Price Sensitivity	165
Optimism Aggregates	168
Performance Opportunity	172
Institutional Investor Universe	174
Market Breadth	175
Seasonality	176
Global Quant Publications	204

## Notice to Readers:

The various screens identified in this report are intended to be indicative metrics only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. These screens were not created to act as a benchmark.

The screens in this report are not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

**Table 1: Acronyms and Definitions**

Acronyms used in this report and its definitions (full form)

Acronym	Definition (full form)
MSCI	Morgan Stanley Capital International
ACWI	All Country World Index
GEM	Global Emerging Markets
APxJ	Asia Pac ex-Japan
DM	Developed Markets
ex or Ex	Excluding
YoY	Year-on-year
YTD	Year-to-date
1m	1-month
3m	3-months
6m	6-months
12m	12-months
QE	Quantessential
EM	Earnings Momentum
PM	Price Momentum
PE	Price-to-Earnings (Forecast)
PB	Price-to-Book (Trailing)
OW	Overweight
UW	Underweight
Style Indices	Quantessential Value, Small Size and Growth are based on our monthly report on Styles. For more details on how these style indices are calculated please refer to Global Quantessential Style report
TE	Tracking Error = Tracking error (or active risk) quantifies how closely a screen tracks the index to which it is benchmarked. It is measured by the standard deviation of relative returns. The lower the tracking error (standard deviation) the better the screen tracks the returns of the index. Tracking error in this research is based on the monthly returns of the screens and the underlying index.
Name with *	Name with * represents non-benchmark stocks

**Source:** BofA Global Quantitative Strategy

BofA GLOBAL RESEARCH



# Executive Summary

## Key message

The Global Wave has signaled a trough in the global cycle. Following a trough signal, cyclical styles, regions and sectors tend to outperform, on average.

- The [Global Wave](#) has troughed, which is a positive signal for cyclical countries, sectors and styles within the region
- [Earnings](#) cycle has a strong relationship with the Global Wave and it could be the key for equity market performance in Asia
- [Valuations](#) are not at extremes in Asia Pac ex-Japan and equities could rally supported by favourable macro and earnings
- According to [positioning](#) analysis, the underweight in Asia could magnify returns post the trough in the Global Wave
- [Market leadership](#) suggests recent rotation towards cyclicals
- [Asia Pac ex-Japan Boosters](#) are stocks with style characteristics that tend to outperform when the Global Wave is rising

## The most interesting charts

- Trough in the Global Wave suggests rotating into [cyclical regions](#), [cyclical sectors](#) and [cyclical styles](#).
- [Earnings Revisions Ratio](#) in Asia Pac ex-Japan moderated from 0.63 to 0.60 in February as a fall in the India Ratio outweighed a jump in the Australia Ratio.
- [Positioning](#) analysis suggests long-only funds have maintained an underweight in APxJ. Funds reduced active exposure to India and China/HK in January.
- Stock-to-stock [correlations](#) have remained low, suggesting stock selection provides an opportunity to add alpha.
- [Buy-Backs](#) have been rising but [Capex Growth](#) is tapering.
- [Top-line](#) growth expectations have remained range-bound in Asia Pac ex-Japan.
- [Asian Exporters](#) have outperformed the MSCI APxJ index by +16.8% in the last 12 months.
- [Positive Oil Price Sensitive](#) stocks have outperformed Negative Oil Price Sensitive stocks by 2.6% in the last 12-months.
- [Broker Optimism](#) has remained at an all-time high in Asia.
- [Steady Compounds](#) are stocks which appear immune to the cycle.
- [The APxJ Quant Strategy Fifty](#) incorporates all aspects of our analysis with the aim of outperforming the MSCI Asia Pac ex-Japan.
- [ROE](#) in Asia Pac ex-Japan have moderated as profit margins fell.

## Asia Pac ex-Japan Quant Strategy Fifty

The Asia Pac ex-Japan Quant Strategy Fifty (incl Australia) reflects our macro views, bottom-up analysis, style tilts and valuation bias, and targets country-sector exposures relative to the MSCI Asia Pac ex-Japan index (refer to the methodology section for details).

**Table 2: Asia Pac ex Japan Quant Strategy Fifty**

50-stocks monthly screen that reflects our macro views, bottom-up analysis, style tilts and valuation bias

BBG Code	Company Name	Country	Sector	Market	ADTV	Weight	Beta	PE^	PB^*	Four Pillars	Bottom Up Rank	Top Down Rank	Style Rank	PE Rank	BofA Analyst
				Cap US\$m	US\$m										View
BEN AU	Bendigo Bank	AU	Banks	3,693	10	2%	1.18	8.9	0.7	64	98	26	56	76	Neutral
BOQ AU	BOQ	AU	Banks	2,624	11	2%	1.16	13.0	0.6	54	80	28	51	55	U/P
FLTAU	Flight Centre	AU	Cons. Discretionary	3,088	12	2%	1.32	18.1	3.5	60	78	74	55	35	Buy
MFG AU	Magellan Financial	AU	Div Financials	1,088	8	2%	1.38	12.9	1.4	55	45	71	48	56	U/P
BPT AU	Beach Energy	AU	Energy	2,503	9	2%	1.35	7.2	1.1	73	84	57	67	83	Neutral
TLX AU	Telix Pharmaceuticals	AU	Health Care	2,463	7	2%	1.69	34.5	25.0	62	74	93	69	13	---
WOR AU	Worley	AU	Industrials	5,160	16	2%	1.73	16.9	1.6	61	58	93	55	39	Buy
CIA AU	Champion Iron	AU	Materials	2,922	8	2%	1.56	8.9	2.9	81	98	97	55	74	Buy
PRU AU	Perseus Mining	AU	Materials	1,639	7	2%	1.25	7.2	1.2	77	84	91	51	82	---
LLCAU	Lendlease	AU	Real Estate	3,378	16	2%	1.04	9.5	0.7	53	47	35	60	71	---
3988 HK	Bank of China-H	CN	Banks	31,450	77	2%	0.41	3.5	0.4	69	100	29	51	95	Buy
1288 HK	Agricultural Bank-H	CN	Banks	11,875	33	2%	0.40	3.7	0.3	68	100	30	49	95	Buy
VIPS US	Vipshop-ADR	CN	Cons. Discretionary	7,372	50	2%	1.61	6.7	1.6	80	84	97	55	85	Buy
2333 HK	Great Wall Motor-H	CN	Cons. Discretionary	2,281	32	2%	1.48	7.0	1.3	74	68	95	49	84	Buy
1114 HK	Brilliance China Auto	CN	Cons. Discretionary	2,698	10	2%	1.05	2.7	0.4	73	50	91	52	97	---
175 HK	Geely Auto	CN	Cons. Discretionary	9,500	38	2%	1.85	9.5	1.1	72	65	98	54	72	---
168 HK	Tsingtao Brewery-H	CN	Cons. Staples	3,733	21	2%	1.00	10.8	2.3	62	64	78	40	66	Buy
1138 HK	COSCO Shipping Energy-H	CN	Energy	1,205	9	2%	0.35	4.9	1.0	78	70	86	63	92	Buy
1066 HK	Shandong Weigao-H	CN	Health Care	2,898	7	2%	0.70	7.1	1.4	74	68	99	45	83	---
152 HK	Shenz Intl Hldg	CN	Industrials	1,972	5	2%	1.02	4.6	0.5	86	100	89	62	92	---
2328 HK	PICC-H	CN	Insurance	8,579	32	2%	0.35	6.2	0.8	68	49	88	50	86	Buy
YY US	JOYY-ADR	CN	Media & Ent.	1,400	19	2%	1.12	8.0	0.5	74	67	91	60	79	Buy
992 HK	Lenovo	CN	Tech Hardware	12,675	59	2%	1.10	9.2	2.9	74	83	94	45	73	Neutral
1299 HK	AIA	HK	Insurance	89,498	237	2%	1.02	12.5	2.2	52	62	37	52	58	Buy
CUBK IN	City Union Bank	IN	Banks	1,293	8	2%	0.74	9.4	1.4	77	97	76	61	72	---
PNB IN	Punjab Natl	IN	Banks	15,169	64	2%	1.00	11.6	0.8	75	95	72	70	63	U/P
MOTHERSO IN	Sambardhana Motherson	IN	Cons. Discretionary	9,241	17	2%	1.67	20.5	2.8	70	89	96	65	30	Buy
MGFL IN	Manappuram Fin.	IN	Div Financials	1,881	24	2%	1.26	6.7	1.5	86	99	95	68	84	Buy
HPCL IN	Hindustan Petroleum	IN	Energy	7,913	32	2%	0.91	7.1	1.1	73	99	37	74	83	U/P
ARBP IN	Aurobindo Pharma	IN	Health Care	8,117	25	2%	0.68	19.0	2.2	65	90	79	59	33	Buy
ADSEZ IN	Adani Ports	IN	Industrials	30,719	82	2%	0.67	26.6	3.7	58	88	69	55	20	---
NMDC IN	NMDC	IN	Materials	7,758	33	2%	1.15	10.3	2.4	79	96	96	55	68	U/P
HCLT IN	HCL Technologies	IN	Software	51,382	42	2%	0.71	24.3	5.5	52	76	69	40	23	Neutral
BBNI IJ	Bank Negara	ID	Banks	13,591	17	2%	1.14	8.9	1.4	70	98	52	56	75	Buy
055550 KS	Shinhan Financial	KR	Banks	15,778	25	2%	0.91	4.5	0.4	72	85	57	55	92	Buy
000270 KS	Kia	KR	Cons. Discretionary	30,997	73	2%	1.34	4.6	0.8	73	85	62	51	92	Neutral
138040 KS	Meritz Financial	KR	Div Financials	10,687	17	2%	1.27	5.4	1.4	83	100	78	65	90	---
009540 KS	HD Korea Shipbuilding	KR	Industrials	6,019	15	2%	1.40	8.9	0.8	81	83	86	79	76	---
005930 KS	Samsung Electronics	KR	Tech Hardware	325,181	768	2%	1.12	15.2	1.4	69	92	81	57	45	Buy
009150 KS	SEMCO	KR	Tech Hardware	7,813	37	2%	1.45	14.3	1.3	53	44	65	53	49	Buy
CIMB MK	CIMB Group	MY	Banks	14,047	18	2%	0.78	9.0	0.9	74	98	72	52	74	Buy
DBS SP	DBS	SG	Banks	61,730	78	2%	0.87	8.2	1.5	66	83	59	44	78	Neutral
2891 TT	CTBC Financial	TW	Banks	17,800	32	2%	0.83	9.5	1.3	68	97	43	60	71	Buy
2330 TT	TSMC	TW	Semiconductor	520,307	504	2%	1.41	16.3	4.7	60	91	65	43	41	Buy
6239 TT	Powertech	TW	Semiconductor	3,529	18	2%	0.94	14.6	1.6	59	93	50	43	48	Neutral
3034 TT	Novatek Micro	TW	Semiconductor	9,935	60	2%	1.24	13.1	5.0	59	80	59	40	55	Buy
6488 TT	Globalwafers	TW	Semiconductor	8,051	24	2%	1.91	14.3	3.8	59	44	100	41	49	Buy
2458 TT	Elan Microelectronics	TW	Semiconductor	1,456	15	2%	0.97	18.1	5.3	58	90	60	48	35	---
2327 TT	Yageo Corp	TW	Tech Hardware	7,463	34	2%	1.76	10.4	1.8	77	96	94	51	67	Neutral
3044 TT	Tripod Technology	TW	Tech Hardware	3,149	50	2%	0.91	11.9	2.3	71	95	72	56	61	---
Portfolio	Average			28,134	57	100%	1.12	11.1	2.2	69	81	72	55	66	
Portfolio	Median			7,611	24	100%	1.12	9.5	1.4	70	85	75	55	72	

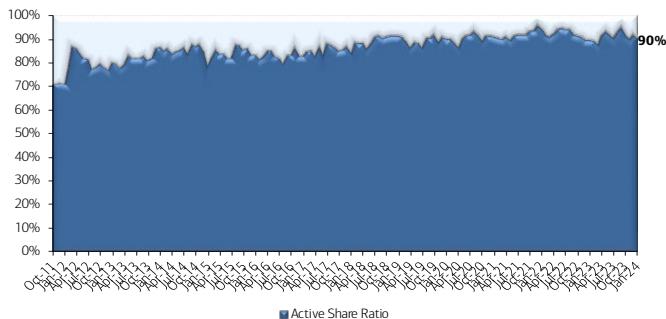
Source : BofA Asia Pac Quantitative Strategy Note: \* ADTV= Average Daily Turnover ^ Forward PE ^\* Trailing PB Stocks BOLD = New to portfolio this month For relegated stocks, please refer to appendix V. BofA Fundamental Analyst Recommendation as at 23 Feb 2024. The BofA Fundamental analysts' stock recommendations are included for informational purposes only and are not used in this Quantitative model.

BofA GLOBAL RESEARCH



## Chart 2: Asia Pac ex-Japan Quant Strategy Fifty – Active Share Ratio

The ASR of APxJ Quant Fifty is 90%



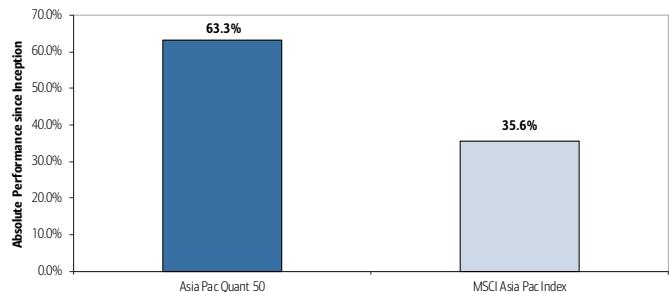
Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

## Chart 3: Asia Pac ex-Japan Quant Fifty vs MSCI Asia Pac ex-Japan:

Perf since inception (Feb-11)

APxJ Quant Fifty has outperformed MSCI APxJ index by 28% since inception

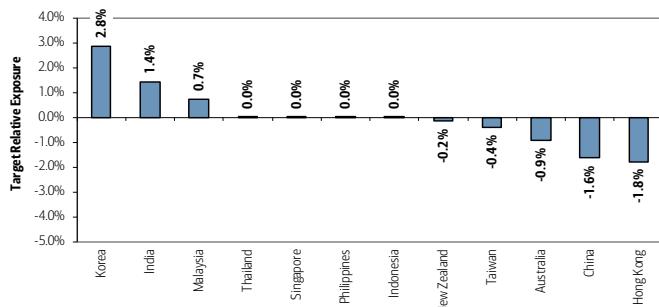


Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

## Chart 4: Target country weights relative to MSCI Asia Pac ex-Japan Index

APxJ Quant Fifty is most overweight Korea and India

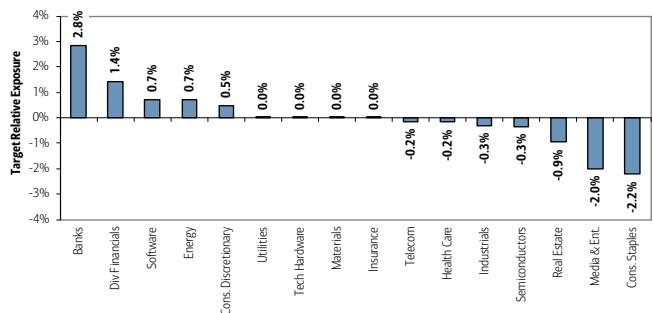


Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

## Chart 5: Target sector weights relative to MSCI Asia Pac ex-Japan Index

APxJ Quant Fifty is most overweight Banks and Div Financials sectors

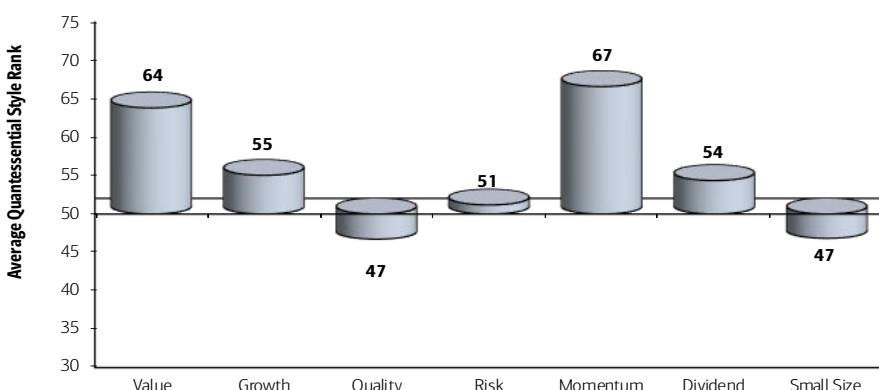


Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

## Chart 6: Style tilts of Asia Pac ex Japan Quant Strategy Fifty

APxJ Quant Fifty is most overweight Momentum and Value



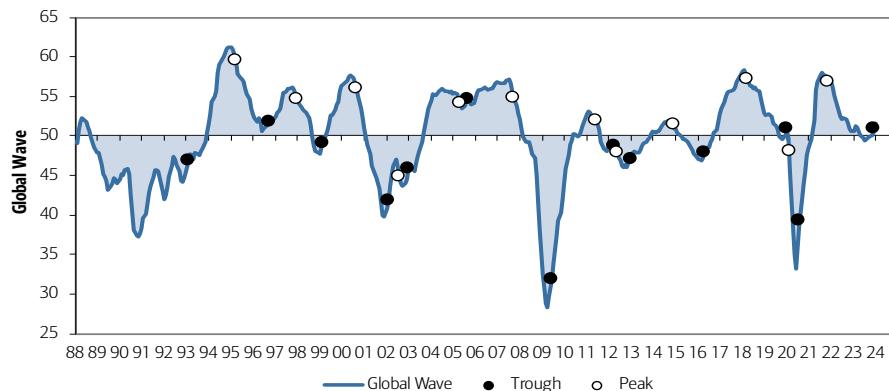
Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

# Global Wave

## Chart 7: Global Wave

The Global Wave trough signal is positive for equities and cyclical assets



Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database  
The sentiment indicator identified as the Global Wave above is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. This sentiment indicator was not created to act as a benchmark.

BofA GLOBAL RESEARCH

## Table 3: Components of the Global Wave

The Global Wave is an amalgamation of seven components representing various aspects of the global economy

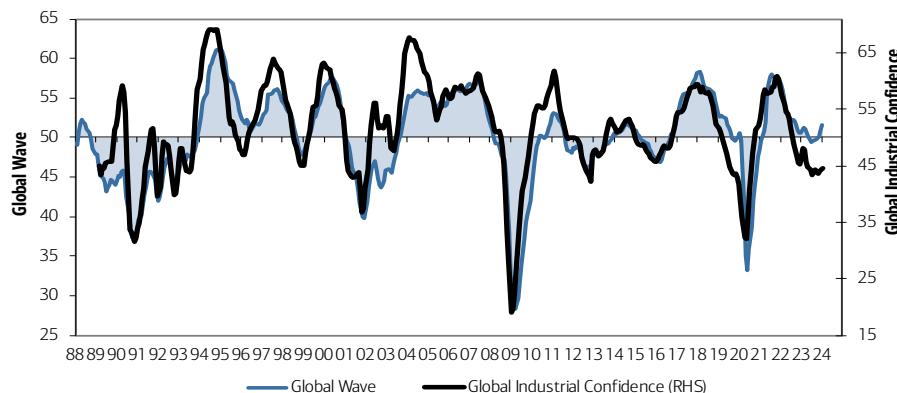
Components	Type
Global Industrial Confidence	Output
Global Consumer Confidence	Demand
Global Capacity Utilisation	Investment
Global Unemployment	Labour Market
Global Producer Prices	Prices
Global Credit Spreads	Bond Market
Global Earnings Revision Ratio	Equity Market

Source : BofA Global Quantitative Strategy

BofA GLOBAL RESEARCH

## Chart 8: Global Industrial Confidence

Global Industrial Confidence component improved last month

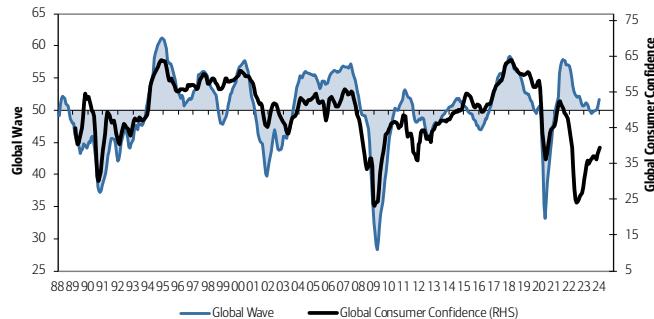


Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 9: Global Consumer Confidence

Global Consumer Confidence indicator contributed positively last month

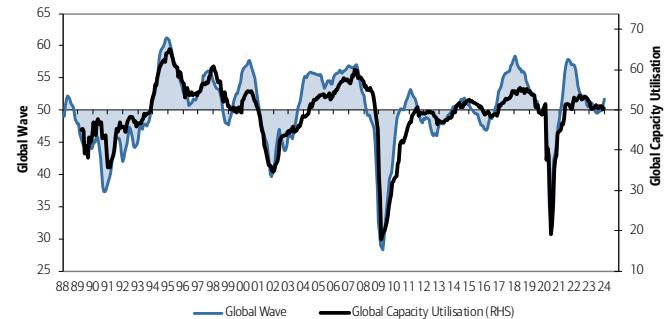


Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 10: Global Capacity Utilisation

Global Capacity Utilisation component improved last month

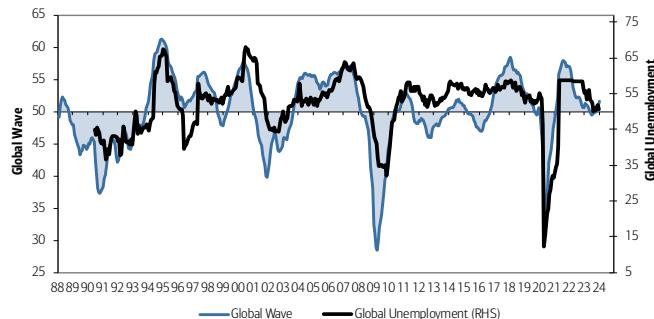


Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 11: Global Unemployment

Global Unemployment indicator contributed negatively last month

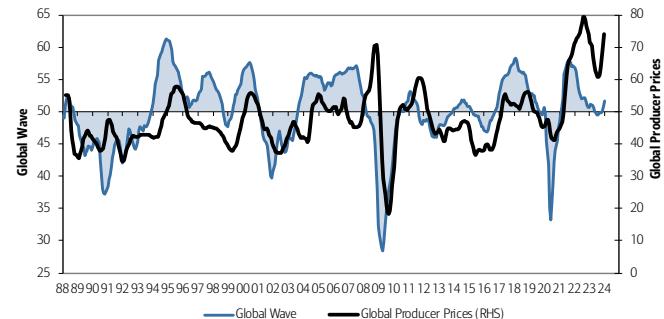


Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 12: Global Producer Prices

Global Producer Prices indicator contributed positively last month

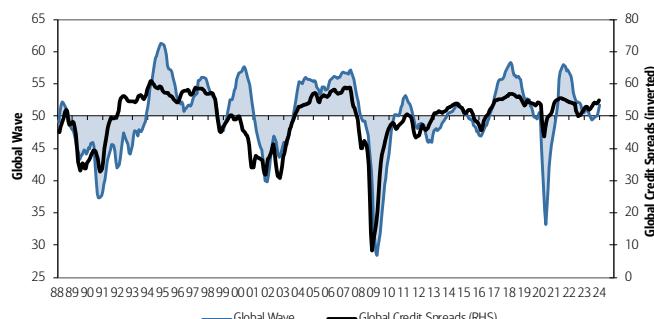


Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 13: Global Credit Spreads

Global Credit Spreads indicator contributed positively last month

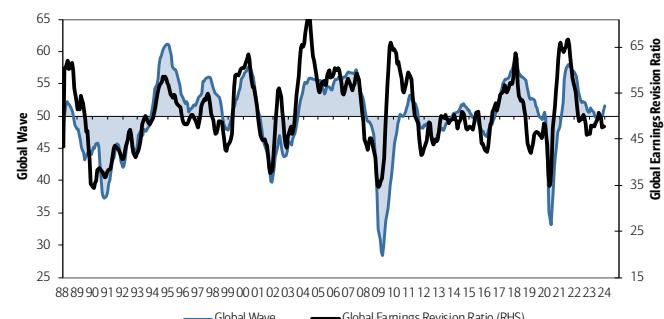


Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 14: Global Earnings Revision Ratio

The 3M Ratio improved from 0.73 to 0.74 which contributed positively



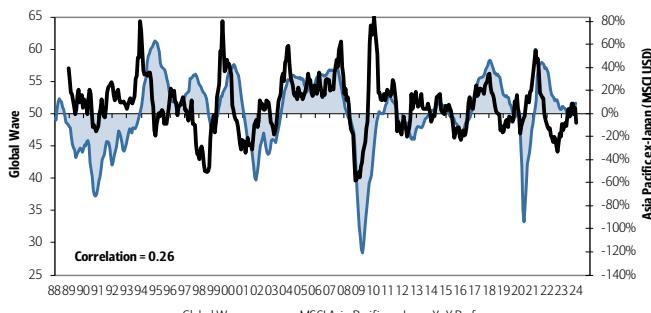
Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

## Performance post Global Wave peaks and troughs

### Chart 15: YoY Asia Pac ex-Japan Equity Market Performance versus the Global Wave

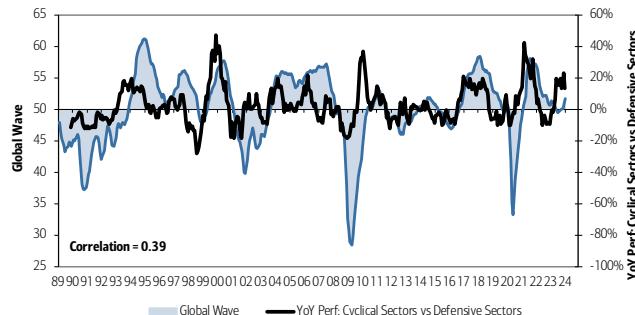
APXJ equities have a positive correlation with the Global Wave



BofA GLOBAL RESEARCH

### Chart 17: Global Wave and YoY Perf of Sector Rotation Strategy

Cyclical sectors tend to outperform when the Global Wave is rising

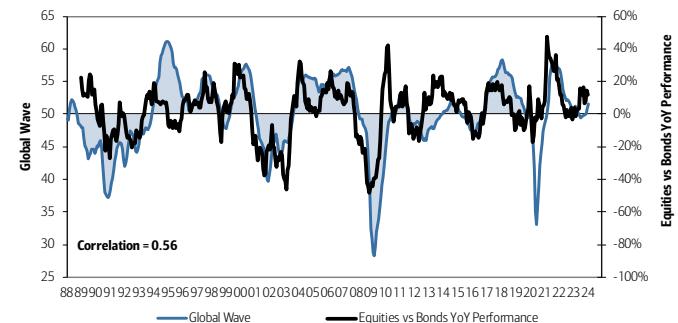


BofA GLOBAL RESEARCH

Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

### Chart 16: Global Wave and Equities vs Bonds

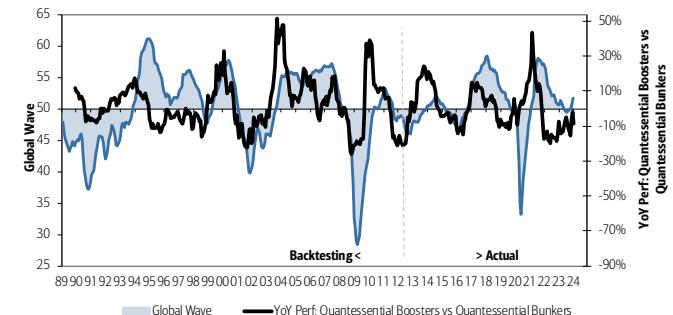
Equities have a strong correlation with the Global Wave



BofA GLOBAL RESEARCH

### Chart 18: Global Wave and YoY Perf of Style Rotation Strategy

Quantessential Bunkers outperforms, on average during falling Global Wave



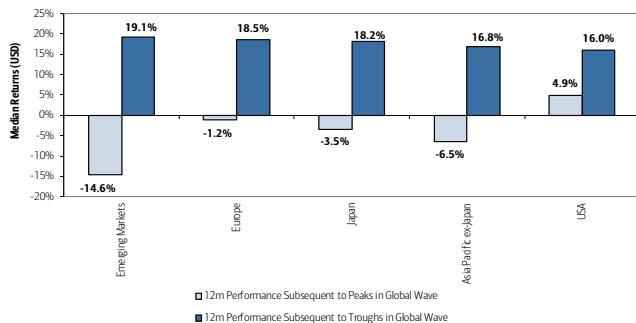
BofA GLOBAL RESEARCH

Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database, S&P, Worldscope  
Back-tested results are from Jan-89 to Feb-12. Actual performance is from Mar-12. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.



### Chart 19: Regional performance (USD) post peaks and troughs in the Global Wave

Emerging Markets is the best performing region in the subsequent 12m post trough in the Global Wave

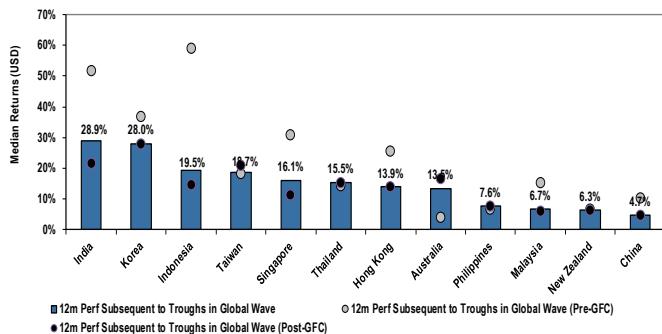


**Source :** BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 21: Asia Pac ex-Japan Country performance (USD) post troughs in the Global Wave

India and Korea have the best returns in next 12m post troughs in the Global Wave

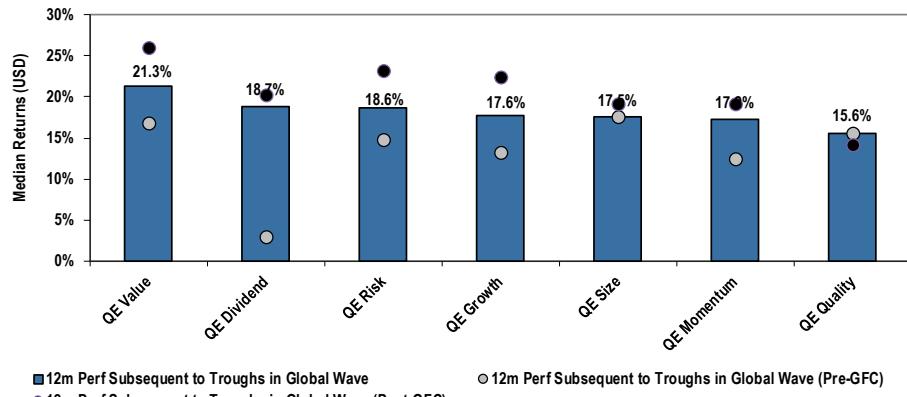


**Source :** BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 23: Asia Pac ex-Japan Style performance (USD) post troughs in the Global Wave

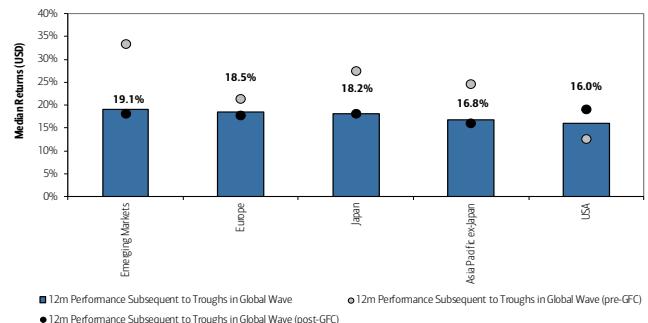
Value has the best returns in next 12m post troughs in the Global Wave



**Source :** BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

### Chart 20: Regional performance (USD) post troughs in the Global Wave (pre and post GFC)

Pre-GFC, EM had the best returns in 12m following troughs in the Global Wave, however post-GFC, the USA has the best returns

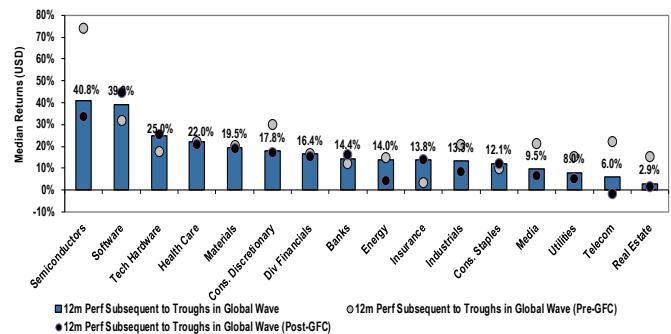


**Source :** BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 22: Asia Pac ex-Japan Sector performance (USD) post troughs in the Global Wave

Tech sectors have the best returns in next 12m post troughs in the Global Wave



**Source :** BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

**Table 4: MSCI Asia Pac ex-Japan Subsequent Performance and Global Wave Trough Signals**

MSCI Asia Pac ex-Japan returns +16.8% in 12-months post troughs in the Global Wave

Global Wave Trough Dates	Subs 1-month	Subs 3-months	Subs 6-months	Subs 1-year
	MSCI Asia Pac xJ Index returns			
Feb-93	1%	11%	19%	55%
Oct-96	4%	5%	0%	-27%
Mar-99	16%	24%	16%	34%
Feb-02	5%	6%	-6%	-13%
Jan-03	-3%	-1%	16%	47%
Sep-05	-6%	4%	11%	16%
Jun-09	12%	22%	29%	18%
Apr-12	-11%	-4%	0%	10%
Feb-13	-2%	-4%	-10%	-4%
Jun-16	5%	9%	3%	22%
Feb-20	-14%	-6%	12%	36%
Sep-20	2%	19%	22%	14%
<b>Median</b>	<b>1.7%</b>	<b>5.2%</b>	<b>11.8%</b>	<b>16.8%</b>
<b>Hit Rate</b>	<b>58%</b>	<b>67%</b>	<b>75%</b>	<b>75%</b>
<b>Pre-GFC</b>	<b>2.7%</b>	<b>5.2%</b>	<b>13.5%</b>	<b>24.6%</b>
<b>Post-GFC</b>	<b>0.3%</b>	<b>2.3%</b>	<b>7.6%</b>	<b>16.1%</b>

Source : BofA Global Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

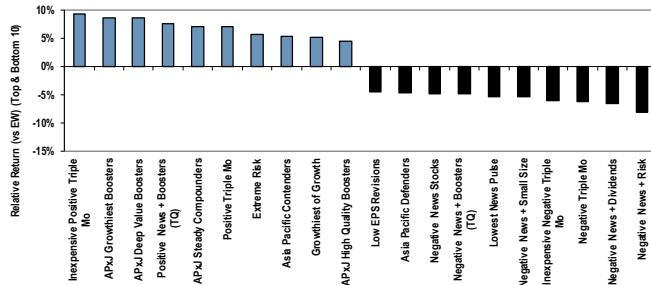


# Asia Pac ex-Japan Best Strategies

## Last 18 Years

### Chart 24: Annualized Relative Returns in the last 18 years (Top & Bottom 10); includes backtested and actual performance

The best factor in the last 18 years is Inexpensive Positive Triple Mo



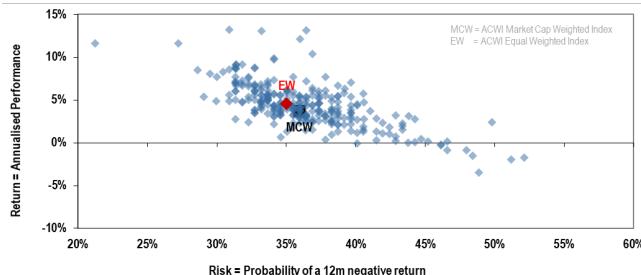
**Source:** BofA Asia Pac Quantitative Strategy, MSCI, IBES, Bloomberg

Back-tested results are from the start date of a particular strategy to date of inception as indicated in Tables 11-16. Actual performance is from date of inception of a particular strategy. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 25: Risk-Return of all strategies in the last 18 years; includes backtested and actual performance

All factors with risk and return metrics in the last 18 years



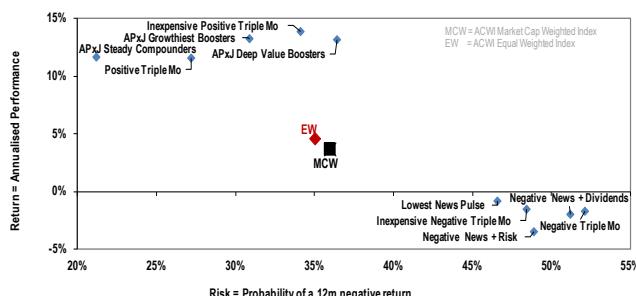
**Source:** BofA Asia Pac Quantitative Strategy, MSCI, IBES, Bloomberg

Back-tested results are from the start date of a particular strategy to date of inception as indicated in Tables 11-16. Actual performance is from date of inception of a particular strategy. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 26: Risk-Return of strategies in the last 18 years (Top & Bottom 5); includes backtested and actual performance

APxJ Steady Compounders have the best risk-return characteristics



**Source:** BofA Asia Pac Quantitative Strategy, MSCI, IBES, Bloomberg

Back-tested results are from the start date of a particular strategy to date of inception as indicated in Tables 11-16. Actual performance is from date of inception of a particular strategy. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

Eighteen years is the longest period for which we have non-traditional data (such as News) to compare with traditional data. Over this period, we have data on 280 Asia Pac ex-Japan investment strategies. This period includes market downturns, bull markets, and an extended period of low growth.

- The best performing strategies in the last 18 years would have been dominated by Growth, News and Value.
- The best performing strategy would have been “Inexpensive Positive Triple Momentum”.
- The eight worst performing strategies would have included a “Negative News” component.

• There is a huge spread of risk-returns metrics for strategies over this time period, with a few standout strategies.

• Over this period, the Equal Weighted Index outperformed the MCap Index.

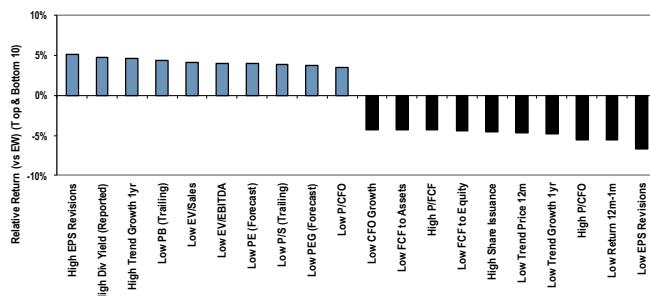
This chart shows the Top 5 and Bottom 5 strategies based on Risk-Return metrics over the Last 18 years.

- The high-return, low-risk strategies would have included “APxJ Steady Compounders”, Boosters strategy (“APxJ Growthiest Boosters”, “APxJ Deep Value Boosters”), and positive news (“Positive Triple Momentum”, “Inexpensive Positive Triple Mo”)
- All low-return, high-risk strategies include factors relating to the negative news.

## Last 33 Years

### Chart 27: Annualized Relative Returns in the last 33 years (Top & Bottom 10); includes backtested and actual performance

The best factor in the last 33 years is High EPS Revisions



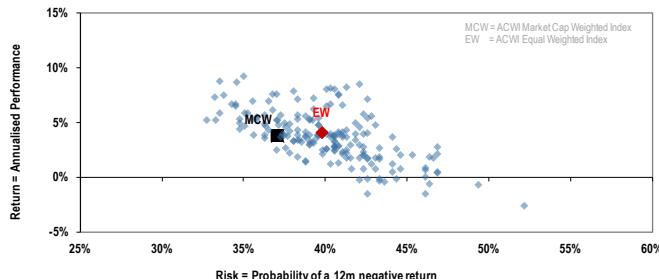
**Source:** BofA Asia Pac Quantitative Strategy, MSCI, IBES, Bloomberg

Back-tested results are from the start date of a particular strategy to date of inception as indicated in Tables 11-16. Actual performance is from date of inception of a particular strategy. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 28: Risk-Return of all strategies in the last 33 years; includes backtested and actual performance

All factors with risk and return metrics in the last 33 years



**Source:** BofA Asia Pac Quantitative Strategy, MSCI, IBES, Bloomberg

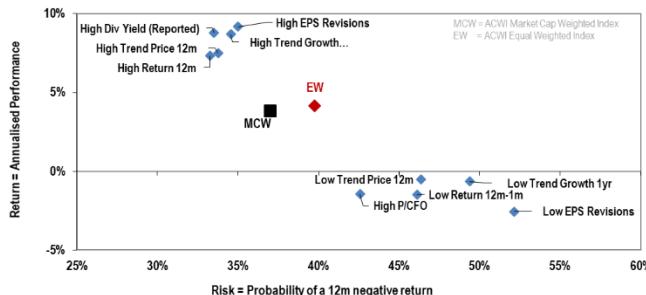
Back-tested results are from the start date of a particular strategy to date of inception as indicated in Tables 11-16. Actual performance is from date of inception of a particular strategy. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 29: Risk-Return of strategies in the last 33 years

#### (Top & Bottom 5); includes backtested and actual performance

High Div Yield (Reported) have the best risk-return characteristics



**Source:** BofA Asia Pac Quantitative Strategy, MSCI, IBES, Bloomberg

Back-tested results are from the start date of a particular strategy to date of inception as indicated in Tables 11-16. Actual performance is from date of inception of a particular strategy. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

The longest time span in our analysis is 33 years, for which we have data on 181 Asia Pac ex-Japan investment strategies. This period includes a number of global recessions, bull markets, extended periods of strong growth, and periods of low growth.

- The best performing strategies over the full 33-years would have been tilted towards Growth and inexpensive valuation. "High EPS Revisions" would have been the best performer.
- The worst performing strategies would have been tilted towards weak Growth and expensive valuation. The worst strategy would have been "Low EPS Revisions". High Share Issuance also makes the list.

• There is a large spread of risk-returns metrics for strategies over this time period.

• Over this period, the MCap Weighted Index performed similarly to the Equal-Weighted index but with a lower level of risk.

This chart shows the Top 5 and Bottom 5 strategies based on Risk-Return metrics over the last 33 years.

- The high-return, low-risk strategies would have included "High Dividend Yield", positive momentum factors ("High Trend Price 12m", "High Return 12m"), and growth-related factors ("High EPS Revisions", "High Trend Growth 1yr").
- The low-return, high-risk strategies include factors relating to expensive valuations, weak price momentum, and negative earnings revisions to consensus estimates.



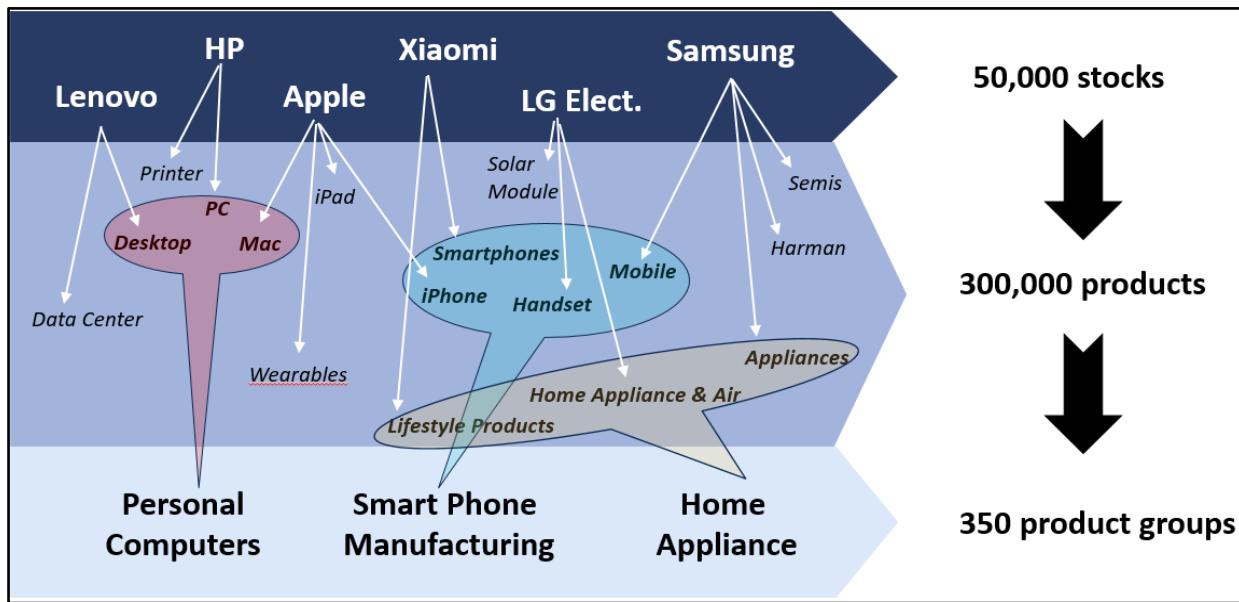
# Global ProductPaedia

In the monthly “Global ProductPaedia” report, we identify investment trends based on products as an alternative approach to analysing equity markets by sector, industry, country, region, or style. The popular and widely used GICS classification divides stocks into 11 major sectors, 24 industry groups, 69 industries, and 158 sub-industries, but even the most granular level isn’t detailed enough to pinpoint revenue by product. Using data since 2012, we have categorized 50,000 stocks globally into 298 Product Groups based on product revenue exposure.

We calculate the performance of each product group and identify associated stocks in order to help investors identify opportunities. Using our analysis, we screen for investment ideas including Emerging Products, Market Share Gainers, and Pure Product Exposure. For each product group, we monitor historical trends in earnings expectations, calculate style characteristics, determine the News Pulse hotspots, calculate fund manager positioning, map supply chains dynamics, and determine whether stock exposure would have been best gained through the product, customers or suppliers. In addition, an analysis of suppliers and customers facilitates a deeper understanding of supply-chain dynamics.

**Chart 30: Traditional Segmentation vs Global ProductPaedia**

Global ProductPaedia associates stocks with every product from which the company derives revenue



Source : BofA Global Quantitative Strategy

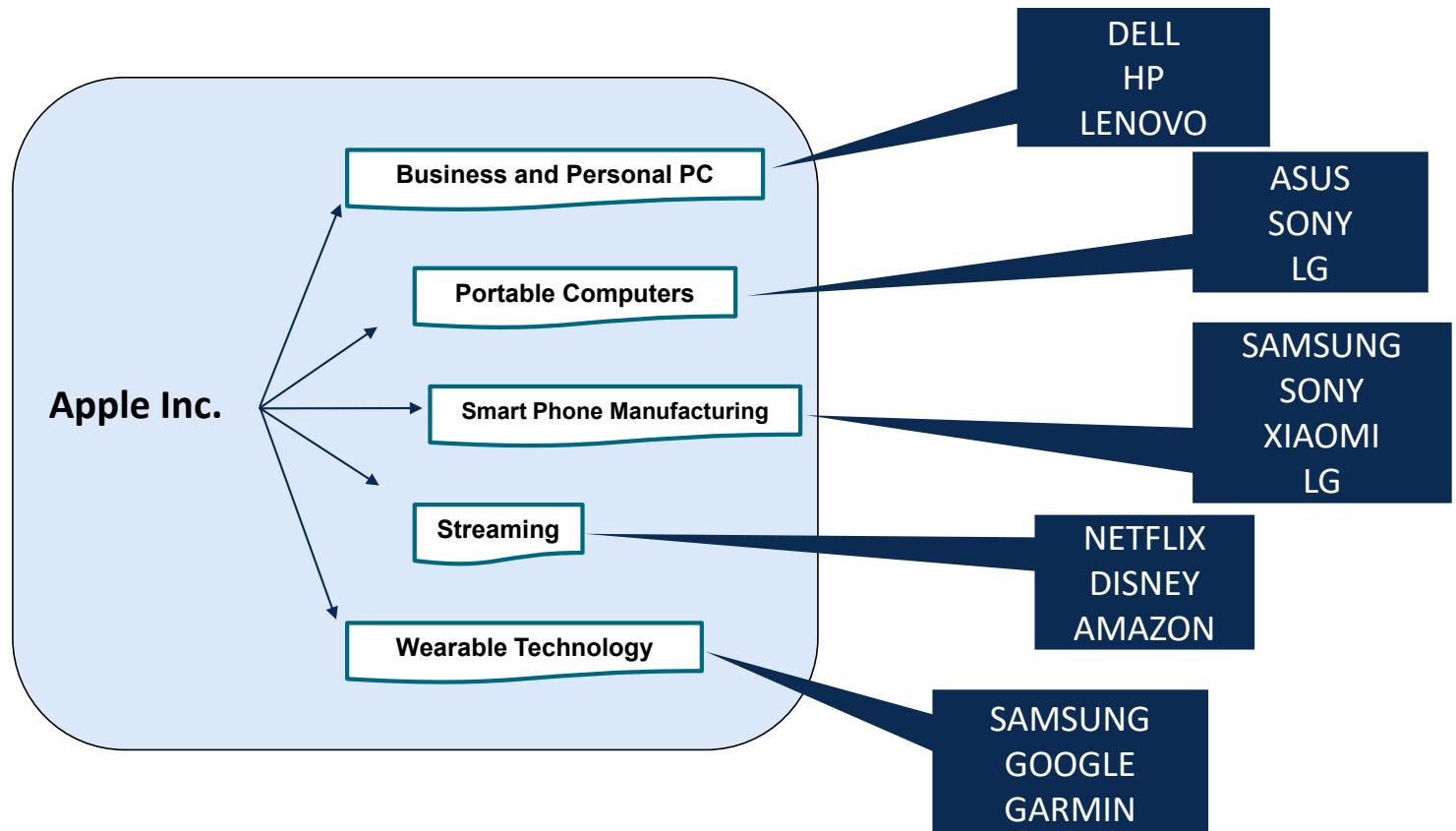
BofA GLOBAL RESEARCH

In addition to being more granular, this Product analysis associates each stock to all Products from which it generates revenue (rather than just one GICS sector).

For example, Apple generates revenue from multiple Products including Smart Phone Manufacturing, Streaming, and Wearable Technology, Portable Computers and Business and Personal PC's. In Global ProductPaedia, we identify all market players associated with the same products as Apple. For e.g. Dell and HP in Business and Personal PC, Samsung and Xiaomi in Smart Phone Manufacturing, or Samsung and Garmin in Wearable Technology.

### Chart 31: Practical use of ProductPaedia

Identify all market players by Products



Source : BofA Global Quantitative Strategy

BofA GLOBAL RESEARCH

**Table 5: Products and GICS Classification Summary**

Count of Products and GICS Sub-Industry across each Sector

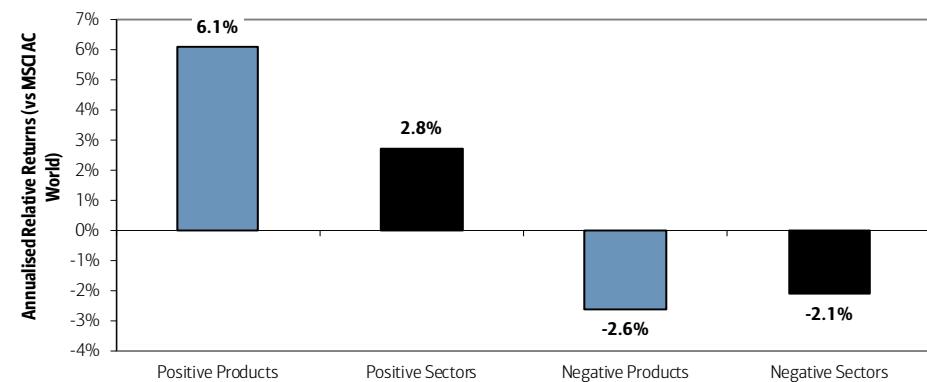
Sector	Sub-Industry Count	ProductPaedia Products
Communication Services	11	17
Consumer Discretionary	27	63
Consumer Staples	12	20
Energy	7	23
Financials	18	24
Health Care	10	33
Industrials	27	63
Information Technology	12	55
Materials	17	32
Real Estate	18	4
Utilities	6	11

Source : BofA Global Quantitative Strategy, MSCI, IBES, Factset

BofA GLOBAL RESEARCH

**Chart 32: Performance of Product Allocation vs Sector Allocation based on Four Pillars**

Since inception, Product Allocation would have added 8.7%. Sector Allocation would have added 4.9% p.a.



Source : BofA Global Quantitative Strategy, Factset

This performance is back-tested for period from Jan-14 to Feb-23. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

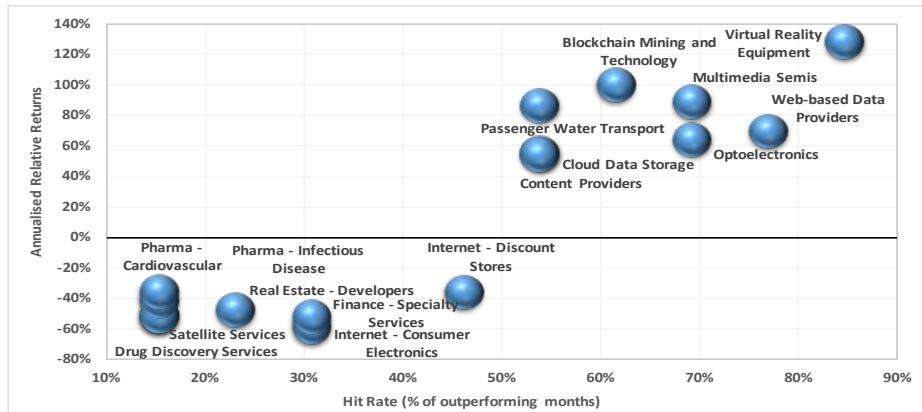
BofA GLOBAL RESEARCH

## Products Performance

Based on data since 2012, we calculate the relative (MSCI AC World Index) performance of each Product Group to understand which would have been the best and worst performing products groups over various time periods. We also calculate consistency of relative performance based on the proportion of months a Product Group would have outperformed the MSCI All Country World Index.

### Chart 33: Performance and Consistency: Best & Worst Performing Products - Last 12-Months

Virtual Reality Equipment and Blockchain Mining and Technology have consistently outperformed in the last 12m

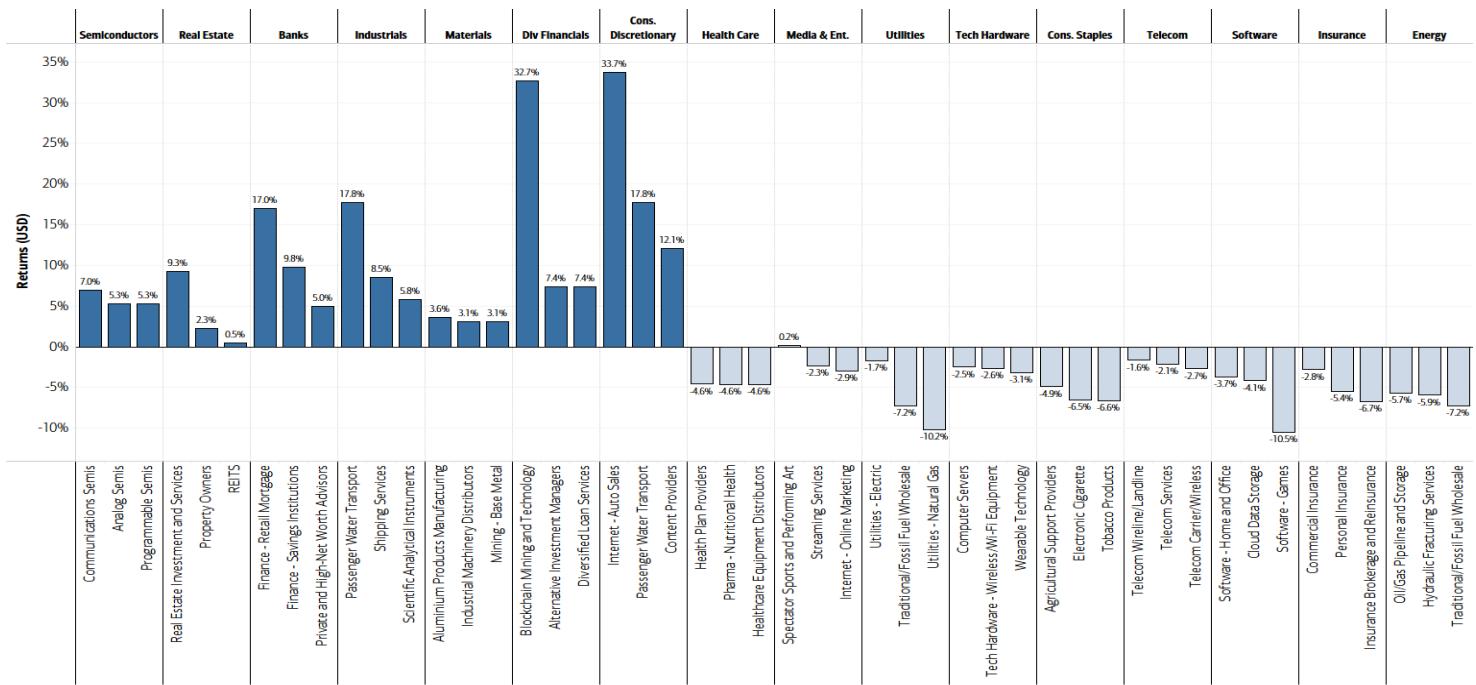


Source : BofA Global Quantitative Strategy, Factset

BofA GLOBAL RESEARCH

### Chart 34: Products Performance by Sectors - Last Month

Internet - Auto Sales was the best performing product last month



■ Three best performing Products in the outperforming global sectors

■ Three worst performing Products in the underperforming global sectors

Source : BofA Global Quantitative Strategy, MSCI, IBES, Factset

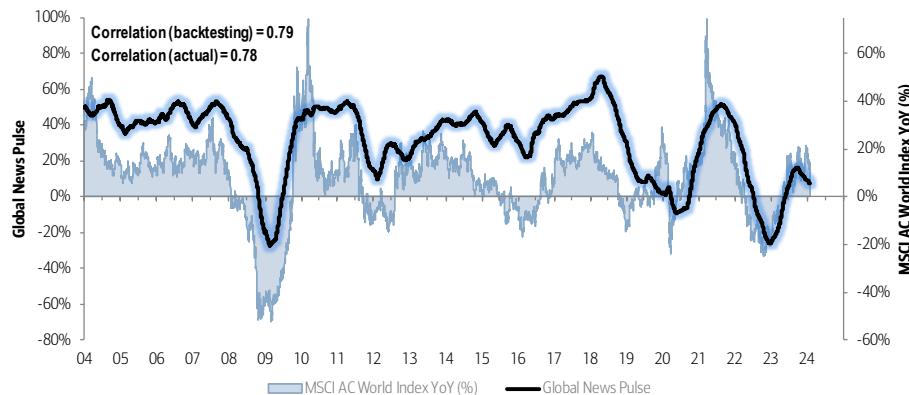
BofA GLOBAL RESEARCH



# NewsAlpha

## Chart 35: Global News Pulse and YoY Change in MSCI AC World Index

9% of news is positive

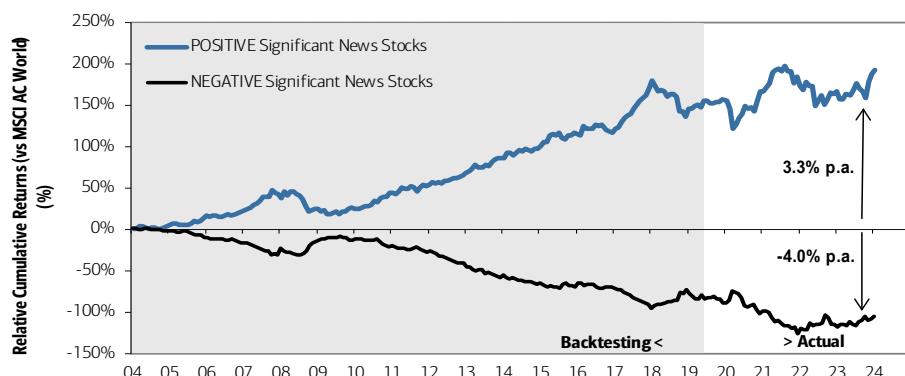


Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

BofA GLOBAL RESEARCH

## Chart 36: Relative cumulative returns of Global POSITIVE Significant & NEGATIVE Significant News Stocks

Positive Significant News outperformed ACWI by 3.3% p.a.



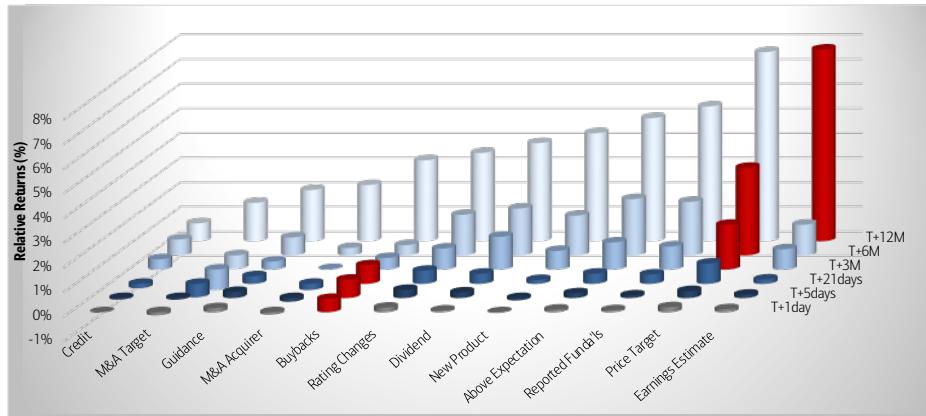
Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

This performance is back-tested and does not represent the actual performance of any account or fund. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 37: Average Relative Returns of POSITIVE Significant News Events by different holding period (back-tested 2000-2019)

News around fundamentals have performed the best on a long-term horizon



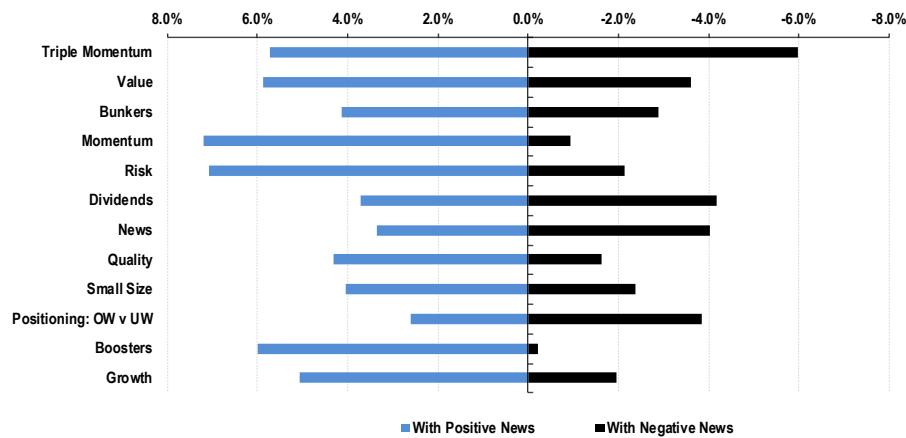
Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

This performance is back-tested and does not represent the actual performance of any account or fund. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 38: News + Screen Performance: Annualised Relative Returns (sorted by largest diff in returns)

News enhances Alpha in all types of analysis



Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

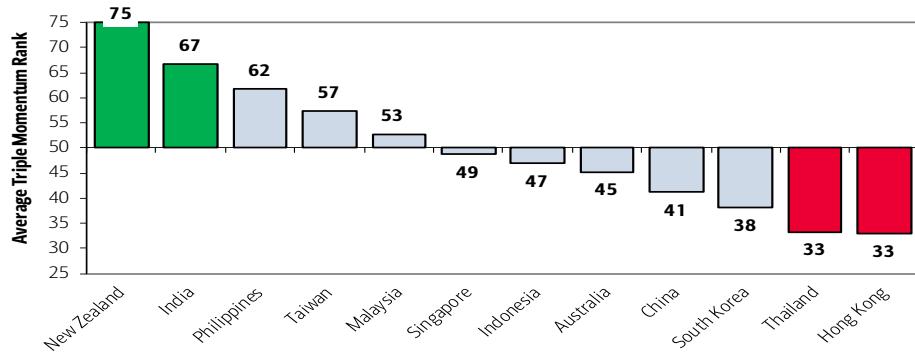
Back-tested results are from Jan-04 to May-20. Actual performance is from Jun-20. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

## Triple Momentum

**Chart 39: Asia Pac ex-Japan Countries - Average Triple Momentum Rank**

Triple Momentum is currently strongest for India among major countries

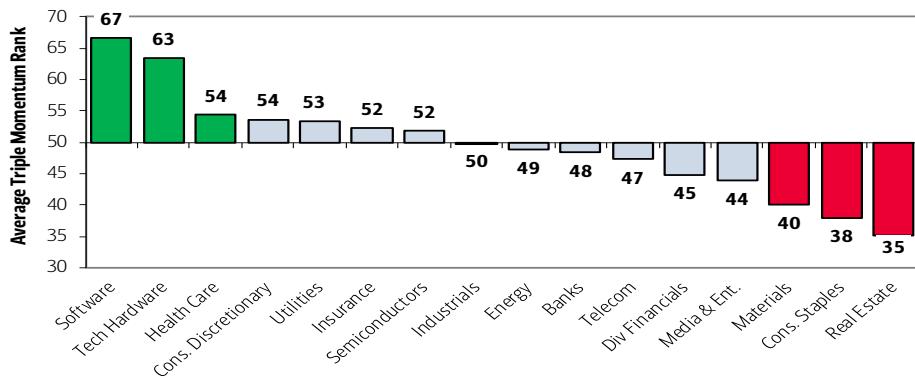


Source : BofA Global Quantitative Strategy, MSCI, IBES, FactSet, RavenPack

BofA GLOBAL RESEARCH

**Chart 40: Asia Pac ex-Japan Sectors - Average Triple Momentum Rank**

Triple Momentum is currently strongest for Software, Tech Hardware and Health Care



Source : BofA Global Quantitative Strategy, MSCI, IBES, FactSet, RavenPack

BofA GLOBAL RESEARCH

**Table 6: Asia Pac (including Japan) Cyclical Stocks with high Triple Momentum**

Asia Pac including Japan cyclical stocks with above average Boosters and Triple Momentum Ranks with a BofA Buy Rating

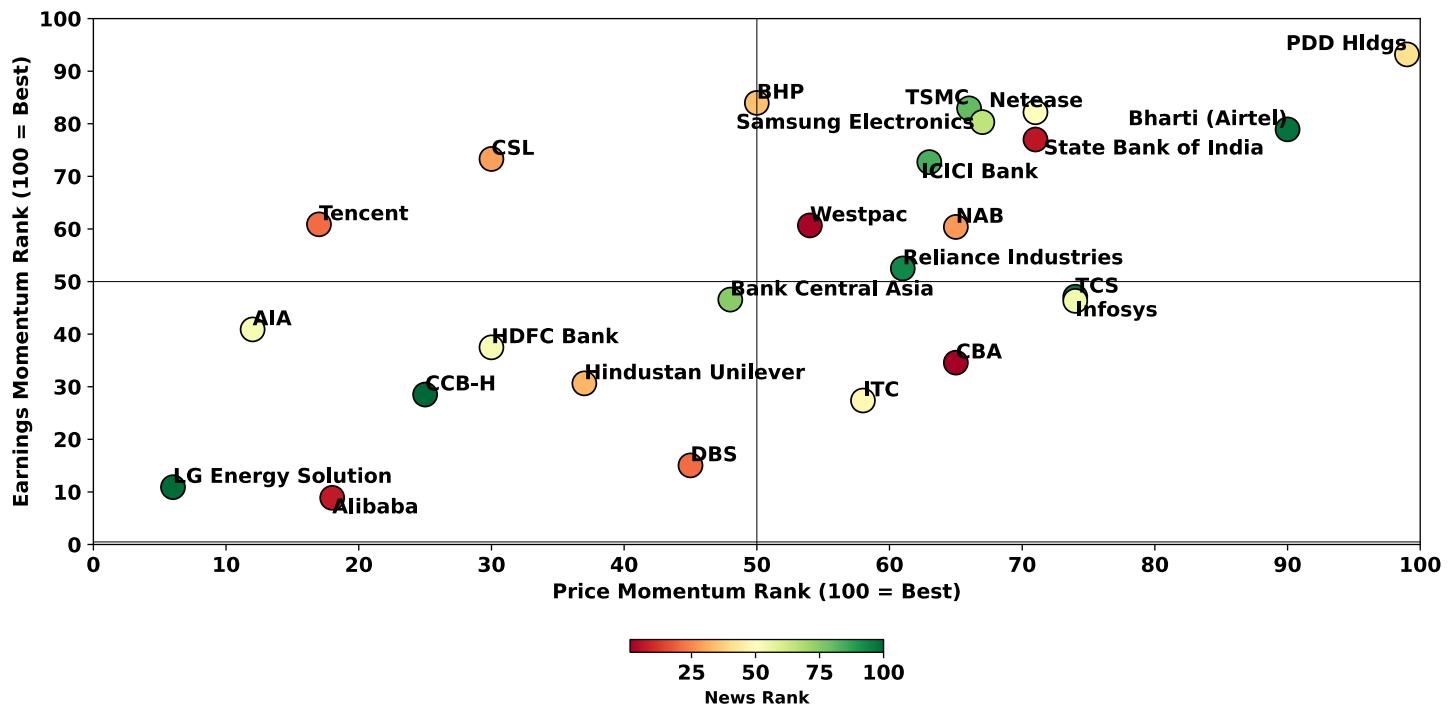
Company Name	BBG Code	Country	Sector	MCAP (Total \$USm)	Avg Daily TO (6m \$US m)	BofA Ratings	Triple Momentum	
							Boosters Ranks	Rank
Lasertec	6920JP	Japan	Semiconductors	25,257	2,263.6	Buy	67	98
Asustek	2357TT	Taiwan	Tech Hardware	10,706	73.3	Buy	83	96
Wistron	3231TT	Taiwan	Tech Hardware	11,513	347.5	Buy	67	94
TDK	6762JP	Japan	Tech Hardware	20,295	83.5	Buy	75	91
Naver	035420KS	South Korea	Media & Ent.	25,443	118.8	Buy	67	90
Quanta	2382TT	Taiwan	Tech Hardware	31,410	393.6	Buy	61	89
Samsung Electronics	005930KS	South Korea	Tech Hardware	333,040	767.7	Buy	68	87
Manappuram Fin.	MGFLIN	India	Div Financials	1,870	24.1	Buy	90	85
NEC	6701JP	Japan	Software	17,346	65.0	Buy	92	81
Xero	XROAU	New Zealand	Software	11,036	30.0	Buy	90	73
Nomura	8604JP	Japan	Div Financials	17,016	57.9	Buy	93	72
ORIX	8591JP	Japan	Div Financials	24,891	73.3	Buy	68	72
Hybe	352820KS	South Korea	Media & Ent.	6,272	46.0	Buy	95	55

Source : BofA Global Quantitative Strategy, MSCI, IBES, S&amp;P, Worldscope, Bloomberg, RavenPack

BofA GLOBAL RESEARCH

**Chart 41: Asia Pac ex-Japan: Earnings Momentum (vertical axis), Price Momentum (horizontal axis), News Momentum (colour)**

Triple Momentum is most positive for Bharti (Airtel), TSMC and Reliance Industries



Source : BofA Global Quantitative Strategy, MSCI, IBES, FactSet, RavenPack

BofA GLOBAL RESEARCH



## Asia Pac ex-Japan & Countries News Pulse

### Chart 42: Asia Pac ex-Japan News Pulse and YoY change in the MSCI Asia Pac ex-Japan Index

News trends fell last month, however in aggregate remains positive

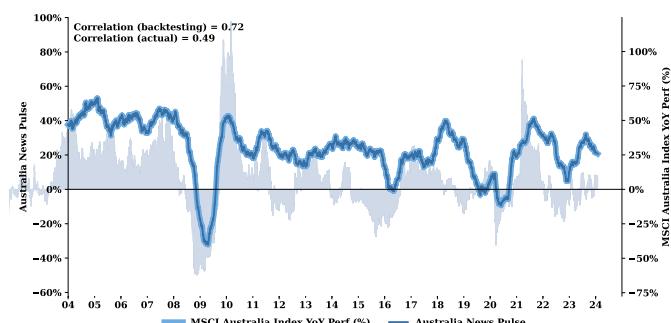


Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

BofA GLOBAL RESEARCH

### Chart 44: Australia News Pulse and MSCI Australia Index YoY change

News trends fell last month, however in aggregate remains positive

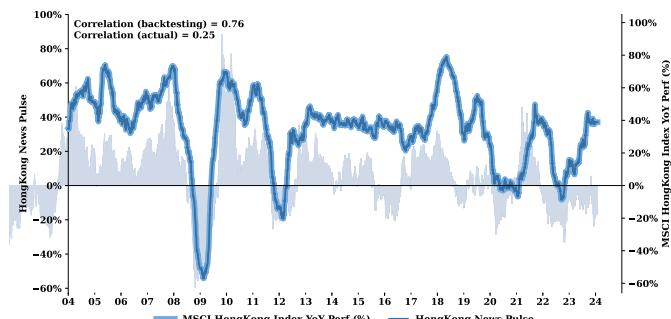


Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

BofA GLOBAL RESEARCH

### Chart 46: Hong Kong News Pulse and MSCI Hong Kong Index YoY change

37% of news is positive



Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

BofA GLOBAL RESEARCH

### Chart 43: Asia Pac ex-Japan News Pulse vs Global News Pulse

News trends fell last month, however in aggregate remains positive

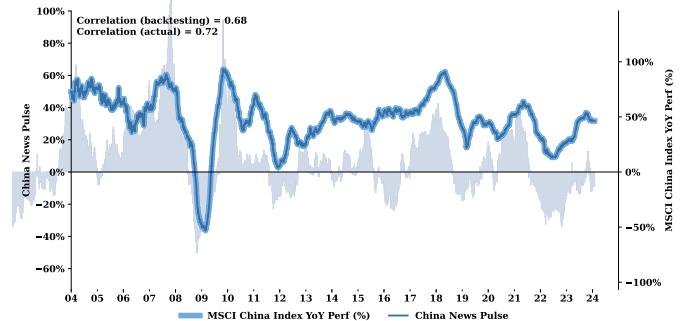


Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

BofA GLOBAL RESEARCH

### Chart 45: China News Pulse and MSCI China Index YoY change

News trends fell last month, however in aggregate remains positive

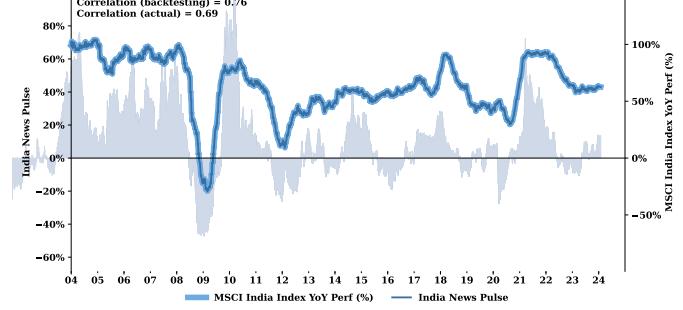


Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

BofA GLOBAL RESEARCH

### Chart 47: India News Pulse and MSCI India Index YoY change

News trend has improved in the last 3-months



Source : BofA Global Quantitative Strategy, MSCI, ExShare, RavenPack

BofA GLOBAL RESEARCH

# Early vs Late

**Chart 48: MSCI Asia Pac ex-Japan Index and Peaks and Troughs Level**

MSCI APxJ Index troughed in Oct-22



Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

**Chart 49: MSCI Asia Pac ex-Japan Equities Level and Highs**

MSCI Asia Pac ex-Japan reaches all-time highs once in every 28 days

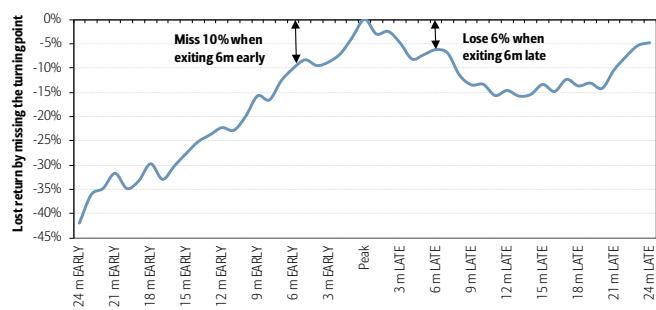


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

**Chart 50: Average equity market performance (USD) before and after major peaks in MSCI APxJ**

Around peaks in equities, one misses 10% by exiting 6m early vs 6% exiting 6m late

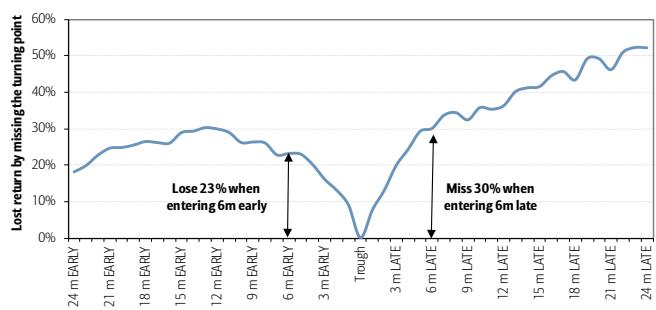


Source : BofA Global Quantitative Strategy, MSCI Major Peaks = Dec-93, Jul-97, Jan-00, Oct-07, Apr-11

BofA GLOBAL RESEARCH

**Chart 51: Average equity market performance (USD) before and after major troughs in MSCI APxJ**

Around troughs in equities, one misses 23% by exiting 6m early vs 30% exiting 6m late



Source : BofA Global Quantitative Strategy, MSCI Major Troughs = Jan-95, Aug-98, Sep-01, Feb-09, Sep-11

BofA GLOBAL RESEARCH



# Price Sensitivity to Earnings Trends and Bond Yields

## Chart 52: Price Sensitivity to Earnings Trends and Bond Yields Differs Dramatically by Style

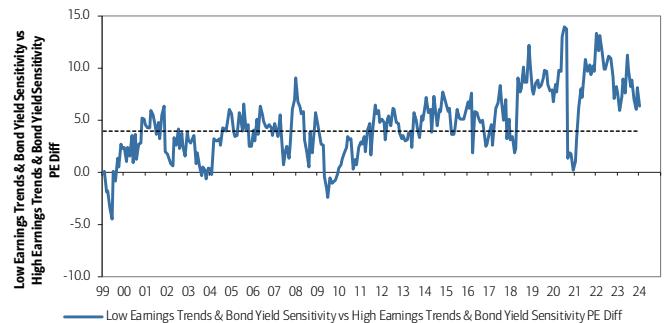
Cyclical Styles are positively sensitive to EPS Trends and Bond Yields



Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, S&P, Exshare, Worldscope  
BofA GLOBAL RESEARCH

## Chart 53: Asia Pac ex-Japan: Low vs High Earnings Trends and Bond Yield Sensitivity PE Ratio

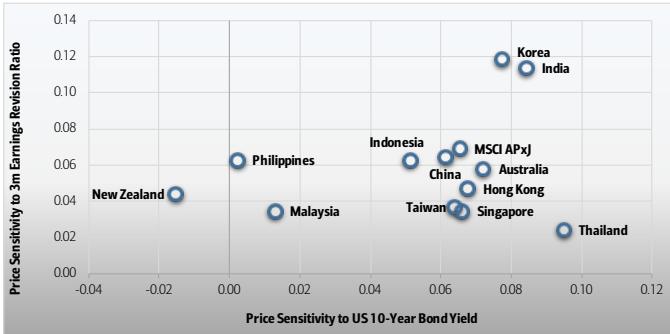
The PE difference is currently 6.3x



Source : BofA Global Quantitative Strategy, MSCI, IBES, Exshare, Bloomberg  
BofA GLOBAL RESEARCH

## Chart 54: Asia Pac ex-Japan Countries: Price Sensitivity to Earnings Trends and Bond Yields

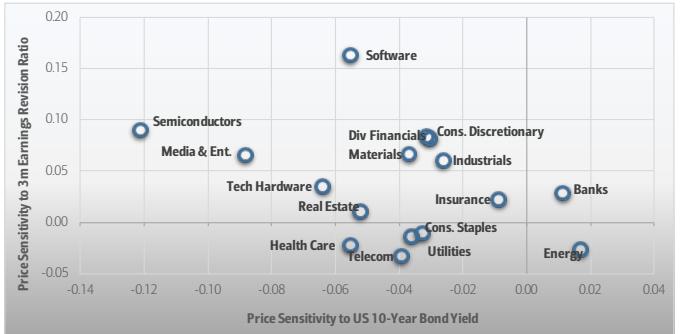
India are most positively sensitive to earnings and yields



Source : BofA Global Quantitative Strategy, MSCI, IBES, Exshare, Bloomberg  
BofA GLOBAL RESEARCH

## Chart 55: Asia Pac ex-Japan Sectors: Price Sensitivity to Earnings Trends and Bond Yields

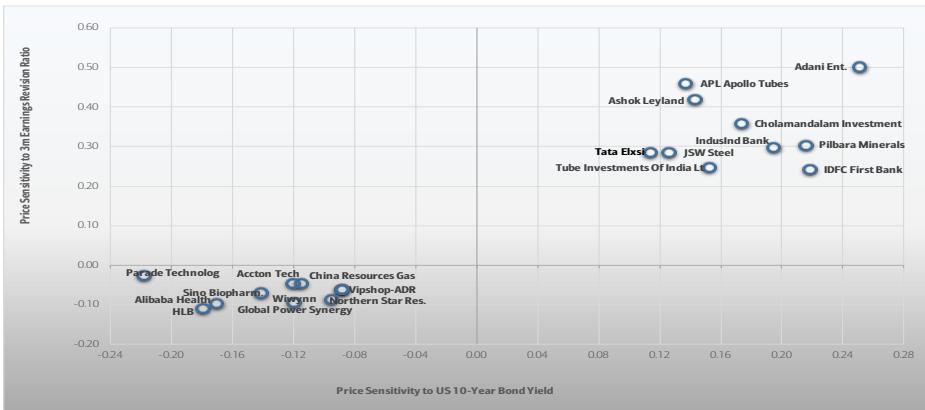
Banks are most positively sensitive to earnings and yields



Source : BofA Global Quantitative Strategy, MSCI, IBES, Exshare, Bloomberg  
BofA GLOBAL RESEARCH

## Chart 56: Asia Pac ex-Japan Stocks: Price Sensitivity to Earnings Trends and Bond Yields

Ashok Leyland is positively sensitive to earnings and yield moves



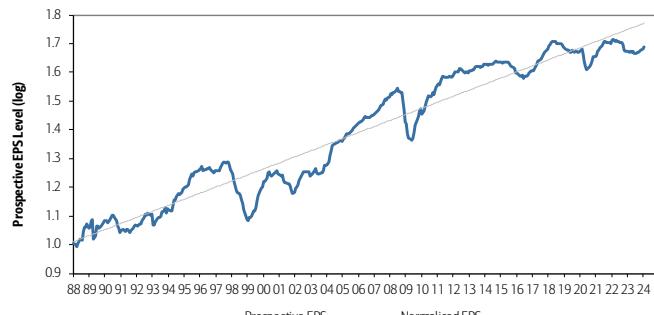
Source : BofA Global Quantitative Strategy, MSCI, IBES, Exshare, Bloomberg

BofA GLOBAL RESEARCH

# Earnings Growth

## Chart 57: Asia Pac ex-Japan Prospective EPS and Trend EPS

Earnings expectations have improved in Asia Pacific Ex-Japan in last 6m

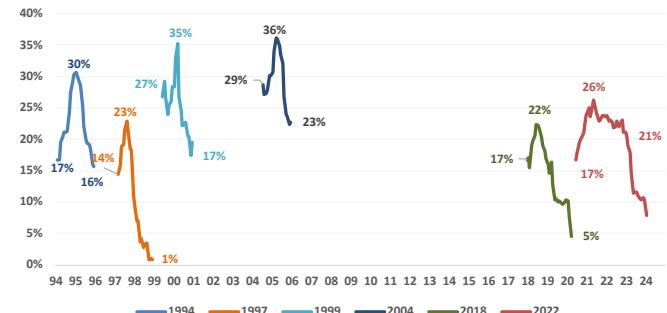


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 58: Asia EPS growth forecasts after the Fed starts tightening

FY1 EPS growth forecasts first rise before collapsing as Fed hikes

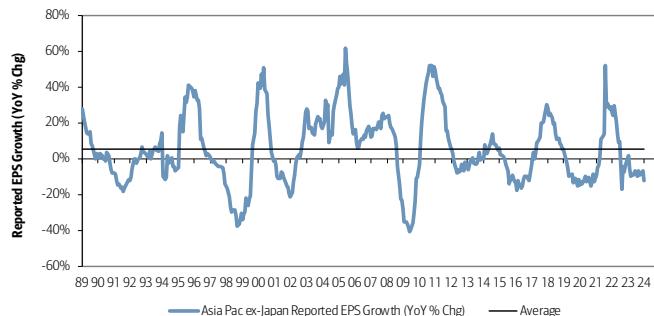


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

## Chart 59: Reported EPS Growth for Asia Pac ex-Japan (YoY % chg)

Current reported EPS growth is -12%

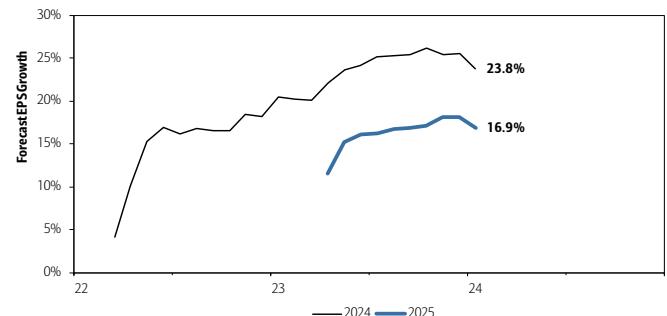


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 60: Asia Pac ex-Japan Forecast EPS Growth

Forecast EPS growth for 2025 is 17%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 61: Asia Pac ex-Japan Earnings Revision Ratio

The APxJ Earnings Revision Ratio fell from 0.63 to 0.60 in February

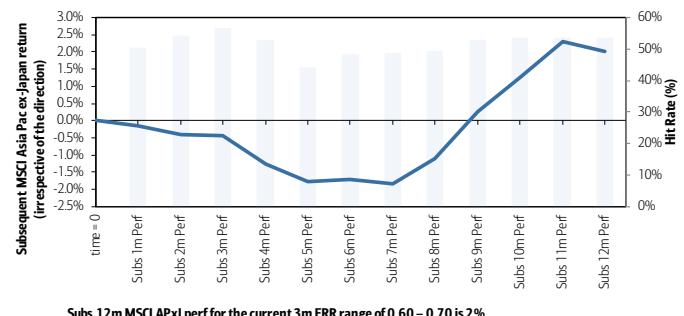


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 62: Subs 12m MSCI APxJ perf for the current 3m ERR range of 0.60 – 0.70

Subs 12m MSCI APxJ perf for the current 3m ERR range of 0.60 – 0.70 is 2%



Subs 12m MSCI APxJ perf for the current 3m ERR range of 0.60 – 0.70 is 2%

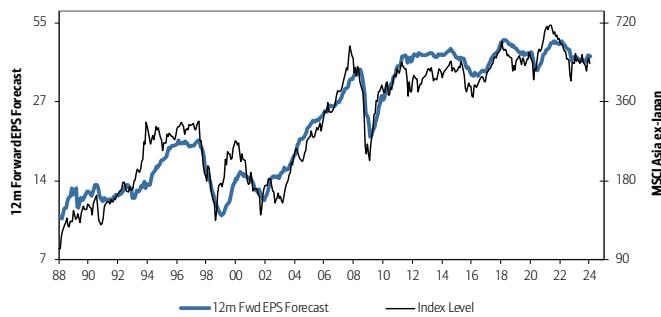
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



### Chart 63: MSCI Asia Pac ex Japan 12m Fwd EPS and Market Level

The market tends to move in tandem with trends in earnings expectations

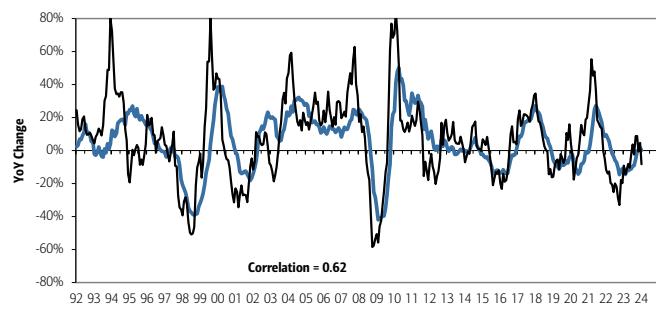


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 64: Asia Pac ex-Japan Prospective EPS and MSCI APxJ YoY Change

APxJ prospective EPS has been flat in the last 12m

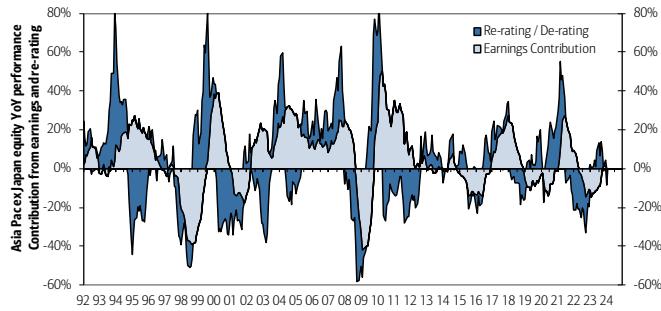


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 65: Asia Pac ex-Japan YoY performance - contribution from earnings and re-rating/de-rating

In the last 12m, re-rating contributed -8.4% earnings contributed 0.1%

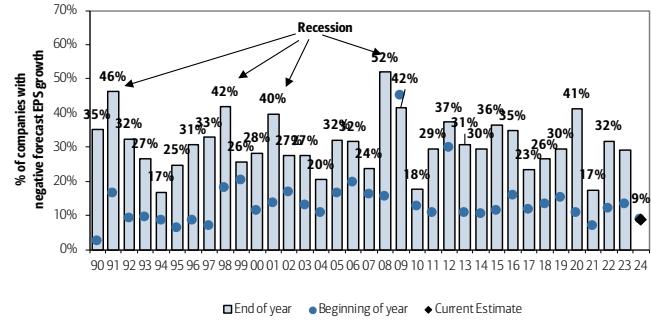


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 66: Proportion of stocks with negative EPS growth forecast

Currently, 9% of companies have negative EPS growth forecasts for 2024



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Table 7: EPS Growth (forecasts) & EPS Revisions Level & Subsequent 12-month Performance

At current level of EPS revisions and EPS growth, APxJ equities average 6% in the next 12m

Average	EPS Growth Forecast									ERR Only
	-10% to -5%	-5% to 0%	0% to 5%	5% to 10%	10% to 15%	15% to 20%	20% to 25%	25% to 30%	30% to 35%	
ERR (3m)										
2.20 to 2.40	-	-	-	-	-	-	-	-	-	-
2.00 to 2.20	-	-	-	-	-	-	-	-	-	-
1.80 to 2.00	-	-	-	-	-	-	-	-	-	-
1.60 to 1.80	17%	-	-	-	-	-	-	-	-	16%
1.40 to 1.60	-	-	-	-	12%	-	18%	13%	22%	16%
1.20 to 1.40	-	-12%	0%	4%	-	-7%	10%	-18%	18%	5%
1.00 to 1.20	-5%	-5%	-6%	9%	8%	-8%	-10%	-8%	4%	-3%
0.80 to 1.00	5%	25%	16%	3%	24%	11%	0%	-3%	-9%	12%
0.60 to 0.80	8%	2%	-9%	9%	6%	6%	11%	-3%	-15%	4%
0.40 to 0.60	4%	-10%	6%	16%	11%	3%	-43%	-	-	11%
0.20 to 0.40	24%	14%	-	-	-	-	-	-	-	38%
0.00 to 0.20	-	-	-	-	-	-	-	-	-	-
Growth Only	7%	2%	-1%	9%	15%	3%	-1%	-5%	2%	-

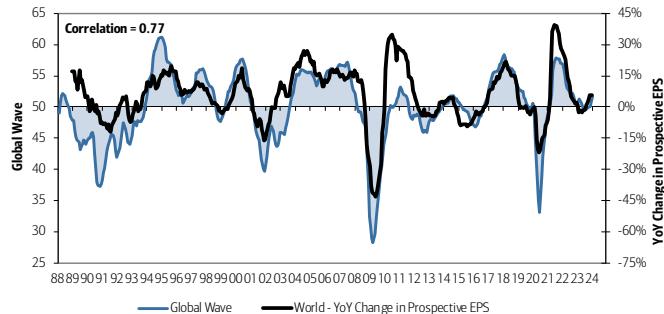
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Global Wave and Earnings

### Chart 67: Global Wave and GLOBAL Prospective EPS

Global earnings cycle has a strong correlation with the Global Wave

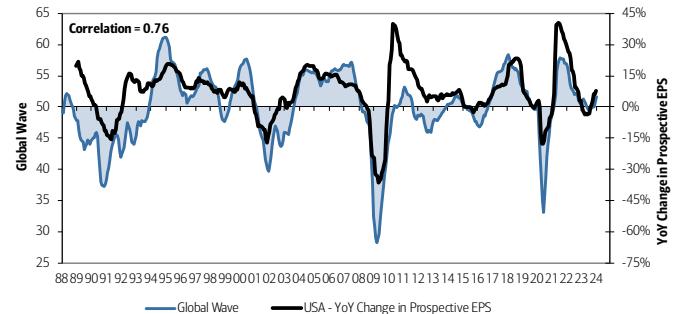


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 68: Global Wave and USA Prospective EPS

USA earnings cycle has a strong correlation with the Global Wave

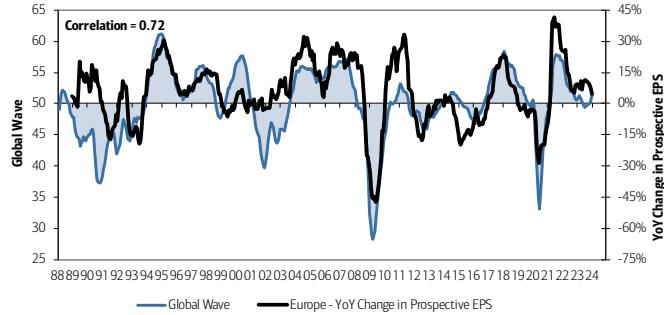


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 69: Global Wave and EUROPE Prospective EPS

Europe earnings cycle has a strong correlation with the Global Wave

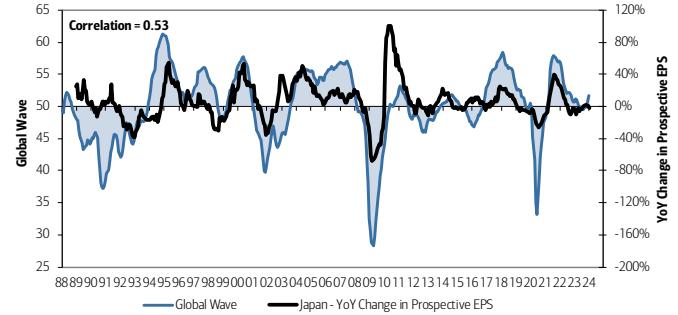


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 70: Global Wave and JAPAN Prospective EPS

Japan earnings cycle has a strong correlation with the Global Wave

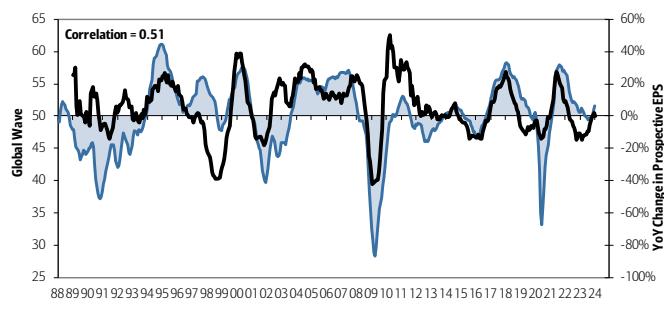


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 71: Global Wave and APxJ Prospective EPS

Asia Pac ex-Japan earnings cycle has a strong correlation with the Global Wave

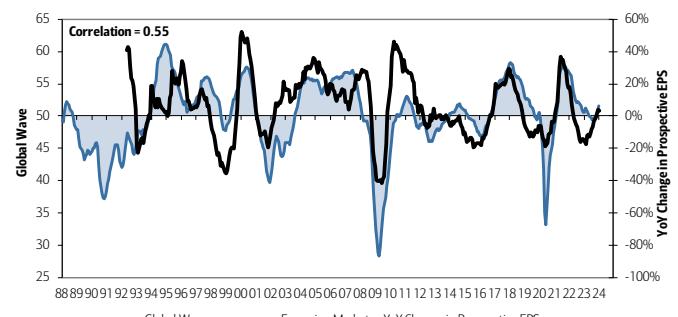


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 72: Global Wave and EMERGING MARKETS Prospective EPS

Emerging Markets earnings forecasts have a 55% correlation with the Global Wave



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH



# Valuations

## Chart 73: Asia Pac ex-Japan Prospective PE

Asia Pac Ex-Japan forecast PE is currently at 12.3

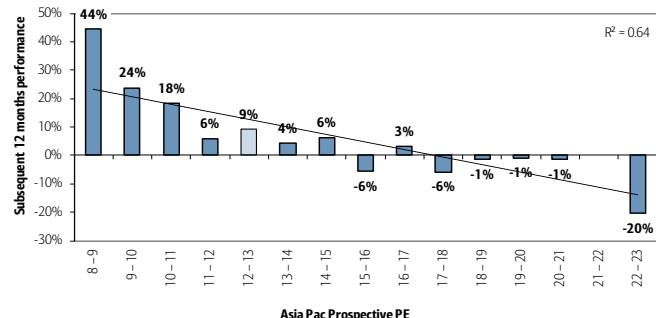


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 74: Prospective PE and MSCI Asia Pac ex-Japan average subsequent 12m performance

For current PE level, MSCI ACWI returns 9.2% in the subsequent 12m on average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 75: Asia Pac ex-Japan Median Price-to-Book Ratio (Trailing)

PB (trailing) is currently below the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 76: PB (Trailing) and subsequent performance

For current PB level, MSCI ACWI returns -0.1% in the subsequent 12m on average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 77: Asia Pac ex-Japan Prospective PE relative to the world

APxJ is trading at 29% discount to the World currently

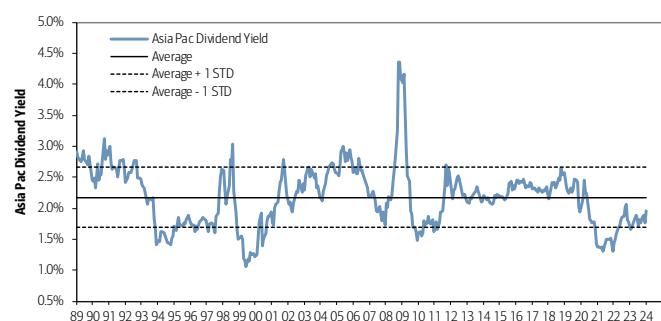


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

## Chart 78: Asia Pac ex-Japan Dividend Yield (Reported)

APxJ median Dividend Yield is currently at 2.0%



Source : BofA Asia Pac Quantitative Strategy, MSCI, World Scope

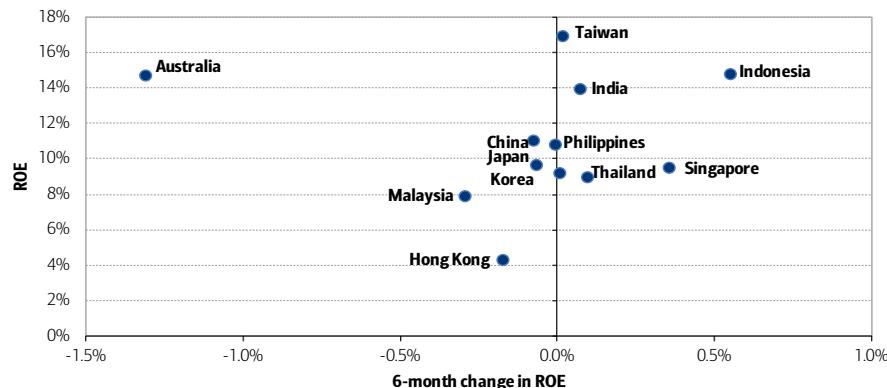
BofA GLOBAL RESEARCH



# ROE Aggregates

## Chart 85: Asia Pac ex-Japan Countries: ROE and 6-month change in ROE

ROE is high and improving in Indonesia, India and Singapore

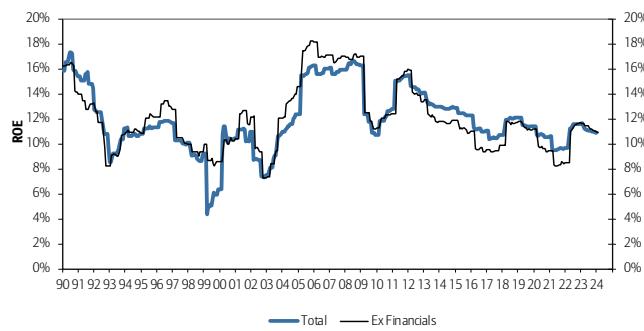


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

## Chart 86: Asia Pac ex Japan: ROE level

APxJ ROE is currently 11%

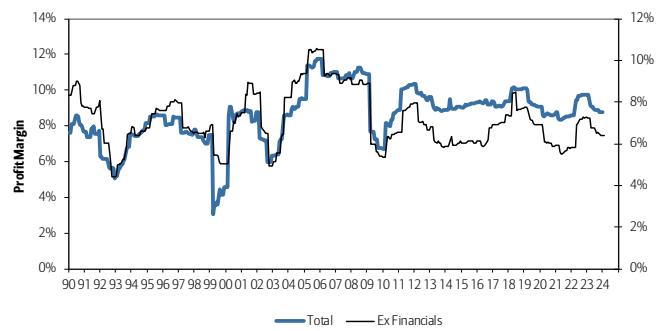


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

## Chart 87: Asia Pac ex Japan: Profit Margins

APxJ Profit Margins have moderated in the last 3m

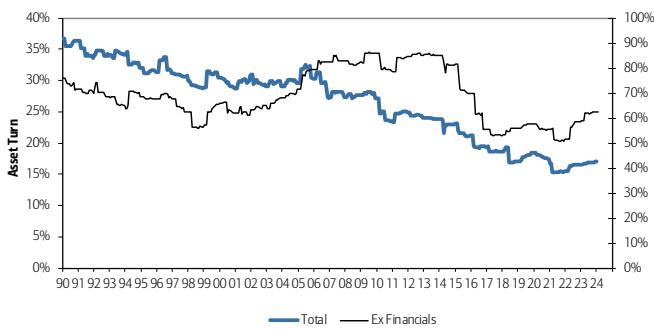


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

## Chart 88: Asia Pac ex Japan: Asset Turnover

Asset Turn in APxJ is currently 62%

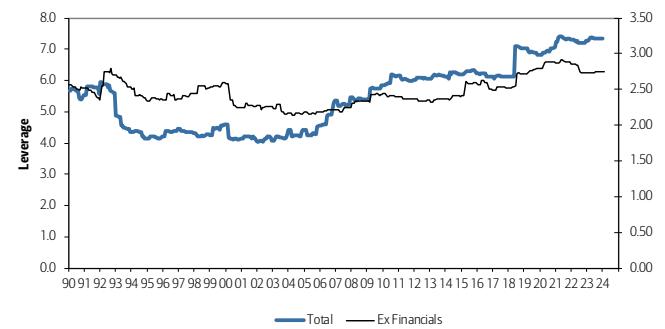


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

## Chart 89: Asia Pac ex Japan: Operating Leverage

Leverage in APxJ is currently 275%

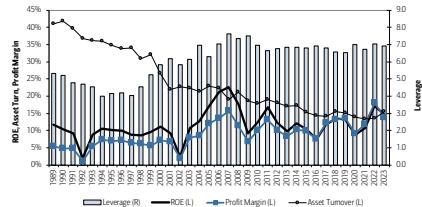


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 90: Australia: ROE Decomposition

Australia ROE is currently 15%

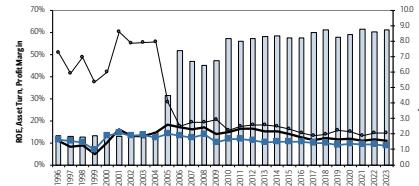


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 91: China: ROE Decomposition

ROE level in China is currently 11%

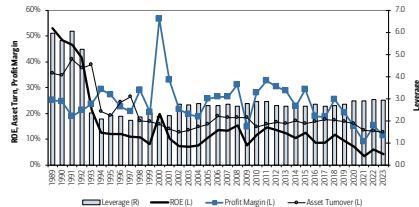


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 92: Hong Kong: ROE Decomposition

Hong Kong ROE has moderated in the last 3m

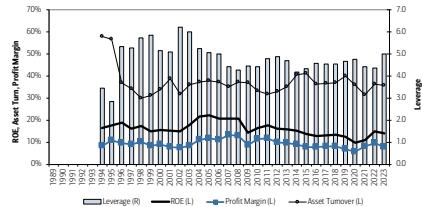


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 93: India: ROE Decomposition

India ROE is currently 14%

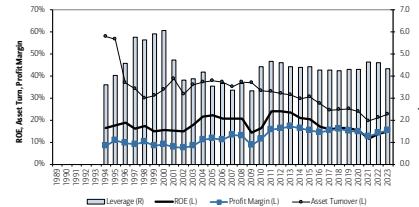


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 94: Indonesia: ROE Decomposition

Indonesia ROE has ticked up in last 3m

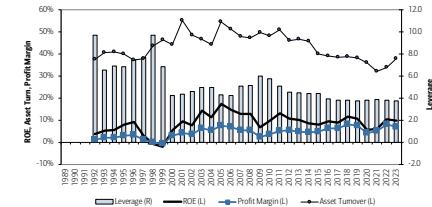


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 95: Korea: ROE Decomposition

ROE level in Korea is currently 10%

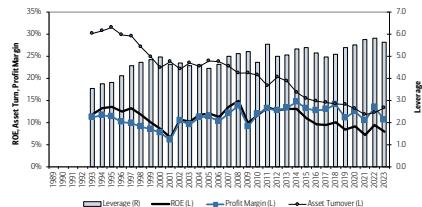


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 96: Malaysia: ROE Decomposition

Malaysia ROE is currently 8%

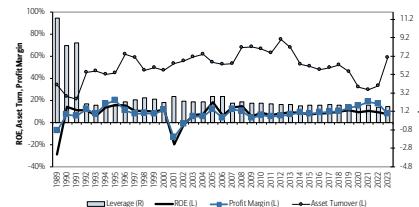


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 97: New Zealand: ROE Decomposition

ROE level in New Zealand is currently 10%

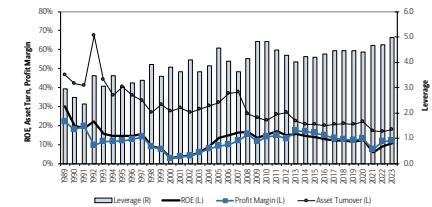


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 98: Philippines: ROE Decomposition

Philippines ROE has moderated in the last 3m

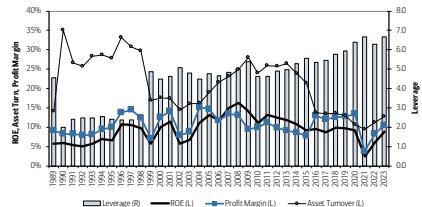


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 99: Singapore: ROE Decomposition

ROE level in Singapore is currently 9%

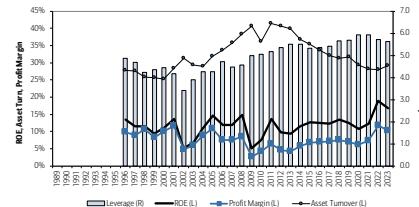


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 100: Taiwan: ROE Decomposition

ROE level in Taiwan is currently 17%

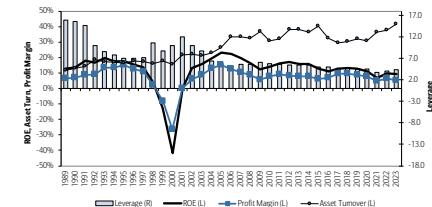


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH

### Chart 101: Thailand: ROE Decomposition

Thailand ROE has ticked up in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope

BofA GLOBAL RESEARCH



# Speculation

One measure of speculation is the valuation premium investors are paying for exposure to high beta stocks. The back-testing in this analysis is from Jan-93 to Oct-09 and we introduced the current version of the analysis in Nov-09.

This analysis includes all stocks in the MSCI Asia Pacific ex-Japan Index as at each month-end. We define beta for each stock as the regression coefficient from regressing 60 months of monthly price returns against the monthly price returns of the MSCI Asia Pacific ex-Japan Index. The screens are determined at the end of each month using month-end data from MSCI. We divide all the stocks in the analysis into five quintiles by beta. "High Beta" includes the top 20% of stocks in the analysis by beta and "Low Beta" includes the bottom 20%.

High beta acts as a stock screen and not as a recommended stock portfolio. The screens are not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

## Performance Calculation Methodology

Refer to appendix "[Speculation Performance](#)" for detailed performance data and advance decline statistics.

Rebalancing and performance calculations are conducted each month, using data and closing prices corresponding to the market's close on the last business day of each month. Performance is computed on the basis of price return. The performance is presented relative to the market capitalization-weighted MSCI Asia Pacific ex-Japan Index.

The analysis is back-tested and does not represent the actual performance of any account or fund. Back-tested performance depicts the hypothetical back-tested performance of a particular strategy over the time period indicated. In future periods, market and economic conditions will differ and the same strategy will not necessarily produce the same results. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein. In fact, there are frequently sharp differences between back-tested returns and the actual results realized in the actual management of a portfolio. Back-tested performance results are created by applying an investment strategy or methodology to historical data and attempts to give an indication as to how a strategy might have performed during a certain period in the past if the product had been in existence during such time. Back-tested results have inherent limitations including the fact that they are calculated with the full benefit of hindsight, which allows the security selection methodology to be adjusted to maximize the returns. Further, the results shown do not reflect actual trading or the impact that material economic and market factors might have had on a portfolio manager's decision-making under actual circumstances. Back-tested returns do not reflect advisory fees, trading costs, or other fees or expenses.

This report includes factors for informational or descriptive purposes, and inclusion here is not equivalent to a recommendation of the factor or portfolio.

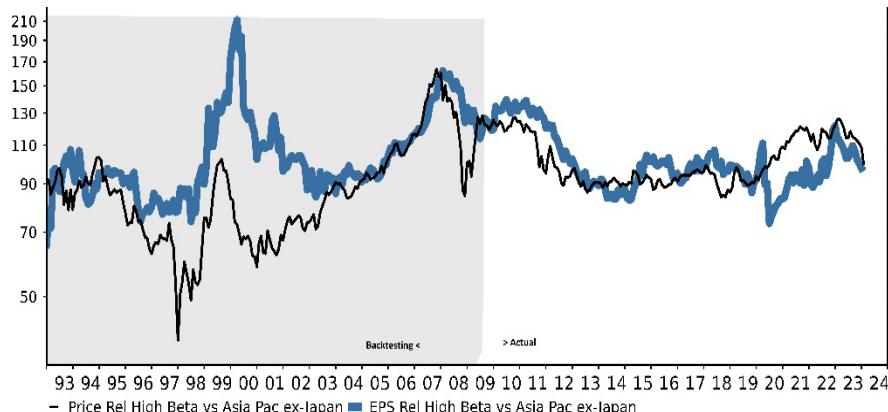
Past performance is no guarantee of future results.

A complete performance record is available upon request.



### Chart 102: High Beta (top quintile) Momentum & Value vs Asia Pac ex-Japan

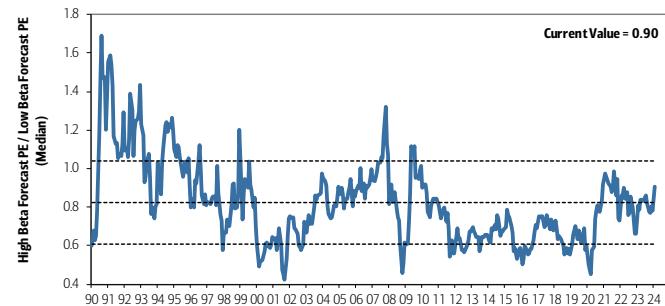
Relative EPS has deteriorated for High Beta stocks in the last 12-months



BofA GLOBAL RESEARCH

### Chart 103: High Beta Forecast PE / Low Beta Forecast PE

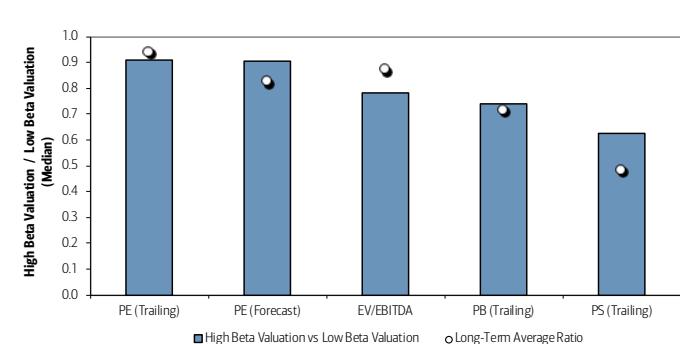
High beta stocks are trading at a premium to low beta stocks



BofA GLOBAL RESEARCH

### Chart 104: High Beta Valuation / Low Beta Valuation – Five valuation methods

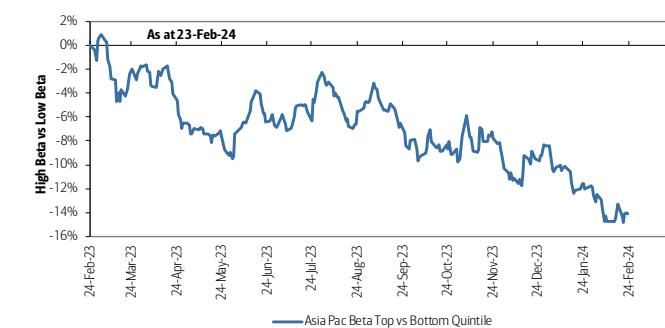
High beta stocks are trading lowest on PS (Trailing) measure



BofA GLOBAL RESEARCH

### Chart 105: Daily relative cumulative performance of high and low beta versus MSCI APxJ (USD)

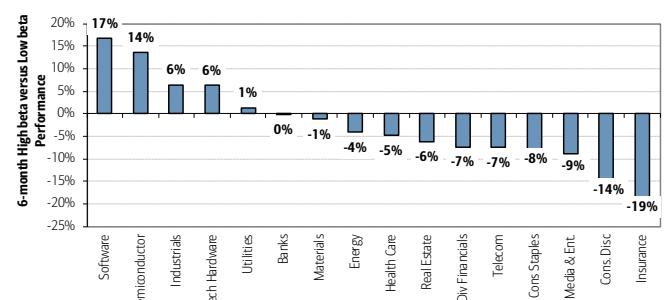
High Beta stocks have underperformed Low Beta stocks in the last 12m



BofA GLOBAL RESEARCH

### Chart 106: High vs Low beta: 6-month performance (USD) by Asia Pac ex-Japan sectors

High beta stocks have performed the worst within Insurance sector



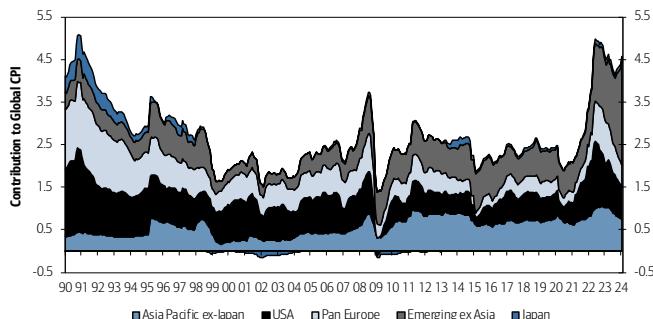
BofA GLOBAL RESEARCH



# Inflation & Short Rates

## Chart 107: Contribution to Global CPI Forecast by Region (ex-Venezuela)

The largest contributor to Global CPI forecast is Emerging ex Asia

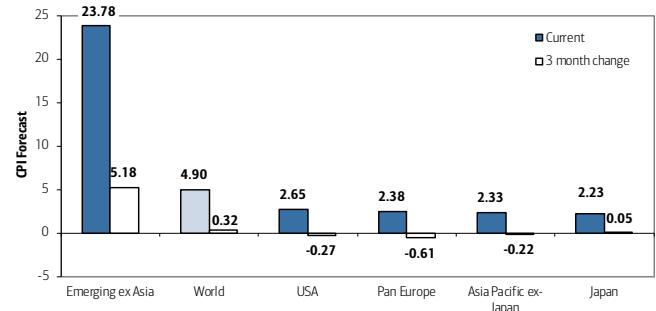


Source : BofA Global Quantitative Strategy, Consensus Economics

BofA GLOBAL RESEARCH

## Chart 108: Forecast CPI by Region (ex-Venezuela)

The current Global CPI forecast is 4.9%

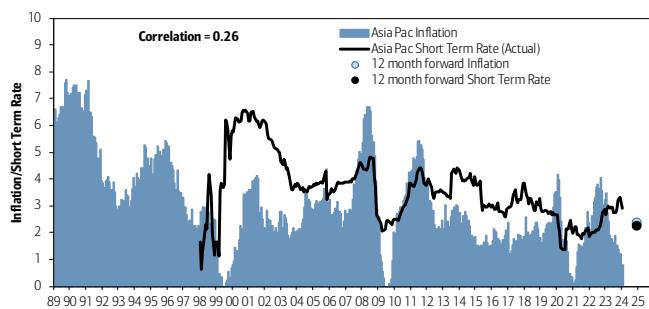


Source : BofA Global Quantitative Strategy, MSCI, IBES, OECD, IMF, Bloomberg, Consensus Economics

BofA GLOBAL RESEARCH

## Chart 109: Asia Pac ex-Japan Inflation and Short Rates

The forecast is for Short Rates to ease in the next 12-months

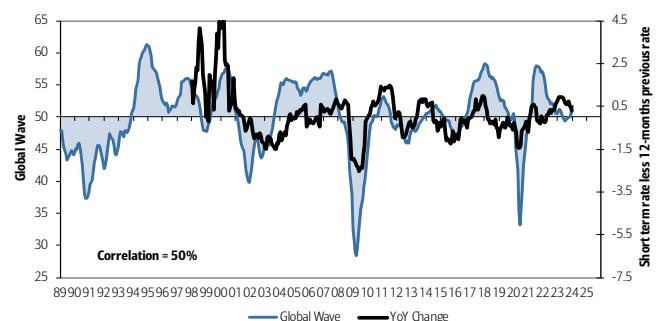


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, OECD, IMF, Bloomberg, Consensus Economics

BofA GLOBAL RESEARCH

## Chart 110: Global Wave and Asia Pac ex-Japan Short Rates (Actual)

APxJ Short Term rates have a positive correlation with the Global Wave

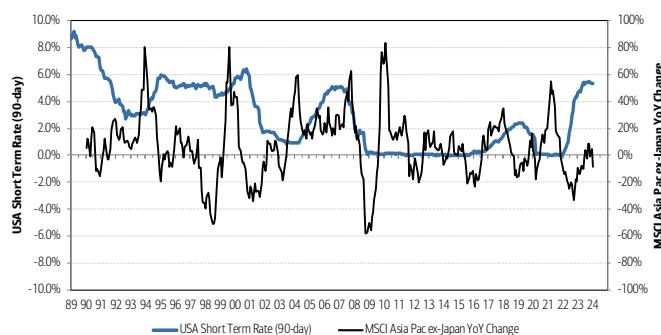


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database, Consensus Economics

BofA GLOBAL RESEARCH

## Chart 111: USA Short Term Rate (90-day) and MSCI Asia Pac ex-Japan YoY Change

USA Short Term Rates (90-day) have climbed to the highest level since GFC

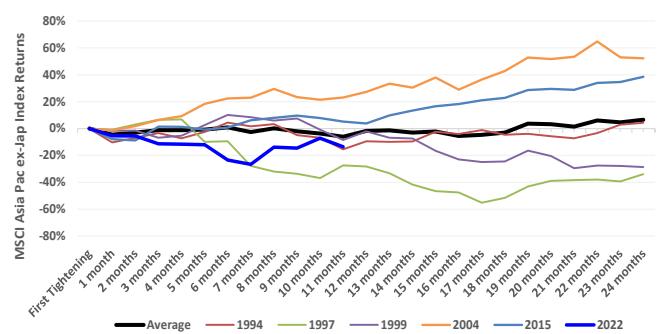


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

## Chart 112: Asia equity performance after the Fed started tightening

Asia equity market falls 5.8% in 12 months, on average

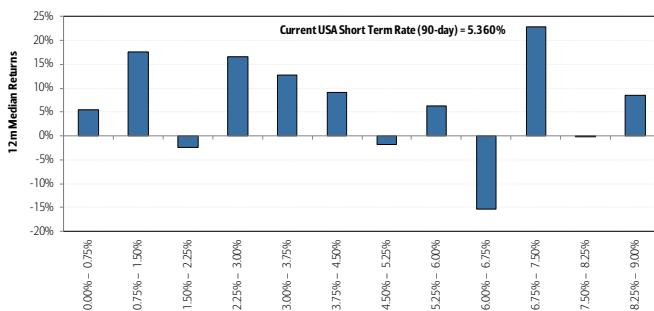


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

**Chart 113: Subsequent MSCI APxJ returns & USA Short Term Rate**

MSCI APxJ returns +6.2%, on average in next 12m when US Short Term Rate is in current range

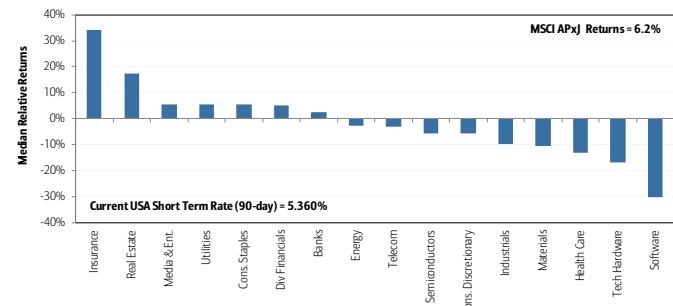


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

**Chart 114: Subsequent Asia Pac sector returns for current USA Short Term Rate (90-day)**

At current level, Insurance and Real Estate outperforms the most in subsequent 12m, on average



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

**Table 8: Subsequent Asia Pac sector relative returns (median 12m) for USA Short Term Rate (90-day) ranges**

Median Asia Pac ex-Japan sector returns across various US Short Term Rate ranges

APxJ Sector	0.00% – 0.75%	0.75% – 1.50%	1.50% – 2.25%	2.25% – 3.00%	3.00% – 3.75%	3.75% – 4.50%	4.50% – 5.25%	5.25% – 6.00%	6.00% – 6.75%	6.75% – 7.50%	7.50% – 8.25%	8.25% – 9.00%
<b>Insurance</b>	0.8%	3.6%	-11.3%	3.2%	6.0%	-3.5%	4.5%	34.3%	20.1%	-4.4%	-33.4%	-63.0%
<b>Real Estate</b>	-3.2%	-1.1%	-6.2%	-9.5%	-6.0%	-10.4%	-5.3%	17.3%	0.7%	n/a	n/a	n/a
<b>Media &amp; Ent.</b>	-8.3%	-8.1%	1.8%	-6.5%	-5.8%	5.0%	0.5%	5.5%	-8.3%	43.0%	-23.6%	-20.8%
<b>Utilities</b>	1.3%	-3.9%	2.7%	-6.1%	-2.3%	-5.1%	-1.9%	5.4%	11.5%	12.9%	37.1%	8.8%
<b>Cons. Staples</b>	-0.5%	1.1%	4.3%	2.5%	4.7%	-7.1%	1.1%	5.4%	18.3%	-11.3%	-22.8%	-6.8%
<b>Div. Financials</b>	-1.6%	-1.6%	1.2%	-1.0%	-0.1%	3.8%	6.2%	5.2%	-1.0%	n/a	n/a	n/a
<b>Banks</b>	0.3%	-4.5%	-1.2%	-4.4%	3.8%	4.4%	-1.8%	2.4%	8.3%	2.2%	-22.0%	-9.9%
<b>Energy</b>	-7.1%	13.0%	5.2%	-8.6%	-1.2%	-3.0%	1.5%	-2.7%	21.0%	-27.3%	-6.7%	1.3%
<b>Telecom</b>	-1.2%	-5.1%	-7.5%	-5.7%	4.3%	7.9%	11.5%	-3.0%	-15.2%	20.1%	25.1%	-2.6%
<b>Semiconductors</b>	7.6%	1.1%	5.5%	20.7%	12.1%	15.7%	5.5%	-5.5%	-10.7%	-23.9%	-45.6%	-9.0%
<b>Cons. Discretionary</b>	-0.1%	-1.1%	3.6%	0.4%	-0.2%	4.1%	0.1%	-5.7%	-1.8%	-0.9%	-25.5%	-1.1%
<b>Industrials</b>	-2.3%	-1.5%	-3.2%	-8.5%	-6.0%	-8.5%	-3.6%	-9.8%	-5.6%	-6.7%	-28.8%	15.4%
<b>Materials</b>	-1.5%	6.4%	2.2%	-5.3%	8.2%	-1.3%	-1.3%	-10.6%	7.5%	-7.8%	-25.8%	6.2%
<b>Health Care</b>	3.2%	10.7%	0.7%	18.4%	8.9%	5.4%	3.3%	-12.9%	25.7%	-29.3%	-13.4%	4.3%
<b>Tech Hardware</b>	0.4%	-13.1%	2.0%	11.6%	3.3%	9.0%	0.2%	-16.9%	-19.2%	-29.1%	-2.8%	23.2%
<b>Software</b>	11.8%	15.2%	5.0%	0.6%	0.4%	15.8%	-7.3%	-30.2%	-36.7%	n/a	n/a	n/a
<b>Asia Pac ex-Japan</b>	5.6%	17.5%	-2.4%	16.5%	12.8%	9.0%	-1.7%	6.2%	-15.3%	22.8%	-0.2%	8.5%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH



# Asia Pac ex-Japan Quantessential Styles

**Table 9: Asia Pac ex-Japan Style tilts based on back-testing and definitions**

Style definition and style recommendations based on the direction of the Global Wave.

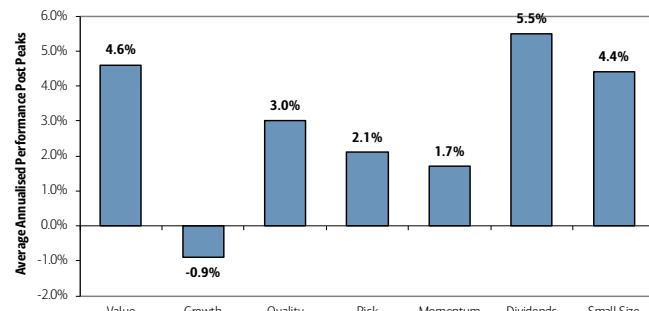
Style	Style definition (factors are equal-weighted)	Tilt when Global Wave is RISING	Tilt when Global Wave is FALLING
Value	PE (forecast), PB (trailing), P/FCF (trailing)	OVERWEIGHT	OVERWEIGHT
Growth	EPS Revisions, 2-year EPS Growth Forecast, 7-year EPS Growth	OVERWEIGHT	Neutral
Quality	Quality Rank, ROE	UNDERWEIGHT	OVERWEIGHT
Risk	Beta, Price Volatility, EPS Volatility	Neutral	UNDERWEIGHT
Momentum	12-month Trend Price	OVERWEIGHT	OVERWEIGHT
Dividend	Reported Div Yield, Div Growth, Div Revisions	UNDERWEIGHT	OVERWEIGHT
Small Size	Low MCap (free), high Average Daily Turnover / MCap	OVERWEIGHT	UNDERWEIGHT

Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

**Chart 115: Back-tested results (Jan-89 to Oct-09) when the Global Wave was falling**

Value and Dividend performed the best when the Global Wave is falling

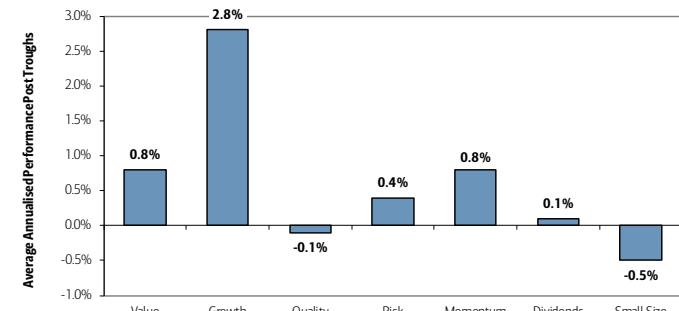


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database, S&P, Worldscope This performance is back-tested and does not represent the actual performance of any account or fund. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Chart 116: Back-tested results (Jan-89 to Oct-09) when the Global Wave was rising**

Growth performed the best when the Global Wave is rising



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database, S&P, Worldscope This performance is back-tested and does not represent the actual performance of any account or fund. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Chart 117: Price Sensitivity to Earnings Trends and Bond Yields Differs Dramatically by Style**

Cyclical styles are positively sensitive to earnings and bond yields



Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, S&P, Exshare, Worldscope

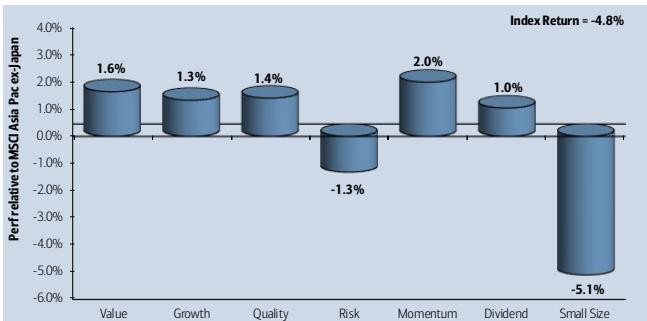
BofA GLOBAL RESEARCH

# Asia Pac ex-Japan Style Performance

## Chart 118: Asia Pac ex-Japan Quantessential Style relative perf:

### Last Month

The best performing style last month was Quantessential Momentum



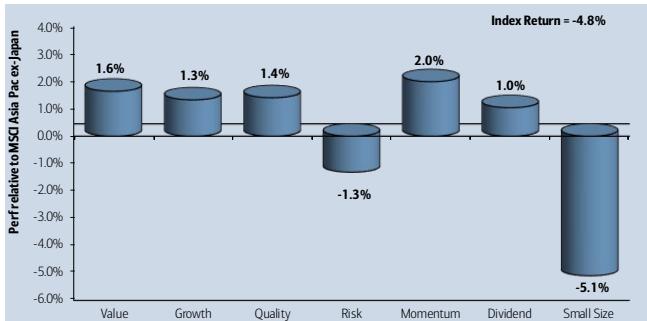
Source : BofA Asia Pac Quantitative Strategy. Performance is based on our monthly-rebalanced 25-stock Asia Pac Quantessential Style.

BofA GLOBAL RESEARCH

## Chart 120: Asia Pac ex-Japan Quantessential Style relative perf:

### YTD

The best performing style this year is Quantessential Momentum



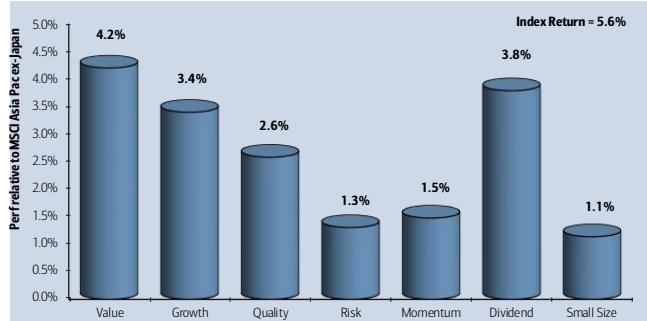
Source : BofA Asia Pac Quantitative Strategy. Performance is based on our monthly-rebalanced 25-stock Asia Pac Quantessential Style.

BofA GLOBAL RESEARCH

## Chart 122: Asia Pac ex-Japan Quantessential Style back-testing

### (Jan-89 to Oct-09)

Over the 20-year backtesting period, Value was the best performing style



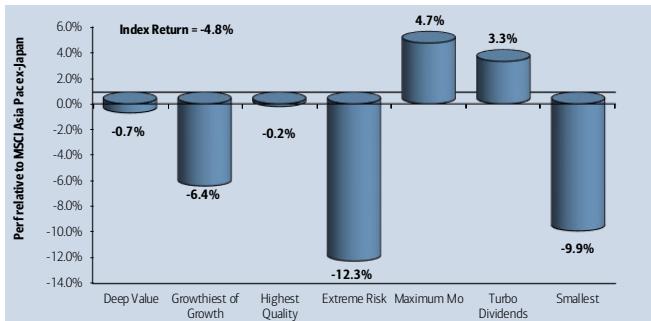
Source : BofA Asia Pac Quantitative Strategy. Performance is based on our monthly-rebalanced 25-stock Asia Pac Quantessential Style. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

## Chart 119: Asia Pac ex-Japan Top 25 Style relative performance:

### Last Month

The best performing style last month was Maximum Mo



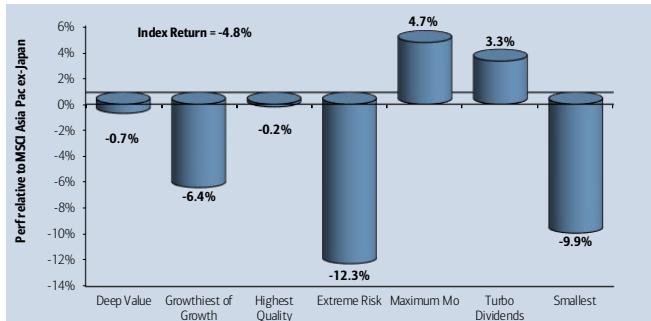
Source : BofA Asia Pac Quantitative Strategy. Performance is based on our monthly-rebalanced 25-stock Asia Pac Extreme Style

BofA GLOBAL RESEARCH

## Chart 121: Asia Pac ex-Japan Top 25 Style relative performance:

### YTD

The best performing style YTD is Maximum Mo

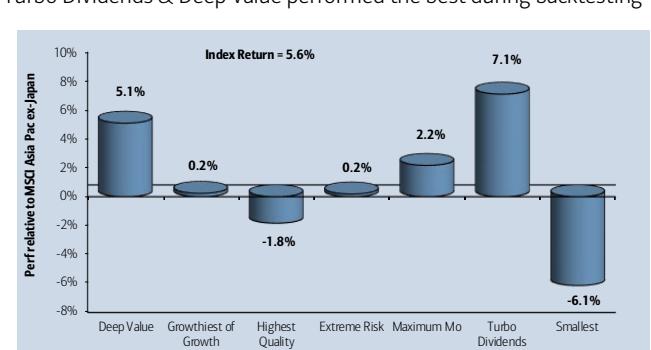


Source : BofA Asia Pac Quantitative Strategy. Performance is based on our monthly-rebalanced 25-stock Asia Pac Extreme Style

BofA GLOBAL RESEARCH

## Chart 123: Asia Pac ex-Japan Top 25 Style back-testing (Jan-89 to Oct-09)

Turbo Dividends & Deep Value performed the best during backtesting



Source : BofA Asia Pac Quantitative Strategy. Performance is based on our monthly-rebalanced 25-stock Asia Pac Extreme Style. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

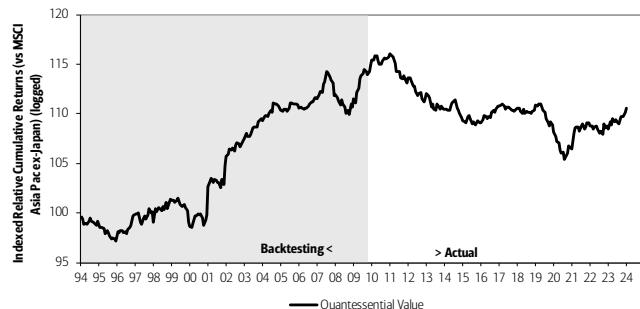
BofA GLOBAL RESEARCH



## Asia Pac ex-Japan Quantessential Value

### Chart 124: Asia Pac ex-Japan Quantessential Value relative cumulative performance

QE Value has outperformed by 4.1% in the last 3 Months

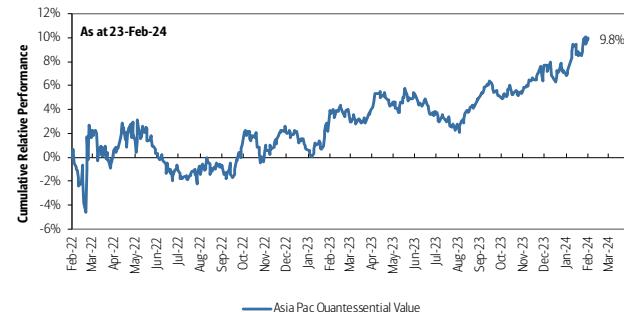


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
Performance is based on our monthly-rebalanced 25-stock Quantessential Value. The shaded area shows back-tested results during the period from Jan-94 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 126: Quantessential Value: Daily Relative Cumulative Returns

Asia Pac Quantessential Value outperformed the index in the last 2-years



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, S&P, Bloomberg  
BofA GLOBAL RESEARCH

### Chart 128: PE of Value (top quintile) relative to the PE of MSCI Asia Pac ex-Japan Index

Current PE Relative is 0.4

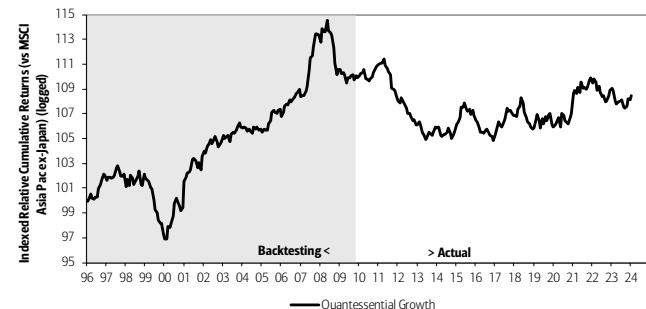


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, S&P, Bloomberg  
BofA GLOBAL RESEARCH

## Asia Pac ex-Japan Quantessential Growth

### Chart 125: Asia Pac ex-Japan Quantessential Growth relative cumulative performance

QE Growth has outperformed by 1.5% in the last 6 Months

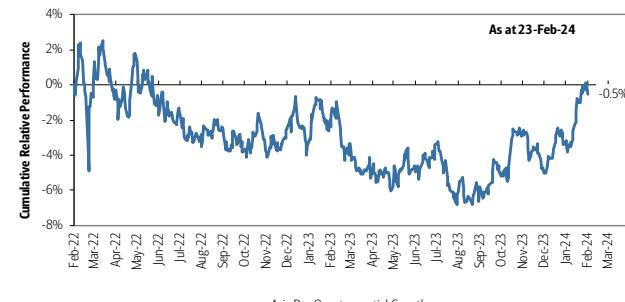


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
Performance is based on our monthly-rebalanced 25-stock Quantessential Growth. The shaded area shows back-tested results during the period from Jan-96 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 127: Quantessential Growth: Daily Relative Cumulative Returns

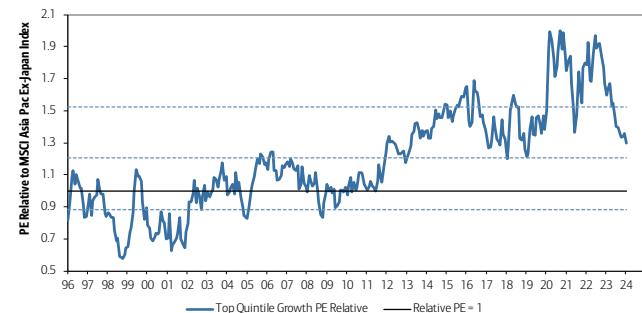
Asia Pac Quantessential Growth underperformed the index in last 2-years



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, S&P, Bloomberg  
BofA GLOBAL RESEARCH

### Chart 129: PE of Growth (top quintile) relative to the PE of MSCI Asia Pac ex-Japan Index

Rel PE has moderated recently

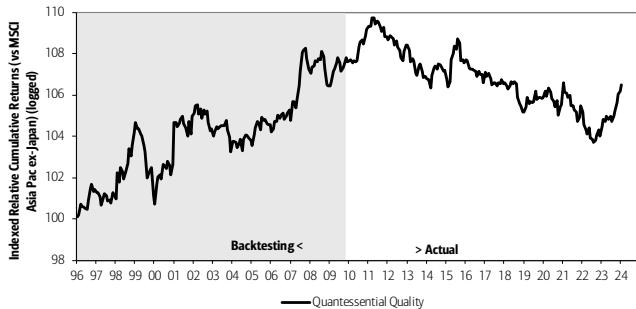


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, S&P, Bloomberg  
BofA GLOBAL RESEARCH

## Asia Pac ex-Japan Quantessential Quality

### Chart 130: Asia Pac ex-Japan Quantessential Quality relative cumulative performance

QE Quality has outperformed by 8.0% in the last 6 Months



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
Performance is based on our monthly-rebalanced 25-stock Quantessential Quality. The shaded area shows back-tested results during the period from Jan-96 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 132: Quantessential Quality: Daily Relative Cumulative Returns

In last 2-years, Quantessential Quality returned 8.6% relative to ACWI



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, S&P, Bloomberg  
BofA GLOBAL RESEARCH

### Chart 134: PE of Quality (top quintile) relative to the PE of MSCI Asia Pac ex-Japan Index

PE Rel remains above long-term average

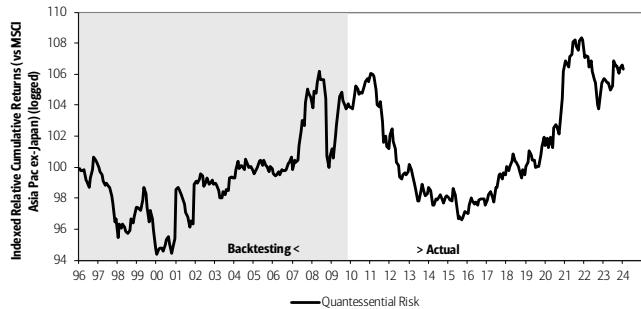


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
BofA GLOBAL RESEARCH

## Asia Pac ex-Japan Quantessential Risk

### Chart 131: Asia Pac ex-Japan Quantessential Risk relative cumulative performance

QE Risk has underperformed by -1.3% in the last 1 Month

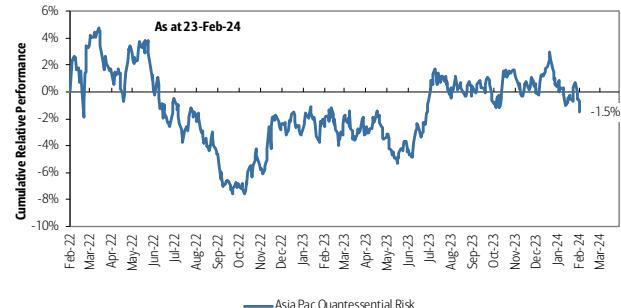


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
Performance is based on our monthly-rebalanced 25-stock Quantessential Risk. The shaded area shows back-tested results during the period from Jan-96 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 133: Quantessential Risk: Daily Relative Cumulative Returns

In last 2-years, Quantessential Risk returned -1.5% relative to ACWI



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, S&P, Bloomberg  
BofA GLOBAL RESEARCH

### Chart 135: PE of Risk (top quintile) relative to the PE of MSCI Asia Pac ex-Japan Index

Rel PE has moderated recently



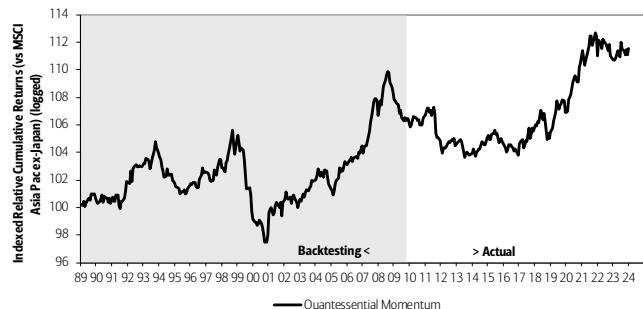
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
BofA GLOBAL RESEARCH



## Asia Pac ex-Japan Quantessential Momentum

### Chart 136: Asia Pac ex-Japan Quantessential Momentum relative cumulative performance

QE Momentum has outperformed by 2.5% in the last 3 Months

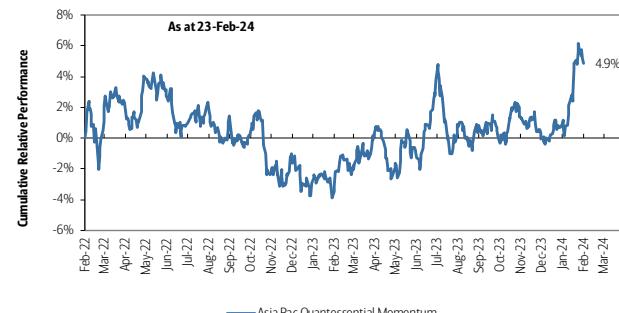


Source : BofA Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
Performance is based on our monthly-rebalanced 25-stock Quantessential Momentum. The shaded area shows back-tested results during the period from Jan-89 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 138: Quantessential Momentum: Daily Relative Cumulative Returns

In last 2-years, Quantessential Momentum returned 4.9% rel to ACWI

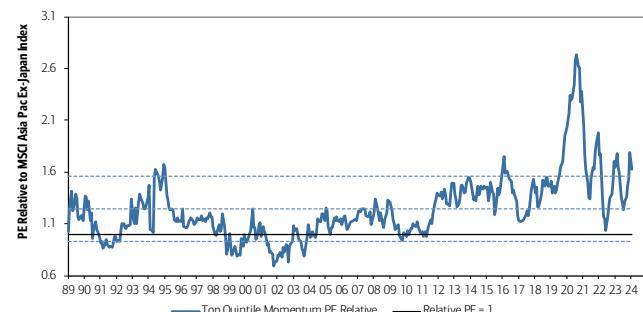


Source : BofA Quantitative Strategy, MSCI, IBES, Worldscope, S&P, Bloomberg

BofA GLOBAL RESEARCH

### Chart 140: PE of Momentum (top quintile) relative to the PE of MSCI Asia Pac ex-Japan Index

PE Rel remains above long-term average



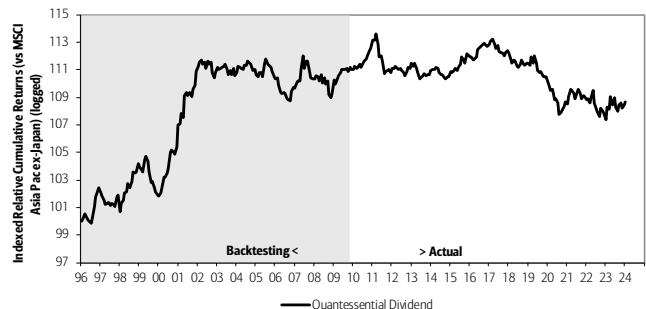
Source : BofA Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg

BofA GLOBAL RESEARCH

## Asia Pac ex-Japan Quantessential Dividend

### Chart 137: Asia Pac ex-Japan Quantessential Dividend relative cumulative performance

QE Dividend has outperformed by 5.6% in the last 12 Months

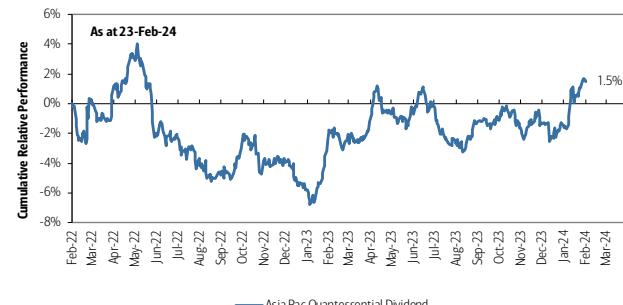


Source : BofA Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
Performance is based on our monthly-rebalanced 25-stock Quantessential Dividend. The shaded area shows back-tested results during the period from Jan-96 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 139: Quantessential Dividend: Daily Relative Cumulative Returns

In last 2-years, Quantessential Dividend returned 1.5% relative to ACWI



Source : BofA Quantitative Strategy, MSCI, IBES, Worldscope, S&P, Bloomberg

BofA GLOBAL RESEARCH

### Chart 141: PE of Dividend (top quintile) relative to the PE of MSCI Asia Pac ex-Japan Index

Rel PE is below long-term average



Source : BofA Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg

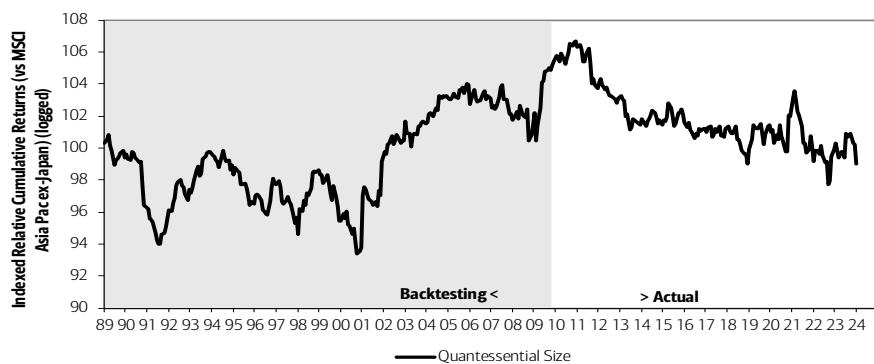
BofA GLOBAL RESEARCH



## Asia Pac ex-Japan Quantessential Size

**Chart 142: Asia Pac ex-Japan Quantessential Small Size relative cumulative performance**

QE Small Size has underperformed by -5.1% in the last 1 Month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg

Performance is based on our monthly-rebalanced 25-stock Quantessential small Size. The shaded area shows back-tested results during the period from Jan-89 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Chart 143: Quantessential Size: Daily Relative Cumulative Returns**

In the last 2-years, Asia Pac Quantessential Size returned -3.7% relative to ACWI



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P,Bloomberg

BofA GLOBAL RESEARCH

**Chart 144: PE of Small Size (top quintile) relative to the PE of MSCI Asia Pac ex-Japan Index**

Rel PE has moderated recently



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P,Bloomberg

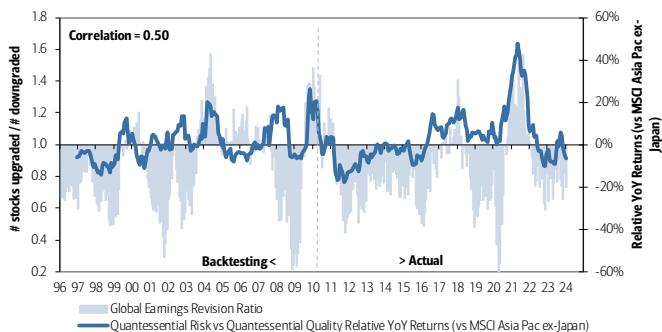
BofA GLOBAL RESEARCH



## Risk Vs Quality

### Chart 145: Quantessential Risk vs Quality performance and trends in earnings expectations

Risk versus Quality has a 50% correlation with trends in earnings cycle

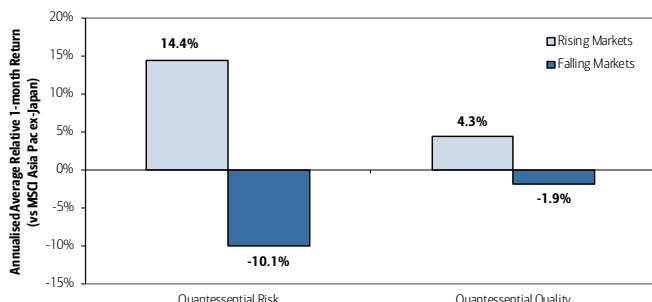


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
Back-tested results are from Jan-89 to Oct-09. Actual performance is from Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 147: Quantessential Risk performance in rising and falling markets

Risk outperforms in rising markets, underperforms in falling markets



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
BofA GLOBAL RESEARCH

### Chart 149: PE of Risk (top quintile) vs. PE of Quality (top quintile)

Forecast PE for Top Quintile Quality is at 18.5 and Top Quintile Risk at 12.0



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
BofA GLOBAL RESEARCH

### Chart 146: Quantessential Risk vs Quality performance and Global Wave

Risk tends to outperform, on average when the Global Wave is rising

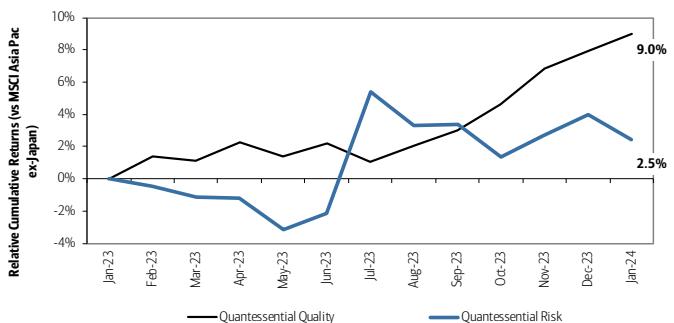


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Factset, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database, S&P, Worldscope  
Back-tested results are from Jan-89 to Oct-09. Actual performance is from Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 148: Relative cumulative performance: Quantessential Risk and Quality

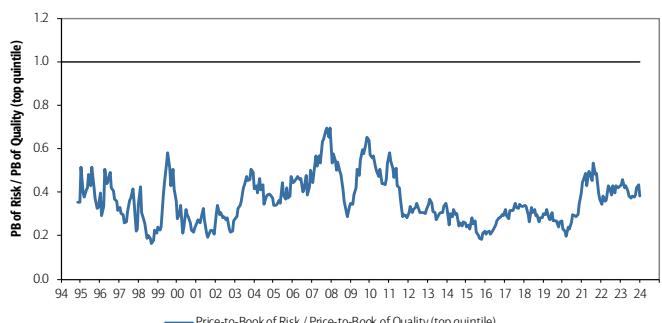
Quantessential Quality outperformed Risk by 6.5% in the last 12-months



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
BofA GLOBAL RESEARCH

### Chart 150: PB of Quality (top quintile) vs. PB of Risk (top quintile)

Top Quintile Quality is trading at a PB premium to Top Quintile Risk



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
BofA GLOBAL RESEARCH

# Steady Compounds

## Construction Methodology

Asia Pac ex-Japan Steady Compounds is a screen of stocks that have delivered consistent and superior earnings growth and performance over a ten year period. The back-testing in this analysis is from Jan-98 to May-16 and we introduced the current version of our Steady Compounds analysis in Jun-16.

The universe of large liquid stocks included in the analysis is selected from the constituents of various indices that meet our minimum market cap, turnover and coverage requirements as specified in the table below. The universe is determined at the end of each month, using data and closing prices corresponding to the market's close on the last business day of each month. These minimum market cap, turnover, and number of estimate constraints were selected in order to maximise the number of large liquid stocks included in the analysis over the back-tested period (Jan-98 to May-16).

For example, for a stock to be included in the Asia Pac ex-Japan Steady Compounds analysis it must be in the largest 99% of stocks of the MSCI APxJ Index by total market cap, the largest 92% by average daily turnover in the last 6 months, and the largest 90% by average daily turnover in the last 20 days, and it must have a minimum of three IBES consensus earnings estimates. Table below shows the minimum values for each requirement as of January 2024, the most recent rebalance. This screen will be rebalanced on a monthly basis.

**Table 10: Universe specification for inclusion in Asia Pac ex-Japan Steady Compounds analysis**

Minimum market cap and turnover requirements by region for inclusion in Steady Compounds

	\$US m (minimum)			% Percentile (top x% of stocks)			Min # Est.	# Stocks @ Jan-24	Indices Used
	TMCAP	ADTV 6m	ADTV 20d	TMCAP	ADTV 6m	ADTV 20d			
Asia Pac ex Japan	324	0.6	0.6	99%	92%	90%	3	1279	MSCI, Individual Country Exchanges

Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

Stocks in the firm's restricted list are not included in this analysis.

For each eligible security, our monthly analysis determines the Asia Pac ex-Japan Steady Compounds as stocks with all of the following characteristics:

Above median earnings growth: where earnings growth is defined as the slope of the log-linear regression line using the preceding ten years of a monthly rolling twelve month forward IBES consensus EPS estimates.

Low volatility of earnings growth: defined as below median year-on-year change in ten years of a monthly rolling twelve month forward IBES consensus EPS estimate.

Above median two-year EPS growth forecasts: using FY2 IBES consensus EPS estimate divided by last reported EPS shown as a percentage

Above median performance: using monthly rolling twelve month returns in USD over the preceding ten year period.

Above-median revisions: using IBES consensus EPS estimates over the preceding three months

We expect to publish the new Steady Compounds screen for each region each month.

We show Momentum and Value charts for the 9 most expensive (by PE) and 9 least expensive stocks where available.



The Asia Pac ex-Japan Steady Compounders list act as stock screen and not as recommended stock portfolio. The Steady Compounder screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

The screen referenced in this report is intended to be an indicative metric only and may not be used for reference purposes or as a measure of performance for any financial instrument or contract, or otherwise relied upon by third parties for any other purpose, without the prior written consent of BofA Global Research. The screen referenced in this report was not created to act as a benchmark.

### **Performance Calculation Methodology**

Refer to appendix "[Steady Compounders Performance](#)" for detailed performance data and advance decline statistics.

Rebalancing and performance calculations are conducted each month, using data and closing prices corresponding to the relevant market's close on the last business day of each month. The performance of Asia Pac ex-Japan Steady Compounders list is computed on the basis of price return in USD. The performance is presented relative to the market capitalization-weighted MSCI Asia Pac ex-Japan Index.

The analysis is back-tested and does not represent the actual performance of any account or fund. Back-tested performance depicts the hypothetical back-tested performance of a particular strategy over the time period indicated. In future periods, market and economic conditions will differ and the same strategy will not necessarily produce the same results. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein. In fact, there are frequently sharp differences between back-tested returns and the actual results realized in the actual management of a portfolio. Back-tested performance results are created by applying an investment strategy or methodology to historical data and attempts to give an indication as to how a strategy might have performed during a certain period in the past if the product had been in existence during such time. Back-tested results have inherent limitations including the fact that they are calculated with the full benefit of hindsight, which allows the security selection methodology to be adjusted to maximize the returns. Further, the results shown do not reflect actual trading or the impact that material economic and market factors might have had on a portfolio manager's decision-making under actual circumstances. Back-tested returns do not reflect advisory fees, trading costs, or other fees or expenses.

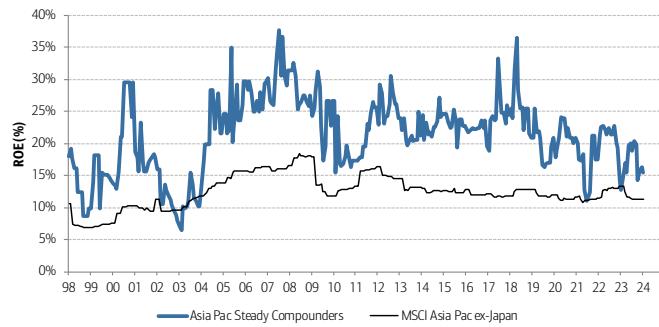
This report includes factors for informational or descriptive purposes, and inclusion here is not equivalent to a recommendation of the factor or portfolio.

Past performance should not and cannot be viewed as an indicator of future performance.

A complete performance record is available upon request.

### Chart 151: Asia Pac ex-Japan Steady Compounders: ROE Level

ROE of APxJ Steady Compounders is 15% vs Index ROE of 11%

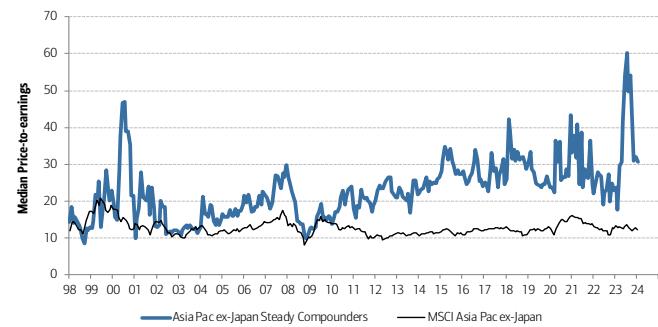


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 152: Asia Pac ex-Japan Steady Compounders: Median PE

Median PE of Steady Compounders is 30.6 vs Index PE of 12.3

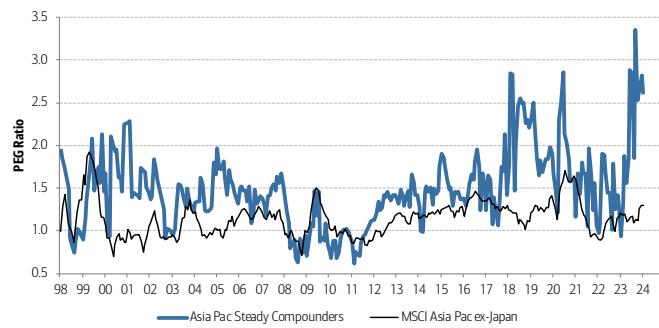


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 153: Asia Pac ex-Japan Steady Compounders: PEG Ratio

PEG of APxJ Steady Compounders is 262% vs Index PEG of 130%

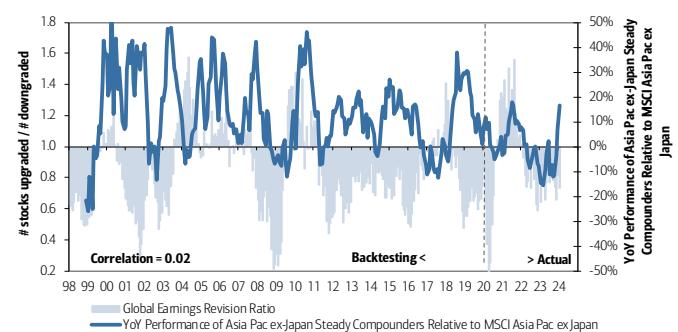


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 154: Asia Pac ex-Japan Steady Compounders: YoY relative returns and Trend in Earnings Expectations

YoY Asia Pac ex-Japan Steady Compounders have outperformed by 16.5%



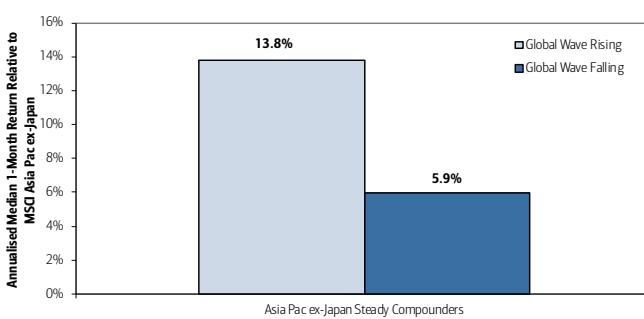
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

Back-tested results are from Jan-98 to May-16. Actual performance is from Jun-16. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 155: Asia Pac ex-Japan Steady Compounders: Annualized Performance (since inception) vs Global Wave

Asia Pac ex-Japan Steady Compounders outperform irrespective of the direction of the cycle

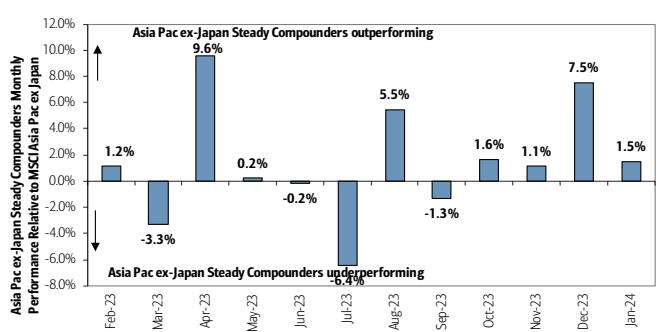


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database

BofA GLOBAL RESEARCH

### Chart 156: Asia Pac ex-Japan Steady Compounders: Relative Performance last 12 months

Steady Compounders have outperformed by 16.5% in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Table 11: Asia Pac ex-Japan Steady Compounds**

Asia Pac ex-Japan Steady Compounds screen sorted by country and sector

BB Code	Company Name	Country	Sector	PE
COH AU	Cochlear	Australia	Health Care	50.8
CWY AU	Cleanaway Waste Mgmt	Australia	Industrials	29.2
REA AU	REA Group	Australia	Media & Ent.	47.5
ICICIBC IN	ICICI Bank	India	Banks	17.2
CIPLA IN	Cipla	India	Health Care	25.2
LT IN	Larsen & Toubro	India	Industrials	29.6
BRGR IN	Berger Paints	India	Materials	47.6
PIDI IN	Pidilite Indus	India	Materials	60.2
UTCEM IN	Ultratech Cement	India	Materials	32.0
MEL NZ	Meridian Energy	New Zealand	Utilities	31.6
2330 TT	TSMC	Taiwan	Semiconductors	16.3
3044 TT	Tripod Technology	Taiwan	Tech Hardware	11.9

Source : BofA Global Quantitative Strategy This screen is not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

BofA GLOBAL RESEARCH

**Table 12: Asia Pac ex-Japan Steady Compounds: Average Characteristics**

Average characteristics of Asia Pac ex-Japan Steady Compounds

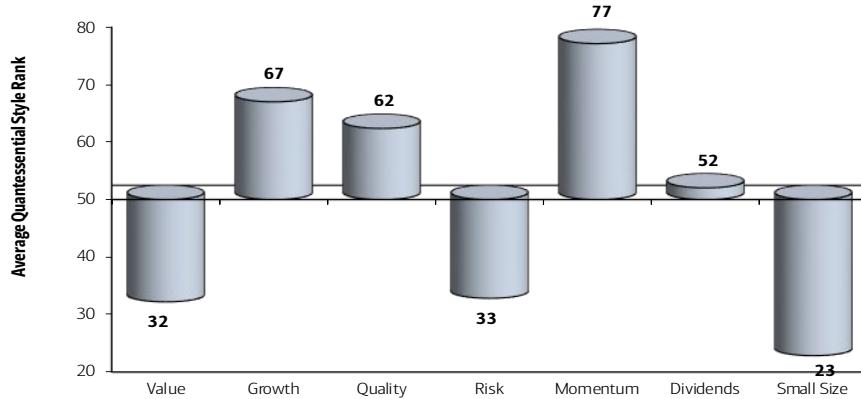
Factors	Average	MSCI Asia Pac xJ
EV/EBITDA	29.57	12.06
P/FCF	49.93	17.78
P/S (Trailing)	4.58	1.82
PB (Trailing)	5.22	1.77
PE (Forecast)	31.64	13.80
PEG Ratio	2.62	1.30
EPS FY2/Reportd	47.2%	33.5%
EPS Revisions	5.4%	1.5%
Trend Growth 7yr	11.0%	3.3%
FCF to Equity	16.0%	7.2%
Quality Rank	56	40
ROE	15.41	11.37
Profit Margins	0.10	0.10
Asset Turnover	0.64	0.52
Operating Leverage	1.70	2.24
Beta 60m	0.98	0.74
EPS Vol 3yr	5.4%	13.9%
Price Vol 1yr	8.9%	11.7%
Trend Price 12m	24.1%	-13.9%
Div Growth 5yr	19.2%	17.7%
Div Payout 5yr	37.7%	34.8%
Div Yield (Reported)	0.9%	2.4%
Market Cap (Total)	14,352	5,868
Turnover / Mcap 6m	0.30	1.00

Source : BofA Global Quantitative Strategy

BofA GLOBAL RESEARCH

**Chart 157: Asia Pac ex-Japan Steady Compounds: Style Tilt**

Steady Compounds are overweight Quality and Growth



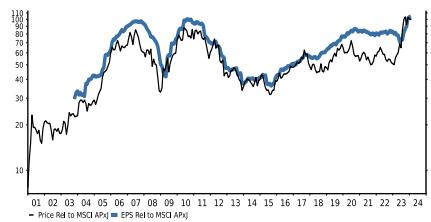
Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Least Expensive Asia Pac ex-Japan Steady Compounders

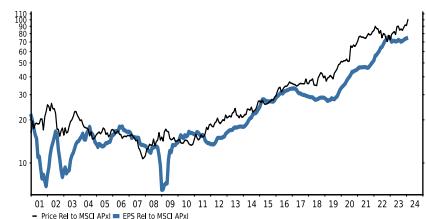
### Chart 158: Tripod Technology - Momentum & Value

Tripod Technology has outperformed in the last 6 months



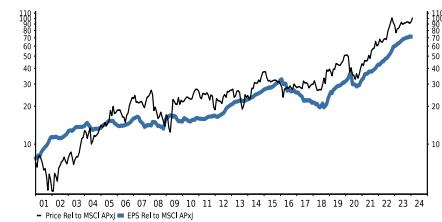
### Chart 159: TSMC - Momentum & Value

TSMC has outperformed in the last 12 months



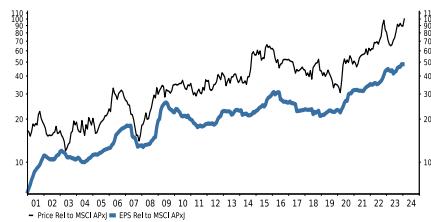
### Chart 160: ICICI Bank - Momentum & Value

ICICI Bank has outperformed in the last 12 months



### Chart 161: Cipla - Momentum & Value

Relative EPS trend for Cipla has improved in the last 6 months



### Chart 162: Cleanaway Waste Mgmt - Momentum & Value

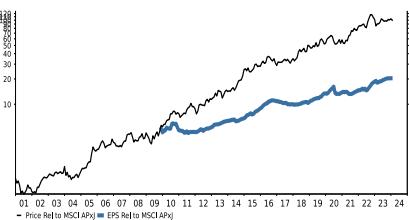
Relative EPS trend for Cleanaway Waste Mgmt has deteriorated in the last 12 months



## Most Expensive Asia Pac ex-Japan Steady Compounds

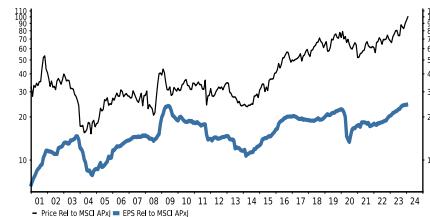
### Chart 163: Pidilite Indus - Momentum & Value

Pidilite Indus has underperformed in the last 6 months



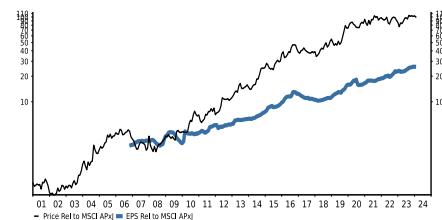
### Chart 164: Cochlear - Momentum & Value

Relative EPS trend for Cochlear has deteriorated in the last 3 months



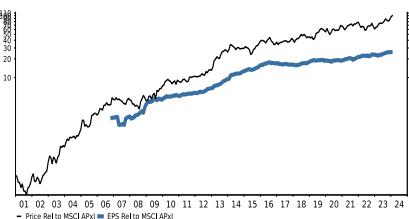
### Chart 165: Berger Paints - Momentum & Value

Relative EPS trend for Berger Paints has improved in the last 3 months



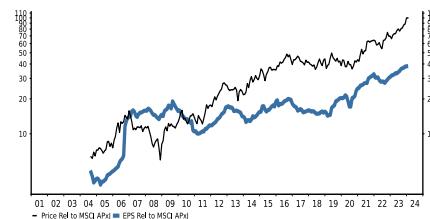
### Chart 166: REA Group - Momentum & Value

REA Group has outperformed in the last 3 months



### Chart 167: Ultratech Cement - Momentum & Value

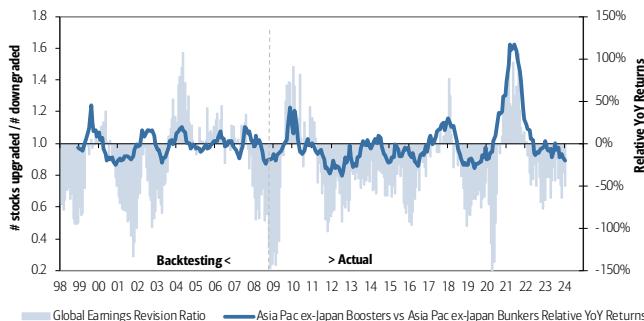
Relative EPS trend for Ultratech Cement has improved in the last 12 months



# Asia Pac ex-Japan Boosters & Bunkers

## Chart 168: APxJ Boosters and Bunkers: YoY Returns vs Global Earnings Expectations

Bunkers outperforms Boosters, on average when profits cycle is slowing



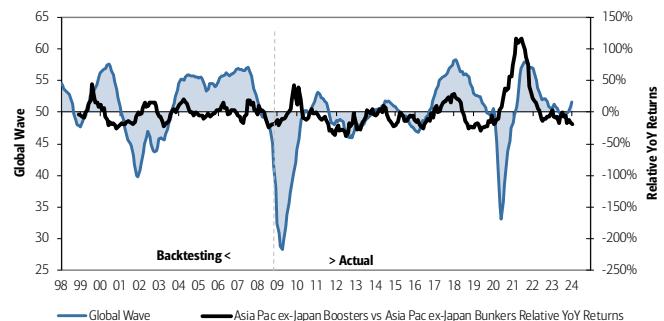
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

Back-tested results are from Jan-98 to Sep-08. Actual performance is from Oct-08. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

## Chart 169: APxJ Boosters and Bunkers: YoY Returns vs Global Wave

Bunkers outperforms Boosters, on average during falling Global Wave



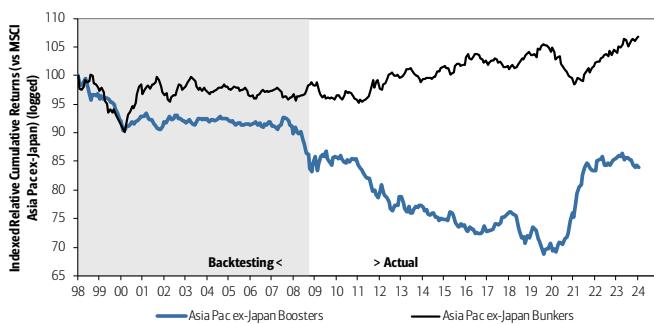
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database, S&P, Worldscope

Back-tested results are from Jan-98 to Sep-08. Actual performance is from Oct-08. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

## Chart 170: APxJ Boosters and Bunkers: relative cumulative performance

Asia Pac ex-Japan Boosters have underperformed by -14.8% in the last 6 Months



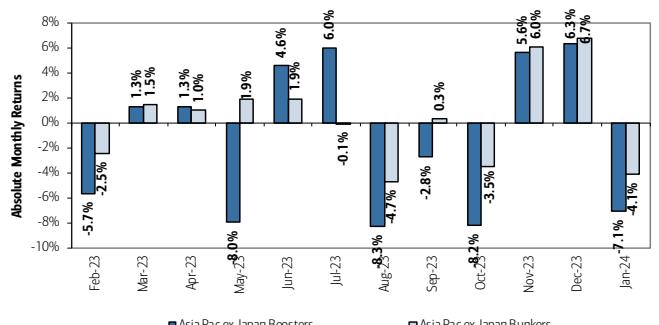
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

Back-tested results are from Jan-98 to Sep-08. Actual performance is from Oct-08. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

## Chart 171: APxJ Boosters and Bunkers Monthly Performance: Last 12-Months

APxJ Bunkers has outperformed in 2 out of last 6 months



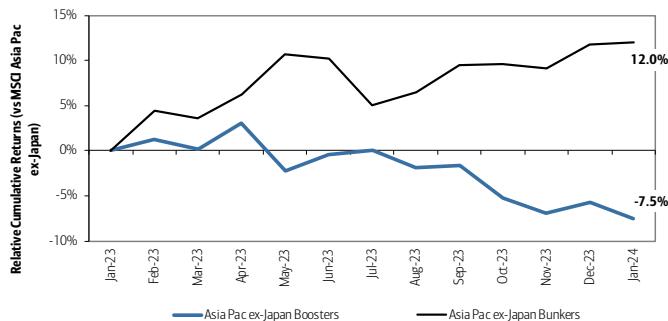
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



### Chart 172: APxJ Boosters and Bunkers relative cumulative performance: Last 12m

Bunkers outperformed Boosters in the last 12-months

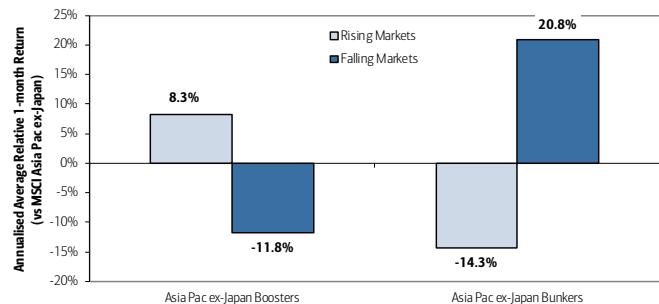


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 173: APxJ Boosters and Bunkers: Performance in Rising & Falling Markets

Performance of Boosters and Bunkers tends to move with the cycle



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Table 13: Asia Pac ex-Japan Boosters

Thirty-stocks Asia Pac ex-Japan Boosters screen

BBG Code	Name	Country	Sector	MCAP (\$US m)*
IGO AU	IGO	Australia	Materials	3,406
MIN AU	Mineral Resources	Australia	Materials	6,962
PLS AU	Pilbara Minerals	Australia	Materials	6,709
2883 HK	COSL-H	China	Energy	1,740
1919 HK	COSCO Shipping-H	China	Industrials	3,171
1308 HK	SITC Int'l	China	Industrials	2,038
2600 HK	CHALCO-H	China	Materials	1,917
1378 HK	China Hongqiao	China	Materials	1,733
3993 HK	CMOC-H	China	Materials	2,046
358 HK	Jiangxi Copper-H	China	Materials	1,551
DQ US	Dago New Energy-ADR	China	Semiconductor	1,046
3800 HK	GCL Tech	China	Semiconductor	2,486
148 HK	Kingboard Hldgs	China	Tech Hardware	1,186
316 HK	Orient Overseas	Hong Kong	Industrials	1,967
JSP IN	Jindal Steel	India	Materials	3,255
JSTL IN	JSW Steel	India	Materials	6,027
VEDL IN	Vedanta	India	Materials	3,065
TCOM IN	Tata Comm.	India	Telecom	2,385
MAHB MK	Malaysia Airports	Malaysia	Industrials	1,492
009540 KS	HD Korea Shipbuilding	South Korea	Industrials	3,611
010620 KS	Hyundai Mipo	South Korea	Industrials	1,214
003670 KS	POSCO Future M	South Korea	Industrials	5,885
010140 KS	Samsung Heavy	South Korea	Industrials	3,615
004020 KS	Hyundai Steel	South Korea	Materials	2,177
011780 KS	Kumho Petrochem	South Korea	Materials	1,508
2610 TT	China Airlines	Taiwan	Industrials	1,884
2609 TT	Yang Ming	Taiwan	Industrials	2,669
3481 TT	Innolux	Taiwan	Tech Hardware	4,505
BANPUTB	Banpu Public	Thailand	Energy	1,576
IVL TB	Indorama Ventures	Thailand	Materials	1,120

Source : BofA Global Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
Market Cap

\*=Free

BofA GLOBAL RESEARCH

### Table 14: Asia Pac ex-Japan Boosters: Median Characteristics

Asia Pac ex-Japan Boosters & MSCI ACWI median factor characteristics

Factors	Median Exposure	Asia Pac xj
EV/EBITDA	5.09	12.06
P/FCF	5.91	17.78
P/S (Trailing)	0.70	1.82
PB (Trailing)	1.02	1.77
PE (Forecast)	9.81	13.80
PEG Ratio	0.60	1.30
EPS FY2/Reportd	5.1%	33.5%
EPS Revisions	-4.8%	1.5%
Trend Growth 7yr	15.5%	3.3%
FCF to Equity	9.2%	7.2%
Quality Rank	26	40
ROE	9.52	11.37
Profit Margins	0.06	0.10
Asset Turnover	0.74	0.52
Operating Leverage	2.16	2.24
Beta 60m	1.48	0.74
EPS Vol 3yr	45.1%	13.9%
Price Vol 1yr	12.4%	11.7%
Trend Price 12m	-17.3%	-13.9%
Div Growth 5yr	34.1%	17.7%
Div Payout 5yr	20.7%	34.8%
Div Yield (Reported)	4.4%	2.4%
Market Cap (Total)	3,855	5,868
Turnover / Mcap 6m	1.04	1.00

Source : BofA Global Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg

BofA GLOBAL RESEARCH

## Asia Pac ex-Japan Boosters by Investor Type

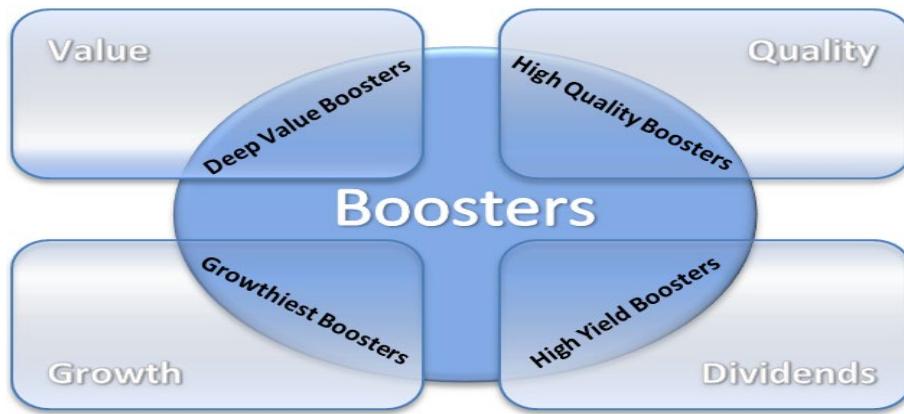
In this analysis, we screen for stocks with characteristics that tend to outperform in an economic upturn – Boosters – that also overlap with the Quality, Value, Growth or Dividend styles in order to help investors with style biases position more aggressively.

The analysis in this report suggests there are Quality stocks that also screen as Boosters – “High Quality Boosters”. Similarly, we have also screened for “Growthiest Boosters”, “Deep Value Boosters”, and “High Yield Boosters”.

In this report, we provide these four types of Boosters screens for Asia Pac ex-Japan stocks universe. Refer to the appendix “[Boosters by Investor Type Methodology](#)” for a detailed description of the Screen Construction Methodology. Refer to appendix “[Boosters by Investor Type Performance](#)” for detailed performance data and advance decline statistics.

**Chart 174: Boosters for four types of investors: Value, Quality, Growth and Dividends**

Four types of Boosters that overlaps with Quality, Value, Growth or Dividend styles



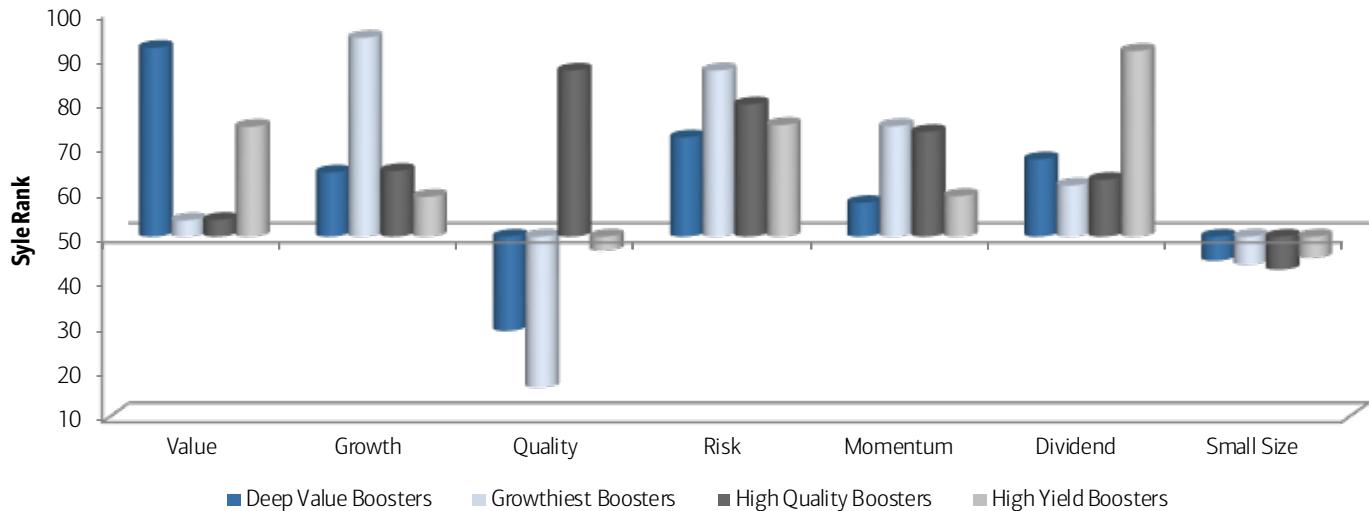
Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

# Asia Pac ex-Japan Boosters by Investor Type

## Chart 175: Asia Pac ex-Japan Boosters by Investor Type: Style Tilts

Growthiest Boosters have a cyclical tilt and are underweight Quality

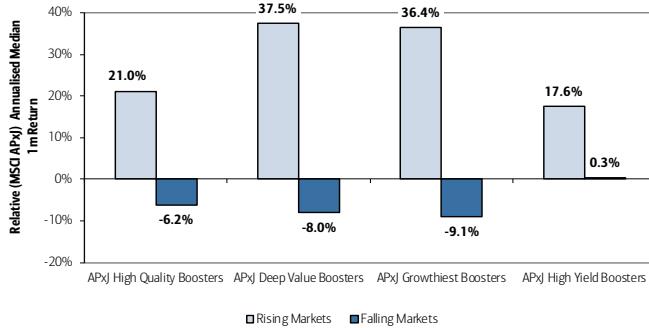


Source : BofA Global Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg

BofA GLOBAL RESEARCH

## Chart 176: Asia Pac ex-Japan Boosters by Investor Type: Returns in Rising & Falling Markets

During rising markets, APxJ Deep Value Boosters and APxJ Growthiest Boosters performs the best

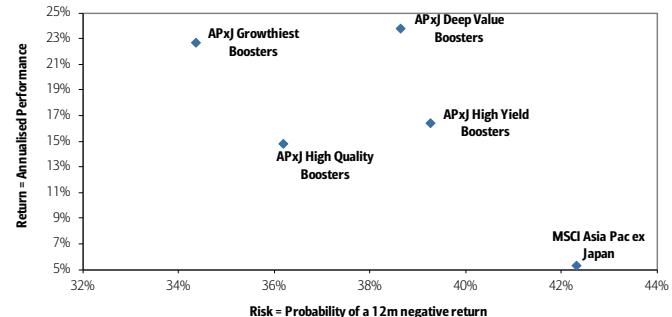


Source : BofA Global Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
Back-tested results are from Jan-96 to Aug-16. Actual performance is from Sep-16. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

## Chart 177: Asia Pac ex-Japan Boosters by Investor Type: Risk-Return Profile

Deep Value & Growthiest Boosters have the best risk-return characteristics



Source : BofA Global Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg  
BofA GLOBAL RESEARCH

## APxJ Contenders and Defenders

The universe of large and liquid stocks included in this analysis is selected from the constituents of the MSCI Asia Pacific Index that meet our market cap, turnover and coverage requirements. The universe is recalculated every 6 months in line with the six-month rebalancing of the MSCI Index.

For a stock to be included in the analysis it must be in the top 500 of stocks by market capitalisation in the MSCI Asia Pacific Index with average daily turnover of greater than US\$1,000,000/day in the preceding 6 months and it has to have a minimum of 3 consensus earnings estimates. There are no country or sector constraints.

The Contenders & Defenders are determined at the end of each month using month-end data from MSCI, IBES, and ExShare databases. Stocks in the firm's restricted list at the time of the month-end analysis are excluded from the analysis.

Our monthly analysis produces rankings for each eligible security for earnings momentum, price momentum and valuation.

- An Earnings Revision Rank from 1 (worst) to 100 (best) is a percentile rank calculated for each stock based on a 3-month earnings revision to consensus EPS estimates.
- A Price Momentum Rank from 1 (worst) to 100 (best) is a percentile rank calculated for each stock based on average 5-week price/average 30-week price.
- A PE Rank from 1 (worst) to 100 (best) is a percentile rank calculated for each stock based on Price-to-12-month-forward EPS forecast.

The Contenders Rank is a combination of the Earnings Revision Rank, Price Momentum Rank, and PE Rank.

At inception in March 2002, the Asia Pacific Contenders were the twenty lowest PE stocks with above average earnings momentum and price momentum. In each subsequent month, a stock will drop out of the Asia Pacific Contenders only when either the Earnings Revision Rank falls below average (rank of 50) or the Price Momentum Rank falls below average (rank of 50). When a stock falls out of the Contenders it is replaced by the stock with the highest Contenders Rank that is not already a Contender.

At inception, the Asia Pacific Defenders were the twenty highest PE stocks with below average earnings momentum and price momentum. In each subsequent month, a stock will drop out of the Asia Pacific Defenders only when either the Earnings Revision Rank moves above average (rank of 50) or the Price Momentum Rank moves above average (rank of 50). When a stock falls out of the Defenders it is replaced by the stock with the lowest Contenders Rank that is not already a Defender.

Since inception, the average monthly turnover rate has been 25% for the Asia Pac Contenders and 28% for the Asia Pac Defenders. This indicates that roughly 4-5 stocks of the 20 Contenders and 5-6 stocks of the 20 Defenders would be expected to change each month, on average.

We publish a report with the new Contenders & Defenders monthly.



# Geographic Revenue Exposure

An important consideration for portfolio managers is to look beyond each company's domicile to the source of the revenue. We studied the revenue segmentation of Asia Pacific ex-Japan stocks to determine which companies are predominantly Domestic Plays and the origination of revenue exposures for the Exporters.

Our back-testing showed Domestic Plays would have outperformed Exporters for most of the period since 2006. Below chart shows the long-term performance of Asia Pac ex-Japan Domestic Plays versus Asia Pac ex-Japan Exporters relative to MSCI Asia Pac ex-Japan index.

In this analysis, Asia Pac ex-Japan Exporters are defined as stocks with 30% or more of revenue derived from outside the country of domicile. Domestic Plays are defined as stocks with 90% or more of revenue from the domicile country.

## Chart 178: Asia Pac ex-Japan Domestic Plays vs Exporters

Asian Exporters have outperformed by +11.6% in the last 12-months

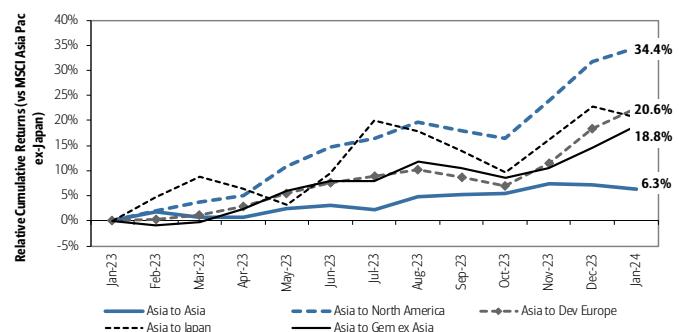


Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH

## Chart 179: 12-month relative performance - Asia Pac ex-Japan Exporters by regional segmentation

Asian Exporters to the USA have outperformed the most in the last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH

## Chart 180: Asia Pac ex-Japan Domestic Plays vs Exporters: Earnings Revision Ratio

There are more downgrades than upgrades for Asia Exporters

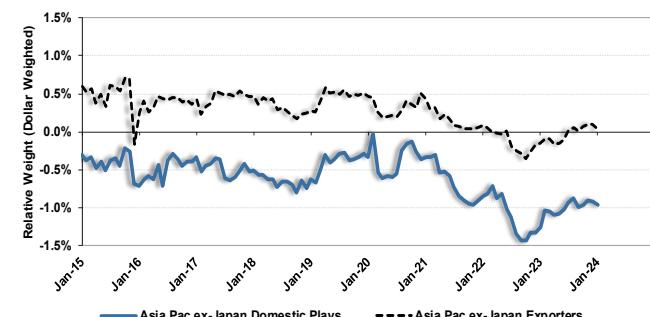


Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH

## Chart 181: Asia Pac ex-Japan Domestic Plays vs Exporters: Positioning

Funds are underweight Asia Pac ex-Japan Domestic Plays



Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH

**Table 15: Asia Pac ex-Japan Domestic Plays – Largest four stocks in each market with 90% or more of revenue from country of domicile**

Screen to highlight APxJ Domestic Plays, stocks with &gt; 90% revenue from domicile country

<b>Company Name</b>	<b>Bloomberg Code</b>	<b>Country</b>	<b>Sector</b>	<b>Avg Daily TO (6m \$US mn)</b>	<b>Avg Daily TO (20 d \$US mn)</b>	<b>Total MCAP (\$US m)</b>	<b>Revenue Exposure</b>
Coles	COL AU	Australia	Cons. Staples	35.6	28.3	14,076	100%
Wesfarmers	WES AU	Australia	Cons. Discretionary	59.9	57.6	43,626	93%
REA Group	REA AU	Australia	Media & Ent.	18.0	14.3	16,065	93%
Transurban	TCL AU	Australia	Industrials	50.1	49.0	27,576	93%
PDD Hldgs	PDD US	China	Cons. Discretionary	968.1	1,132.2	168,558	100%
Netease	9999 HK	China	Media & Ent.	123.1	148.3	62,497	100%
CCB-H	939 HK	China	Banks	156.8	194.0	142,702	98%
Tencent	700 HK	China	Media & Ent.	765.4	872.1	329,807	92%
BOC HK	2388 HK	Hong Kong	Banks	20.9	28.6	25,319	100%
Hang Seng Bank	11 HK	Hong Kong	Banks	15.2	15.6	19,871	94%
Wharf REIC	1997 HK	Hong Kong	Real Estate	11.3	9.1	8,894	92%
ITC	ITC IN	India	Cons. Staples	59.1	76.1	66,309	100%
NTPC	NTPC IN	India	Utilities	49.3	75.5	37,073	100%
ONGC	ONGC IN	India	Energy	34.5	76.0	38,213	98%
Hindustan Unilever	HUVR IN	India	Cons. Staples	49.3	58.1	70,212	96%
Bank Central Asia	BBCA IJ	Indonesia	Banks	41.6	41.0	74,606	100%
Bank Rakyat	BBRI IJ	Indonesia	Banks	41.6	41.8	54,746	100%
Bank Mandiri	BMRI IJ	Indonesia	Banks	28.8	36.4	39,332	97%
Amman Mineral	AMMN IJ	Indonesia	Materials	26.3	16.6	34,531	0%
Tenaga	TNB MK	Malaysia	Utilities	9.7	10.5	13,116	100%
Public Bank	PBK MK	Malaysia	Banks	13.6	14.0	18,015	91%
BDO Unibank	BDO PM	Philippines	Banks	7.2	8.9	13,569	100%
Ayala Land	ALI PM	Philippines	Real Estate	5.1	5.5	9,055	100%
Genting Singapore	GENS SP	Singapore	Cons. Discretionary	17.7	15.8	9,141	100%
Sing Exchange	SGX SP	Singapore	Div Financials	11.6	11.0	7,546	100%
CapitaLand Integrated Comm	CICT SP	Singapore	Real Estate	23.4	32.6	10,009	100%
Samsung Life	032830 KS	South Korea	Insurance	11.1	18.6	10,385	99%
Hana Financial	086790 KS	South Korea	Banks	28.5	31.1	10,471	92%
Naver	035420 KS	South Korea	Media & Ent.	118.8	109.5	24,645	92%
KB Financial	105560 KS	South Korea	Banks	39.6	52.0	17,112	92%
Taiwan Coop Fin	5880 TT	Taiwan	Banks	7.2	6.4	11,960	100%
Taiwan Mobile	3045 TT	Taiwan	Telecom	9.9	6.9	11,019	98%
Fubon Financial	2881 TT	Taiwan	Insurance	24.7	25.8	26,820	94%
Cathay Financial	2882 TT	Taiwan	Insurance	21.2	21.2	20,692	90%
PTT	PTT TB	Thailand	Energy	47.7	40.0	27,172	100%
Airports of Thai	AOT TB	Thailand	Industrials	46.7	50.9	24,059	100%
Adv Info Serv	ADVANC TB	Thailand	Telecom	27.6	23.5	18,360	100%
Gulf Energy Dev	GULF TB	Thailand	Utilities	17.6	15.2	14,386	92%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH



**Table 16: Asia Pac ex-Japan-to-USA Exporters**

Screen to highlight Asia Pac ex-Japan stocks with revenue exposure to the USA

<b>Company Name</b>	<b>BBG Code</b>	<b>Country</b>	<b>Sector</b>	<b>Avg Daily TO (6m \$US mn)</b>	<b>Total MCAP (\$US m)</b>	<b>Revenue Exposure</b>
Mphasis	MPHL IN	India	Software	15.4	5,901	82%
Persistent Systems	PSYS IN	India	Software	34.5	7,738	78%
Techtronic	669 HK	Hong Kong	Industrials	47.3	19,528	77%
Nien Made	8464 TT	Taiwan	Cons. Discretion	4.7	3,141	76%
Zhen Ding Tech	4958 TT	Taiwan	Tech Hardware	9.6	3,056	75%
James Hardie	JHXAU	Australia	Materials	50.5	16,936	74%
Inventec Corp	2356 TT	Taiwan	Tech Hardware	86.5	6,293	74%
Doosan Bobcat	241560 KS	South Korea	Industrials	11.7	3,823	72%
Computershare	CPU AU	Australia	Industrials	29.1	10,133	71%
LTIMindtree	LTIM IN	India	Software	28.4	19,415	70%
ASE Tech	3711 TT	Taiwan	Semiconductors	44.2	19,016	67%
TSMC	2330 TT	Taiwan	Semiconductors	504.0	520,307	66%
Accton Tech	2345 TT	Taiwan	Tech Hardware	58.0	9,467	66%
WuXi AppTec-H	2359 HK	China	Health Care	40.3	2,781	66%
Infosys	INFO IN	India	Software	107.1	83,009	62%
HCL Technologies	HCLT IN	India	Software	41.8	51,382	57%
Reece	REH AU	Australia	Industrials	5.7	9,728	56%
Brambles	BXB AU	Australia	Industrials	35.9	13,448	56%
WIPRO	WPRO IN	India	Software	37.5	30,067	56%
WuXi Biologics	2269 HK	China	Health Care	135.5	11,149	56%
TCS	TCS IN	India	Software	90.0	168,137	53%
Pearl Abyss	263750 KS	South Korea	Media & Ent.	9.8	1,577	53%
Quanta	2382 TT	Taiwan	Tech Hardware	393.6	30,482	53%
Genscript Biotech	1548 HK	China	Health Care	21.9	3,515	53%
AAC Tech	2018 HK	China	Tech Hardware	16.5	2,692	51%
Indorama Ventures	IVL TB	Thailand	Materials	14.0	3,735	50%
Cochlear	COHAU	Australia	Health Care	29.2	13,190	50%
Tech Mahindra	TECHM IN	India	Software	34.9	15,666	50%
CSL	CSL AU	Australia	Health Care	141.5	96,342	49%
Wiwynn	6669 TT	Taiwan	Tech Hardware	158.2	12,289	47%
Aristocrat	ALL AU	Australia	Cons. Discretion	35.8	19,079	47%
China Airlines	2610 TT	Taiwan	Industrials	25.6	3,926	47%
Eclat Textile	1476 TT	Taiwan	Cons. Discretion	10.7	4,795	46%
Wistron	3231 TT	Taiwan	Tech Hardware	347.5	10,608	46%
Aurobindo Pharma	ARBP IN	India	Health Care	25.0	8,117	45%
Doosan Enerbility	034020 KS	South Korea	Industrials	37.0	7,410	44%
Dr Reddy's	DRRD IN	India	Health Care	31.6	12,293	43%
Fisher & Paykel Health	FPH NZ	New Zealand	Health Care	5.3	8,480	43%
Tata Elxsi	TELX IN	India	Software	13.2	5,703	42%
Bluescope Steel	BSL AU	Australia	Materials	23.8	7,050	42%
Pi Industries	PI IN	India	Materials	15.8	6,160	42%
Compal	2324 TT	Taiwan	Tech Hardware	45.3	5,048	41%
HMM	011200 KS	South Korea	Industrials	43.6	7,068	41%
Sona Blw Precision Forgi	SONACOMS I	India	Cons. Discretion	10.8	4,358	40%
Samsung Electronics	005930 KS	South Korea	Tech Hardware	767.7	325,181	39%
Alchip Tech	3661 TT	Taiwan	Semiconductors	205.8	9,233	39%
Kia	000270 KS	South Korea	Cons. Discretion	73.4	30,997	38%
Pegatron Corp	4938 TT	Taiwan	Tech Hardware	17.9	7,040	37%
Hon Hai	2317 TT	Taiwan	Tech Hardware	93.1	45,399	36%
Yang Ming	2609 TT	Taiwan	Industrials	72.3	5,339	34%
Swire Pacific	19 HK	Hong Kong	Real Estate	8.9	6,631	34%
Lenovo	992 HK	China	Tech Hardware	59.3	12,675	34%
Treasury Wine (TWE)	TWE AU	Australia	Cons. Staples	28.0	5,683	34%
Int'l Container	ICT PM	Philippines	Industrials	4.8	8,771	34%
Netmarble	251270 KS	South Korea	Media & Ent.	8.0	3,755	34%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH



**Table 17: Asia Pac ex-Japan-to-USA Exporters (continued...)**

Screen to highlight Asia Pac ex-Japan stocks with revenue exposure to the USA

<b>Sun Pharma</b>	<b>SUNP IN</b>	<b>India</b>	<b>Health Care</b>	<b>28.81385</b>	<b>40981</b>	<b>0.3228</b>
Sing Tech	STE SP	Singapore	Industrials	10.2	8,715	32%
WiseTech	WTC AU	Australia	Software	36.2	16,082	31%
Lupin	LPC IN	India	Health Care	18.2	8,252	31%
Hybe	352820 KS	South Korea	Media & Ent.	46.0	6,288	31%
QBE	QBE AU	Australia	Insurance	43.7	15,653	27%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH



**Table 18: Asia Pac ex-Japan-to-Europe Exporters**

Screen to highlight Asia Pac ex-Japan stocks with revenue exposure to Europe

Company Name	BBG Code	Country	Sector	Avg Daily TO	Total MCAP	Revenue
				(6m \$US mn)	(\$US m)	Exposure
Samsung Biologics	207940 KS	South Korea	Health Care	31.9	44,795	60%
Minor Intl	MINT TB	Thailand	Cons. Discretionary	12.4	4,811	57%
CK Hutchison	1 HK	Hong Kong	Industrials	23.5	19,794	56%
COSCO Shipping Ports	1199 HK	China	Industrials	2.7	2,141	47%
Goodman Group	GMG AU	Australia	Real Estate	67.7	32,140	47%
Balkrishna Indus	BIL IN	India	Cons. Discretionary	8.5	5,713	46%
Pegatron Corp	4938 TT	Taiwan	Tech Hardware	17.9	7,040	44%
Yang Ming	2609 TT	Taiwan	Industrials	72.3	5,339	44%
Power Assets	6 HK	Hong Kong	Utilities	12.2	12,486	43%
Samsung SDI	006400 KS	South Korea	Tech Hardware	107.1	19,192	42%
Divi's Labs	DIV IN	India	Health Care	19.8	11,734	41%
Hankook Tire & Tech	161390 KS	South Korea	Cons. Discretionary	8.5	4,761	39%
WiseTech	WTC AU	Australia	Software	36.2	16,082	39%
LG Energy Solution	373220 KS	South Korea	Industrials	104.9	66,800	38%
CK Asset	1113 HK	Hong Kong	Real Estate	19.0	16,012	37%
Tata Steel	TATA IN	India	Materials	55.4	20,008	37%
Press Metal Alum	PMAH MK	Malaysia	Materials	4.4	8,257	37%
Tata Elxsi	TELX IN	India	Software	13.2	5,703	36%
Bharat Forge	BHFC IN	India	Cons. Discretionary	15.4	6,925	36%
Wiwynn	6669 TT	Taiwan	Tech Hardware	158.2	12,289	36%
Hon Hai	2317 TT	Taiwan	Tech Hardware	93.1	45,399	33%
Cochlear	COH AU	Australia	Health Care	29.2	13,190	33%
Brambles	BXB AU	Australia	Industrials	35.9	13,448	32%
TCS	TCS IN	India	Software	90.0	168,137	30%
POSCO Future M	003670 KS	South Korea	Industrials	189.8	14,713	30%
Gigabyte Tech	2376 TT	Taiwan	Tech Hardware	221.0	6,276	30%
Aurobindo Pharma	ARBP IN	India	Health Care	25.0	8,117	29%
HMM	011200 KS	South Korea	Industrials	43.6	7,068	28%
Fisher & Paykel Health	FPH NZ	New Zealand	Health Care	5.3	8,480	27%
COSCO Shipping-H	1919 HK	China	Industrials	19.8	3,523	27%
Acer	2353 TT	Taiwan	Tech Hardware	55.2	4,484	27%
Xero	XRO AU	New Zealand	Software	30.0	11,093	26%
HCL Technologies	HCLT IN	India	Software	41.8	51,382	26%
CK Infra	1038 HK	Hong Kong	Utilities	7.4	14,971	26%
Infosys	INFO IN	India	Software	107.1	83,009	26%
Samvardhana Motherson	MOTHERSO I	India	Cons. Discretionary	16.7	9,241	25%
Macquarie Group	MQG AU	Australia	Div Financials	90.9	48,656	25%
Tech Mahindra	TECHM IN	India	Software	34.9	15,666	25%
Lenovo	992 HK	China	Tech Hardware	59.3	12,675	25%
IOI Corp	IOI MK	Malaysia	Cons. Staples	1.6	5,302	24%
Kia	000270 KS	South Korea	Cons. Discretionary	73.4	30,997	24%
Micro-Star Intl	2377 TT	Taiwan	Tech Hardware	30.0	4,913	23%
Shenzhou Intl	2313 HK	China	Cons. Discretionary	34.8	13,413	22%
Kuala Lumpur Kepong	KLK MK	Malaysia	Cons. Staples	3.7	5,078	22%
Indorama Ventures	IVL TB	Thailand	Materials	14.0	3,735	22%
LG Chem	051910 KS	South Korea	Materials	102.2	22,982	22%
Wistron	3231 TT	Taiwan	Tech Hardware	347.5	10,608	21%
Sime Darby Plant	SDPL MK	Malaysia	Cons. Staples	1.8	6,462	21%
Yageo Corp	2327 TT	Taiwan	Tech Hardware	34.2	7,463	21%
Int'l Container	ICT PM	Philippines	Industrials	4.8	8,771	21%
BOC Aviation	2588 HK	Hong Kong	Industrials	2.5	5,198	20%
CMOC-H	3993 HK	China	Materials	9.3	2,154	20%
Sonic Healthcare	SHL AU	Australia	Health Care	27.0	10,041	19%
WIPRO	WPRO IN	India	Software	37.5	30,067	12%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH



**Table 19: Asia Pac ex-Japan-to-Japan Exporters**

Screen to highlight Asia Pac ex-Japan stocks with revenue exposure to Japan

Company Name	BBG Code	Country	Sector	Avg Daily TO (6m \$US mn)	Total MCAP (\$US m)	Revenue Exposure
SITC Int'l	1308 HK	China	Industrials	9.0	4,077	18%
Largan Precision	3008 TT	Taiwan	Tech Hardware	59.0	10,618	15%
Shenzhou Intl	2313 HK	China	Cons. Discretionary	34.8	13,413	14%
Alchip Tech	3661 TT	Taiwan	Semiconductors	205.8	9,233	14%
BHP	BHP AU	Australia	Materials	254.2	158,387	13%
ESR	1821 HK	Hong Kong	Real Estate	7.3	5,562	12%
Ecopro BM	247540 KS	South Korea	Industrials	246.6	15,645	12%
Adaro Energy Indonesia	ADRO JI	Indonesia	Energy	7.7	4,865	12%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH

**Table 20: US stocks with revenue exposure to China**

Screen to highlight USA stocks with revenue exposure to China

Company Name	BBG Code	Country	Sector	MCAP (Total \$US m)	Avg Daily TO (6m \$US m)	Revenue Exposure
Cirrus Logic	CRUS US	United States	Semiconductors	4,224	32.6	65%
Las Vegas Sands	LVS US	United States	Cons. Discretionary	37,114	243.0	63%
Qualcomm	QCOM US	United States	Semiconductors	165,737	997.2	62%
Monolithic Power	MPWR US	United States	Semiconductors	28,797	259.5	52%
Kulicke & Soffa	KLIC US	United States	Semiconductors	2,842	24.7	45%
Lattice Semi	LSCC US	United States	Semiconductors	8,389	144.8	45%
Marvell Tech	MRVL US	United States	Semiconductors	58,412	586.6	42%
IPG Photonics	IPGP US	United States	Tech Hardware	4,637	23.9	34%
Albemarle	ALB US	United States	Materials	13,464	377.6	33%
Corning	GLW US	United States	Tech Hardware	27,713	116.3	33%
Broadcom	AVGO US	United States	Semiconductors	551,226	2,746.0	32%
Estee Lauder	EL US	United States	Cons. Staples	30,637	375.4	28%
Photonics Inc	PLAB US	United States	Semiconductors	1,828	11.0	28%
Intel	INTC US	United States	Semiconductors	180,419	1,599.4	27%
Applied Materials	AMAT US	United States	Semiconductors	137,443	837.8	27%
KLA	KLAC US	United States	Semiconductors	80,981	489.7	27%
Lam Research	LRCX US	United States	Semiconductors	109,106	712.8	26%
Amphenol	APH US	United States	Tech Hardware	60,301	225.3	23%
Interdigital	IDCC US	United States	Software	2,774	28.6	23%
Cognex Corp	CGNX US	United States	Tech Hardware	6,227	46.1	23%
Tesla	TSLA US	United States	Cons. Discretionary	594,457	27,825.4	22%
Dolby Labs-A	DLB US	United States	Software	4,954	44.0	22%
Microchip Tech.	MCHP US	United States	Semiconductors	46,366	386.0	22%
A.O. Smith	AOS US	United States	Industrials	9,669	67.8	22%
NVIDIA	NVDA US	United States	Semiconductors	1,519,717	21,983.9	21%
Borgwarner	BWA US	United States	Cons. Discretionary	7,969	82.6	21%
DuPont	DD US	United States	Materials	28,370	206.4	21%
Qorvo	QRVO US	United States	Semiconductors	9,766	123.4	21%
Sensata Tech	ST US	United States	Industrials	5,513	76.0	20%
Agilent Tech	A US	United States	Health Care	38,066	227.2	20%
Autoliv	ALV US	United States	Cons. Discretionary	9,014	77.0	20%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

BofA GLOBAL RESEARCH



**Table 21: China stocks with revenue exposure to the US**  
 Screen to highlight China stocks with revenue exposure to the USA

Company Name	BBG Code	Country	Sector	MCAP (Total \$US m)	Avg Daily TO (6m \$US m)	Revenue Exposure
Up Fintech Holding-ADR	TIGR US	China	Div Financials	590	6.5	100%
Shandong Xinchao-A	600777 CH	China	Energy	2,643	42.2	100%
Legend Biotech-ADR	LEGN US	China	Health Care	10,037	48.1	100%
Huali Industrial Group Co -A	300979 CH	China	Cons. Discretionary	1,078	10.3	84%
Avary Holding Shenzhen-A	002938 CH	China	Tech Hardware	5,659	28.7	78%
Zhongji Innolight-A	300308 CH	China	Tech Hardware	11,495	435.6	67%
WuXi AppTec-H	2359 HK	China	Health Care	2,781	40.3	66%
Qingdao Novelbeam Technolo-A	688677 CH	China	Health Care	813	9.5	64%
Tong Petrotech-A	300164 CH	China	Energy	272	16.6	64%
Hang Zhou Great Star-A	002444 CH	China	Cons. Discretionary	3,122	28.1	63%
Chempartner Pharmatech Co-A	300149 CH	China	Health Care	380	8.0	59%
JCET-A	600584 CH	China	Semiconductors	5,600	83.8	59%
Genscript Biotech	1548 HK	China	Health Care	3,515	21.9	53%
AAC Tech	2018 HK	China	Tech Hardware	2,692	16.5	51%
Yealink Network-A	300628 CH	China	Tech Hardware	4,290	17.2	44%
CSI Solar-A	688472 CH	China	Semiconductors	764	37.3	37%
Beigene	6160 HK	China	Health Care	14,553	21.3	35%
Lenovo	992 HK	China	Tech Hardware	12,675	59.3	34%
Wanfeng Auto-A	002085 CH	China	Cons. Discretionary	1,566	13.5	34%
Haier Smart Home-H	6690 HK	China	Cons. Discretionary	8,063	23.8	31%
Contec Medical Systems Co -A	300869 CH	China	Health Care	935	7.0	30%
COSCO Shipping-H	1919 HK	China	Industrials	3,523	19.8	29%
Shenzhen Fenda Tech-A	002681 CH	China	Cons. Discretionary	1,018	17.7	29%
Nanjing Xinjiekou-A	600682 CH	China	Health Care	1,136	6.2	27%
Shenzhen Absen-A	300389 CH	China	Tech Hardware	418	8.3	25%
Orient International Enter-A	600278 CH	China	Cons. Discretionary	820	5.1	23%
SMIC	981 HK	China	Semiconductors	10,756	94.1	21%
Shenyang Blue Silver Indus-A	300293 CH	China	Industrials	518	23.4	20%
BOE Tech-A	000725 CH	China	Tech Hardware	18,786	143.5	20%
Jinxin Fertility	1951 HK	China	Health Care	755	5.1	20%
Guoguang Electric-A	002045 CH	China	Cons. Discretionary	765	31.7	18%
Shenzhou Intl	2313 HK	China	Cons. Discretionary	13,413	34.8	18%
Wencan-A	603348 CH	China	Cons. Discretionary	912	27.0	17%
Suzhou Sonavox Electronics-A	688533 CH	China	Cons. Discretionary	607	10.1	17%
Miniso	9896 HK	China	Cons. Discretionary	5,270	16.3	15%
Canaan	CAN US	China	Tech Hardware	324	5.1	14%
Ja Solar Tech-A	002459 CH	China	Semiconductors	7,855	152.9	14%
Silicon Motion Tech-ADR	SIMO US	China	Semiconductors	2,104	27.0	14%
Sinocare-A	300298 CH	China	Health Care	1,870	12.1	13%
Wolong Elec-A	600580 CH	China	Industrials	1,739	24.6	12%
Smoore Int'l	6969 HK	China	Cons. Staples	3,711	7.7	11%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Factset

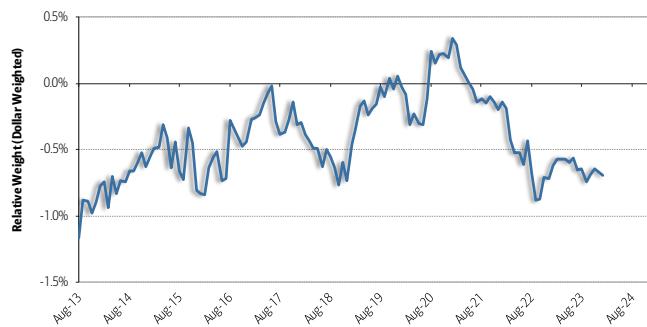
BofA GLOBAL RESEARCH



# Pacific Positioning

## Chart 182: Asia Pac ex-Japan: Trends in Investor Positioning

Funds are currently underweight the region by -0.69%

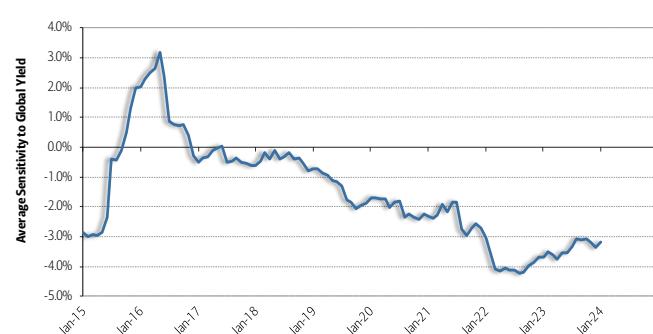


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

## Chart 183: Asia Pac ex-Japan Funds' Relative Equity Duration through time

Funds are not positioned for rising bond yields



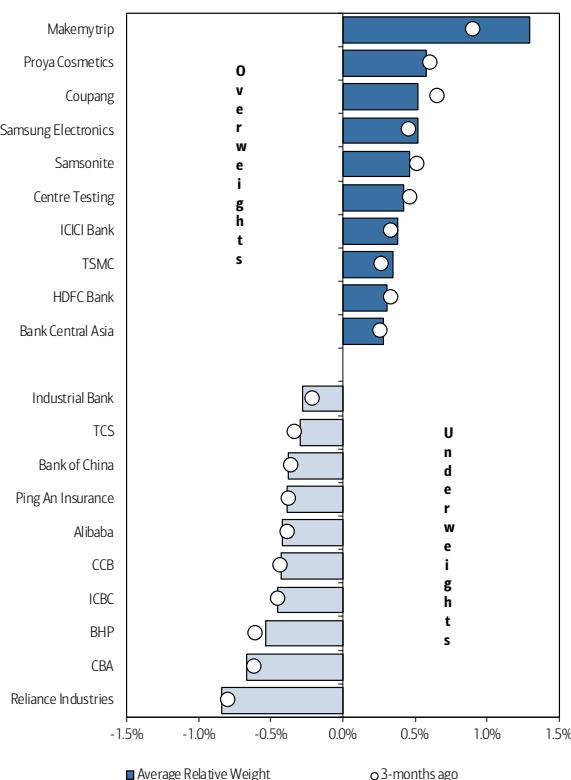
Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

The chart below shows investors' most significant overweight and underweight positions.

## Chart 184: Pacific Positioning - Stocks

In APxJ, the funds are most overweight Makemytrip and most underweight Reliance Industries



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

Name with \* represents non-benchmark stocks

BofA GLOBAL RESEARCH

For each of the funds in the analysis, we calculate weights relative-to-benchmark ("active weight") for every stock in that portfolio. We aggregate these active weights across all funds. The chart below shows investors' most significant overweight and underweight positions. These are the largest average aggregate active weights subject to the constraints:

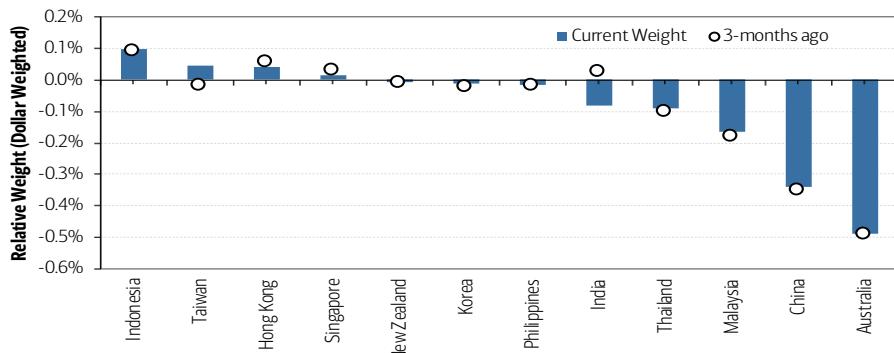
### Constraints:

- held by at least 50 funds
- average active weight greater than 15bps
- average daily turnover greater than US\$10m
- the total dollar value of the aggregate active weight is greater than US\$500m.



### Chart 185: Pacific Positioning: Countries

Relative to their benchmark funds are most overweight Taiwan and Hong Kong

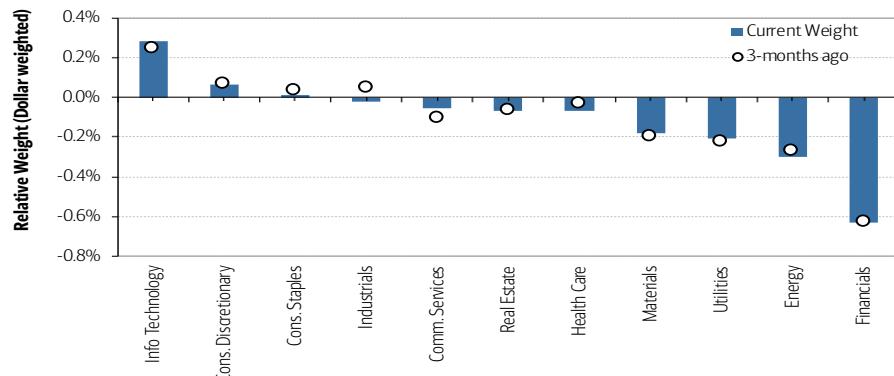


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 186: Pacific Positioning: Sectors

Funds are most overweight Info Technology and most underweight Financials

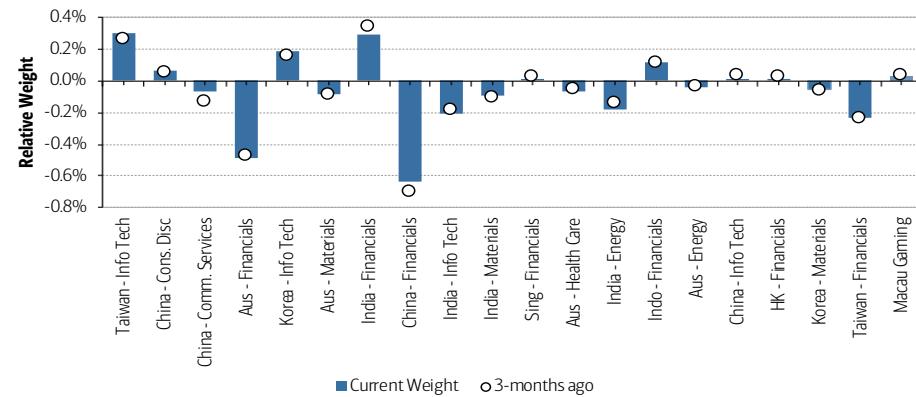


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 187: Positioning in Most Important Country-Sectors

In the last 3m funds have increased exposure the most to China - Comm. Services



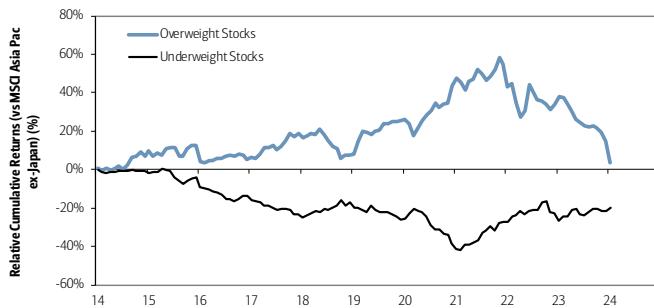
Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

Stocks that investors have been overweight and increasing the size of the overweight have subsequently outperformed the MSCI APxJ Index. Stocks that investors have been underweight have underperformed.

### Chart 188: Relative Cumulative Performance of Overweight and Underweight stocks

Overweight Stocks have underperformed by -9.2% in the last 1 Month

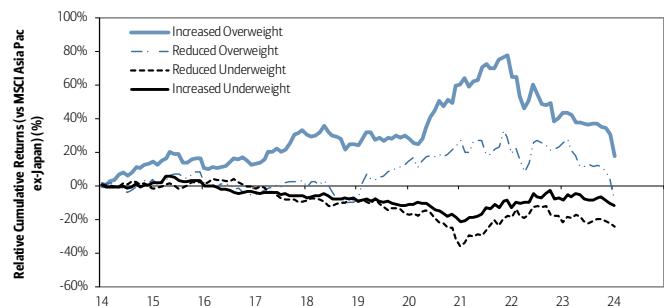


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 189: Relative Cumulative Performance of Change in the Overweight and Underweight positioning

Increased Overweight stocks have outperformed by 2.2% in the last 1 Month



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

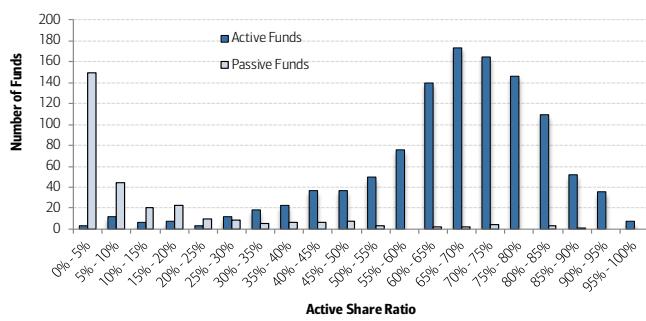
BofA GLOBAL RESEARCH

### The Active Share Ratio

The Active Share Ratio quantifies the extent to which investors are positioned away from benchmark. The Active Share Ratio is calculated as the sum of the absolute value of the differences of the weight of each holding in the manager's portfolio versus the weight of each holding in the benchmark index and then dividing by two. For example, if the benchmark includes only one stock, and a portfolio manager invests half of the assets in that stock and half in another stock, then the Active Share of her portfolio is 50%.

### Chart 190: Active Share Ratio distribution by Fund Type

Most of the Active Funds in our analysis have an ASR between 65% - 70%

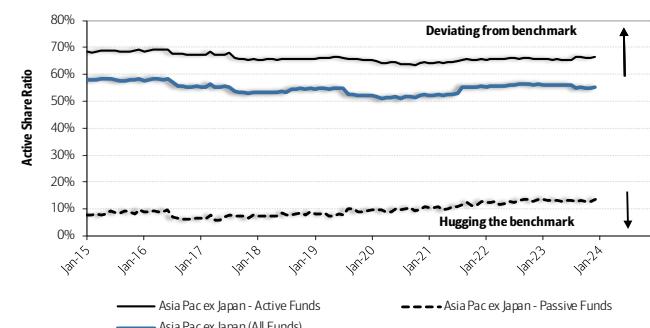


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 191: Active Share Ratio by Fund Type relative to their benchmark

The average ASR across all funds in this analysis ranges between 50%-60%



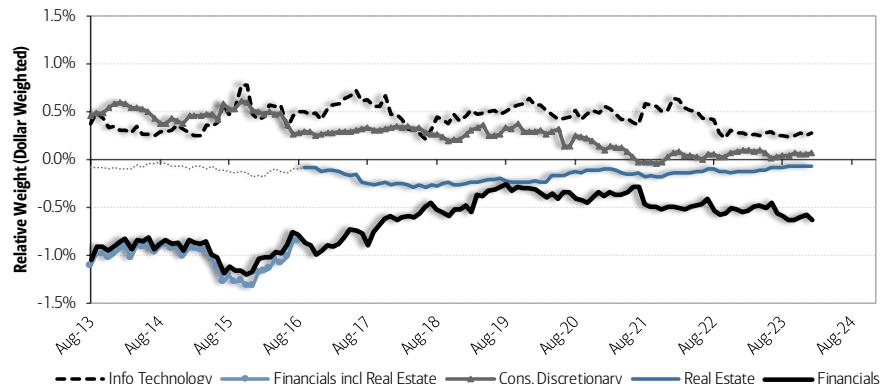
Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH



### Chart 192: Early Cyclicals & Financials – Trends in Investor Positioning

Funds are most overweight Info Technology

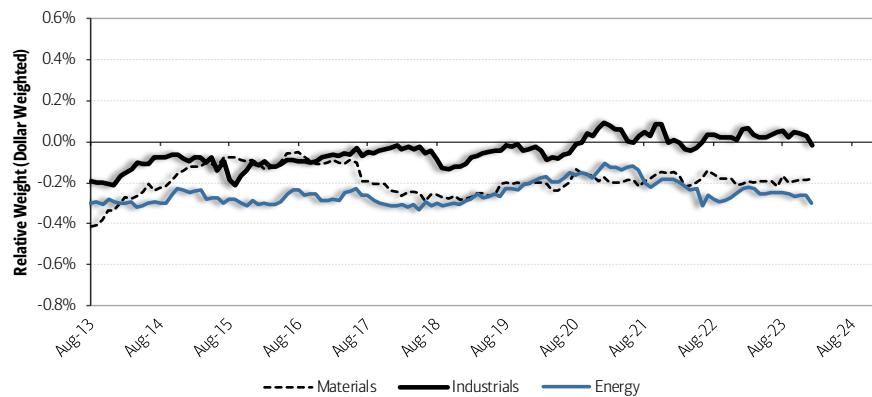


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 193: Late Cyclicals – Trends in Investor Positioning

Funds are most underweight Energy

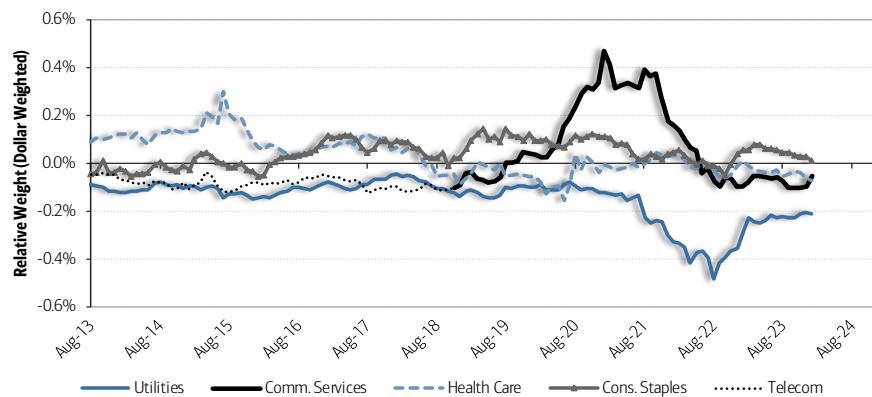


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 194: Defensives – Trends in Investor Positioning

Funds are most underweight Utilities



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

# Country-Sector Allocation

Our Country-sector allocation approach is based on Four Pillars:

**Top-down.** Cyclical allocation as the Global Wave has troughed

**Bottom-up.** Based on relative earnings and price momentum

**Style.** Now emphasizing Value, Growth, Momentum and Small Size

**Valuation.** The best performing and most consistent style in Asia long-term

**Table 22: Asia Pac ex-Japan Country-Sector Overweights and Underweights**

Our Four Pillars analysis suggests cyclical allocation as the Global Wave has troughed

	India	Korea	China	Hong Kong	Australia	Malaysia	New Zealand	Taiwan	Indonesia	Philippines	Singapore	Thailand
Banks	Overweight	Overweight	Overweight			Overweight						
Cons. Discretionary		Overweight		Underweight								
Cons. Staples	Underweight				Underweight							
Div Financials	Overweight	Overweight										
Energy	Overweight											
Health Care						Underweight						
Industrials	Overweight			Underweight				Underweight				
Insurance												
Materials												
Media & Ent.			Underweight									
Real Estate				Underweight								
Semiconductors			Underweight									
Software		Overweight										
Tech Hardware												
Telecom					Underweight							
Utilities												

Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH



## Four Pillars Ranks: Asia Pac ex-Japan

**Table 23: Asia Pac ex-Japan Four Pillars Ranks**

Region-Sectors that screen well on our Four Pillars analysis include India Banks, India Div Financials and Korea Software

Country-Sector Name	Combined	Top Down	Bottom		
	Rank	Rank	Up Rank	Style Rank	PE Rank
India Banks	85	80	98	84	76
India Div Financials	81	94	97	85	48
Korea Software	80	88	70	93	70
India Industrials	75	89	94	95	20
India Materials	72	79	92	81	37
Korea Banks	71	20	88	76	98
Malaysia Banks	70	81	84	38	77
Korea Semiconductors	70	90	54	68	67
India Energy	70	66	88	77	48
Korea Div Financials	69	11	84	89	93
China Banks	68	63	96	15	99
India Health Care	67	61	95	97	14
India Cons. Discretionary	66	67	99	94	5
Korea Health Care	66	63	88	96	19
Korea Cons. Discretionary	66	80	33	54	97
China Energy	65	73	87	12	89
Indonesia Banks	65	96	84	20	60
India Utilities	64	50	83	79	43
China Div Financials	64	98	2	66	89
China Tech Hardware	63	76	80	32	63
Korea Energy	63	86	24	50	91
Taiwan Banks	62	35	70	80	61
Taiwan Tech Hardware	60	60	100	25	55
Taiwan Insurance	59	54	24	82	78
Korea Materials	59	82	6	75	75
Australia Energy	58	46	82	37	66
Korea Tech Hardware	57	54	52	64	57
Taiwan Cons. Discretionary	57	22	81	59	66
Taiwan Semiconductors	57	71	98	13	46
China Insurance	55	98	4	22	98
Australia Materials	55	52	80	18	72
Korea Industrials	55	72	10	76	61
China Telecom	54	62	84	7	64
Indonesia Materials	54	68	14	89	43
India Software	53	85	57	54	18
Singapore Banks	53	57	70	2	84
China Health Care	53	46	91	27	47
Australia Banks	53	48	70	42	51
Australia Insurance	51	17	70	48	70
China Utilities	50	77	13	28	80
Malaysia Materials	50	78	39	41	39
Australia Health Care	50	59	57	70	12
China Industrials	49	70	12	28	87
China Real Estate	49	93	6	3	92
Hong Kong Banks	46	32	24	33	94
Korea Media & Ent.	45	74	34	51	22
India Telecom	45	12	70	98	1
China Materials	45	95	2	11	71
Hong Kong Insurance	45	26	39	45	68
Australia Real Estate	45	18	54	61	45
Singapore Telecom	44	24	39	59	53
Australia Industrials	44	14	69	56	35
Indonesia Telecom	43	45	36	34	59
Australia Utilities	42	34	20	63	52
China Software	42	84	5	71	9

Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

**Table 24: Asia Pac ex-Japan Four Pillars Ranks (Continued...)**

Four Pillars rank is a combination of Top Down, Bottom-Up, Style and PE rank

Country-Sector Name	Combined	Top Down	Bottom		
	Rank	Rank	Up Rank	Style Rank	PE Rank
Australia Div Financials	41	49	24	53	40
China Cons. Discretionary	41	36	8	26	93
China Cons. Staples	41	83	3	14	62
Hong Kong Div Financials	39	99	24	7	27
Taiwan Div Financials	39	29	39	11	75
Australia Software	39	28	39	85	3
Taiwan Materials	38	72	14	40	26
Hong Kong Utilities	37	16	39	67	25
Hong Kong Cons. Discretionary	37	56	11	65	15
Australia Cons. Discretionary	36	27	93	20	2
Hong Kong Industrials	35	25	23	6	85
India Cons. Staples	35	50	24	58	7
Taiwan Industrials	32	53	32	19	23
Australia Telecom	28	10	39	29	34
Hong Kong Real Estate	26	41	6	49	8
China Semiconductors	25	9	1	10	80
China Media & Ent.	25	1	9	24	65
New Zealand Health Care	25	23	57	8	11
Thailand Health Care	24	4	70	5	16
Australia Cons. Staples	18	20	24	1	28

Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

## Australia

**Table 25: Sector Metrics: Australia**

Australia Sectors Four Pillars Rank and Characteristics Summary

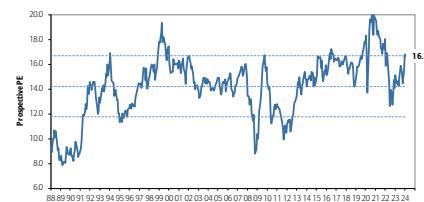
Australia Sector	OW/UW	PE	PB	Beta	Div		EPS % 2024	EPS % 2025	Four Pillars	Bottom Up Rank	Top Down		Style Rank	PE Rank
					Yield	ROE					Rank	Rank		
Banks		15.9	1.69	1.02	4.9%	11%	-4%	2%	53	70	48	42	51	
Cons. Discretionary		96.7	7.19	1.06	2.7%	23%	7%	10%	36	93	27	20	2	
Cons. Staples	Underweight	21.5	4.81	0.73	3.4%	20%	5%	8%	18	24	20	1	28	
Div Financials		18.4	2.17	1.15	3.6%	12%	1%	9%	41	24	49	53	40	
Energy		12.7	1.21	1.14	8.4%	19%	-7%	-14%	58	82	46	37	66	
Health Care		30.2	5.26	0.73	1.3%	12%	21%	18%	50	57	59	70	12	
Industrials		20.1	3.64	0.89	3.4%	11%	44%	17%	44	69	14	56	35	
Insurance		12.0	1.88	0.77	3.3%	10%	21%	5%	51	70	17	48	70	
Materials		11.7	2.95	1.30	4.8%	22%	3%	-1%	55	80	52	18	72	
Media & Ent.		38.2	4.94	1.26	1.5%	17%	16%	17%	41	57	28	67	10	
Real Estate		16.9	1.19	1.18	3.6%	2%	4%	7%	45	54	18	61	45	
Software		75.0	13.51	1.38	0.1%	4%	48%	39%	39	39	28	85	3	
Telecom	Underweight	20.2	3.03	0.63	4.2%	13%	9%	8%	28	39	10	29	34	
Utilities		15.6	2.24	0.78	5.2%	0%	19%	6%	42	20	34	63	52	

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 195: Prospective PE: Australia**

Australia prospective PE has been de-rated compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 196: Price-to-Book Ratio: Australia**

Australia PB is currently at 2.3



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 197: Earnings Revision Ratio: Australia**

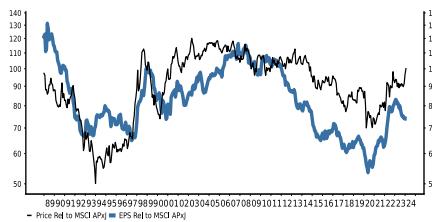
Earnings revisions improved in Australia last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 198: Momentum & Value: Australia**

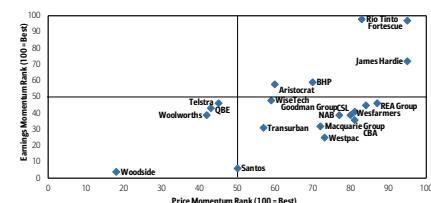
Australia has outperformed APx in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 199: Quadrant Analysis: Australia**

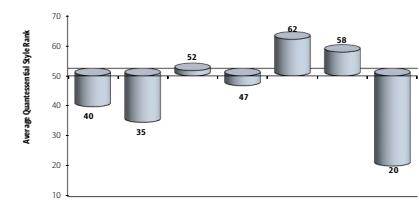
25% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 200: Style Characteristics: Australia**

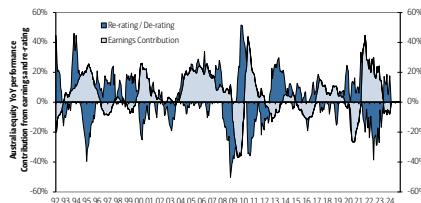
Australia is dominated by Momentum stocks



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 201: Re-rating/De-Rating: Australia**

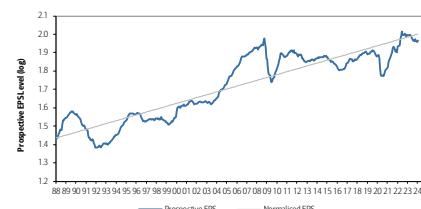
In the last 12m, re-rating contributed 9.6% to equity performance ( 4.2% )



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 202: Prospective EPS & Trend EPS: Australia**

Earnings expectations have moderated in Australia in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 203: Trends in Investor Positioning: Australia**

Funds have reduced active exposure last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE,  
Factset, Bloomberg, 13F Filings, Benchmark Indices, Country  
Stock Exchanges

BofA GLOBAL RESEARCH



## China

**Table 26: Sector Metrics: China**

China Sectors Four Pillars Rank and Characteristics Summary

China Sector	OW/UW	PE	PB	Beta	Yield	ROE	Div	EPS % 2024	EPS % 2025	Four Pillars	Bottom Up Rank	Top Down		Style Rank	PE Rank
												Rank	Rank		
Banks	Overweight	3.2	0.43	0.60	8.5%	11%	5%	6%	6%	68	96	63	15	99	
Cons. Discretionary		5.5	1.41	1.31	1.4%	7%	23%	25%	41	8	36	26	93		
Cons. Staples		12.9	3.26	0.87	3.1%	13%	21%	22%	41	3	83	14	62		
Div Financials		7.3	0.72	1.15	4.7%	7%	15%	14%	64	2	98	66	89		
Energy		6.9	0.78	0.70	10.2%	16%	2%	2%	65	87	73	12	89		
Health Care		16.5	2.24	0.98	1.5%	10%	19%	26%	53	91	46	27	47		
Industrials		7.5	0.87	0.87	6.2%	11%	27%	20%	49	12	70	28	87		
Insurance		4.2	0.65	1.16	7.0%	10%	34%	12%	55	4	98	22	98		
Materials		11.9	1.12	1.10	3.8%	16%	37%	23%	45	2	95	11	71		
Media & Ent.	Underweight	12.7	2.84	1.40	0.9%	15%	18%	16%	25	9	1	24	65		
Real Estate		5.9	0.47	1.40	5.2%	8%	13%	13%	49	6	93	3	92		
Semiconductors	Underweight	9.2	1.43	1.10	3.0%	18%	64%	38%	25	1	9	10	80		
Software		40.0	1.42	1.06	0.4%	-1%	73%	47%	42	5	84	71	9		
Tech Hardware		12.8	1.76	1.29	1.4%	10%	49%	23%	63	80	76	32	63		
Utilities		9.3	1.09	0.77	4.9%	7%	14%	10%	50	13	77	28	80		

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 204: Prospective PE: China**

China forecast PE is currently at 7.6



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 205: Price-to-Book Ratio: China**

China PB is currently at 1.5



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 206: Earnings Revision Ratio: China**

Earnings trend improved in China in the last three months

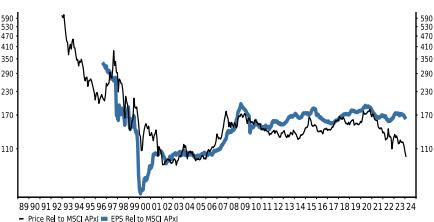


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 207: Momentum & Value: China**

China has underperformed in last 6m

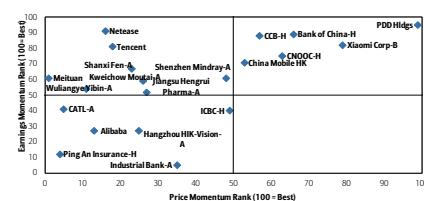


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 208: Quadrant Analysis: China**

30% of largest 25 stocks are in the top-right quadrant

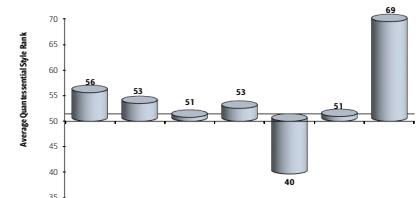


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 209: Style Characteristics: China**

China is most overweight Small Size

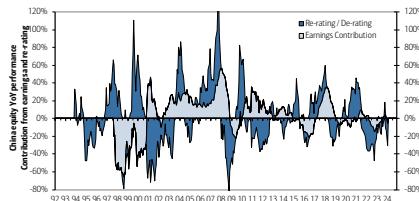


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 210: Re-rating/De-Rating: China**

In the last 12m, re-rating contributed -25.1%  
earnings contributed -5.1%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 211: Prospective EPS & Trend EPS: China**

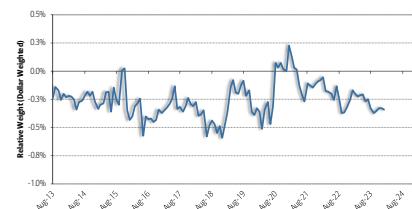
Earnings expectations have moderated in China in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 212: Trends in Investor Positioning: China**

Funds have reduced active exposure last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE,  
Factset, Bloomberg, 13F Filings, Benchmark Indices, Country  
Stock Exchanges

BofA GLOBAL RESEARCH

## Hong Kong

**Table 27: Sector Metrics: Hong Kong**

Hong Kong Sectors Four Pillars Rank and Characteristics Summary

Hong Kong Sector	OW/UW	PE	PB	Beta	Yield	Div	ROE	EPS % 2024	EPS % 2025	Top				
										Four Pillars	Bottom Up Rank	Down Rank	Style Rank	PE Rank
Banks		5.1	0.78	0.63	7.1%	9%	8%	3%	6%	46	24	32	33	94
Cons. Discretionary	Underweight	28.9	4.22	1.22	0.0%	-46%	66%	19%	37	11	56	65	15	
Cons. Staples		7.9	1.00	0.91	5.1%	12%	32%	8%	42	70	3	9	86	
Div Financials		21.9	6.14	1.37	3.2%	18%	5%	7%	39	24	99	7	27	
Industrials	Underweight	7.9	0.23	1.04	5.5%	8%	49%	10%	35	23	25	6	85	
Insurance		12.5	1.99	1.02	2.6%	1%	24%	10%	45	39	26	45	68	
Telecom		17.2	2.04	0.45	8.0%	13%	4%	3%	28	39	11	16	44	
Utilities		21.9	1.34	0.62	5.7%	5%	7%	6%	37	39	16	67	25	

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 213: Prospective PE: Hong Kong**

Hong Kong forecast PE is currently at 9.3



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 214: Price-to-Book Ratio: Hong Kong**

Price-to-Book (trailing) is currently below the long-term average

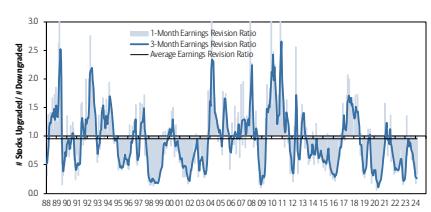


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 215: Earnings Revision Ratio: Hong Kong**

The trend is weak but earnings revisions improved in Hong Kong last month

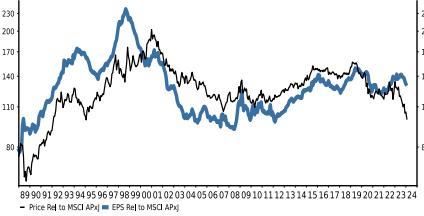


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 216: Momentum & Value: Hong Kong**

Hong Kong has outperformed APxJ in last 6m

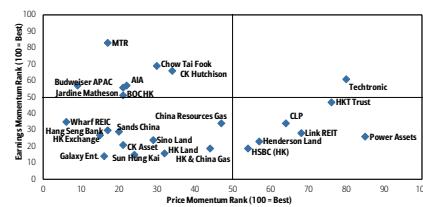


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 217: Quadrant Analysis: Hong Kong**

There are more stocks in the unattractive bottom-left quadrant than top-right

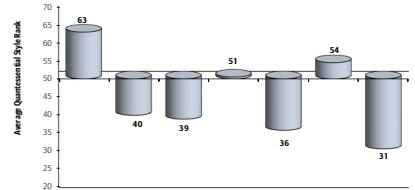


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 218: Style Characteristics: Hong Kong**

Hong Kong is dominated by Value stocks



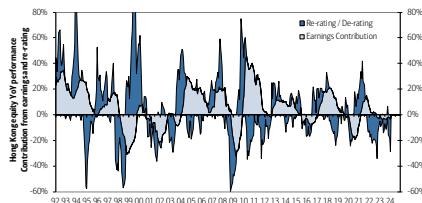
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Chart 219: Re-rating/De-Rating: Hong Kong**

In the last 12m, re-rating contributed -25.0%  
earnings contributed -3.7%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 220: Prospective EPS & Trend EPS: Hong Kong**

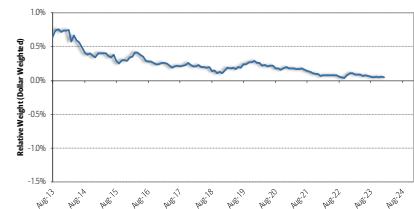
Earnings expectations have improved in Hong Kong in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 221: Trends in Investor Positioning: Hong Kong**

Funds have reduced active exposure last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE,  
Factset, Bloomberg, 13F Filings, Benchmark Indices, Country  
Stock Exchanges

BofA GLOBAL RESEARCH



## India

**Table 28: Sector Metrics: India**

India Sectors Four Pillars Rank and Characteristics Summary

India Sector	OW/UW	PE	PB	Beta	Yield	Div	ROE	EPS % 2024	EPS % 2025	Four Pillars	Bottom Up Rank	Top Down		Style Rank	PE Rank
												Rank	Rank		
Banks	Overweight	10.4	2.43	0.85	0.8%	13%	14%	15%	15%	85	98	80	84	76	
Cons. Discretionary		67.1	6.37	0.84	0.6%	12%	25%	21%	21%	66	99	67	94	5	
Cons. Staples	Underweight	47.3	12.39	0.32	1.3%	23%	15%	14%	14%	35	24	50	58	7	
Div Financials	Overweight	16.3	2.88	1.08	1.0%	13%	21%	18%	18%	81	97	94	85	48	
Energy	Overweight	16.3	2.19	0.74	1.3%	11%	8%	7%	7%	70	88	66	77	48	
Health Care		29.8	5.64	0.54	0.5%	12%	21%	17%	17%	67	95	61	97	14	
Industrials	Overweight	25.0	8.53	0.71	0.6%	14%	17%	15%	15%	75	94	89	95	20	
Insurance		53.0	8.35	0.82	0.4%	10%	18%	17%	17%	37	36	7	100	6	
Materials		19.8	3.14	0.78	1.1%	11%	26%	17%	17%	72	92	79	81	37	
Media & Ent.		70.7	3.29	1.00	0.4%	-1%	26%	20%	20%	49	39	55	99	4	
Software		26.5	8.41	0.67	1.9%	29%	12%	13%	13%	53	57	85	54	18	
Telecom		222.6	8.94	0.32	0.4%	-66%	57%	40%	40%	45	70	12	98	1	
Utilities		17.7	2.81	0.59	2.0%	15%	12%	6%	6%	64	83	50	79	43	

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 222: Prospective PE: India

India PE (12m fwd) is currently above the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 223: Price-to-Book Ratio: India

India PB (trailing) is currently above the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 224: Earnings Revision Ratio: India

Earnings revisions fell in India last month

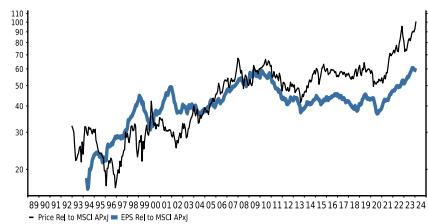


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 225: Momentum & Value: India

India has outperformed APxJ in last 3m

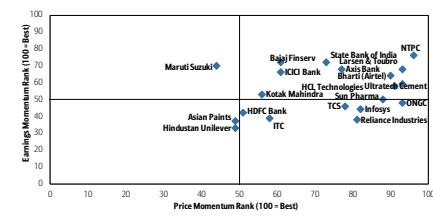


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 226: Quadrant Analysis: India

There are more stocks in the attractive top-right quadrant than bottom-left

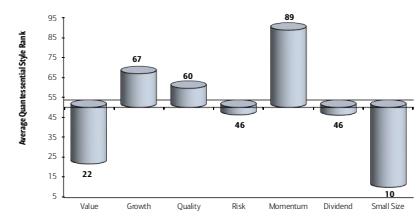


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 227: Style Characteristics: India

India is tilted towards Momentum

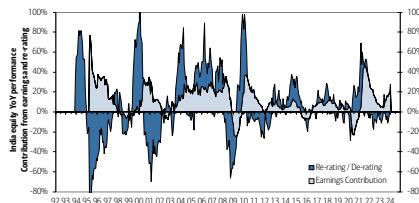


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 228: Re-rating/De-Rating: India**

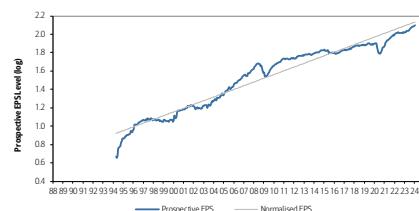
In the last 12m, re-rating contributed 9.3%  
earnings contributed 18.7%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 229: Prospective EPS & Trend EPS: India**

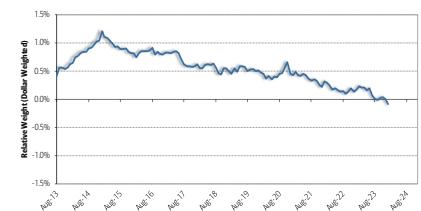
Earnings expectations have improved in India  
in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 230: Trends in Investor Positioning: India**

Funds have reduced active exposure last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE,  
Factset, Bloomberg, 13F Filings, Benchmark Indices, Country  
Stock Exchanges

BofA GLOBAL RESEARCH

## Indonesia

**Table 29: Sector Metrics: Indonesia**

Indonesia Sectors Four Pillars Rank and Characteristics Summary

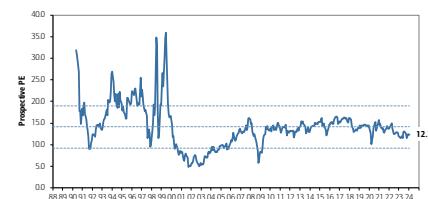
Indonesia Sector	OW/UW	PE	PB	Beta	Div	Yield	ROE	EPS % 2024	EPS % 2025	Four Pillars	Top Down		Style Rank	PE Rank
											Bottom Up Rank	Rank		
Banks		13.8	3.14	0.77	3.7%	17%	10%	10%	10%	65	84	96	20	60
Cons. Staples		14.9	2.84	0.44	2.3%	17%	12%	12%	13%	48	24	67	44	57
Energy		2.2	0.86	0.44	24.2%	32%	-27%	-2%	-2%	65	20	100	39	100
Health Care		20.0	3.38	0.46	2.5%	17%	18%	18%	12%	40	24	97	2	36
Materials		17.4	1.75	1.17	1.1%	15%	1%	1%	1%	54	14	68	89	43
Telecom		14.2	2.98	0.53	4.1%	17%	8%	8%	7%	43	36	45	34	59

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 231: Prospective PE: Indonesia**

PE (12m fwd) is currently below the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 232: Price-to-Book Ratio: Indonesia**

Indonesia PB Ratio has ticked up compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 233: Earnings Revision Ratio: Indonesia**

Earnings revisions fell in Indonesia last month

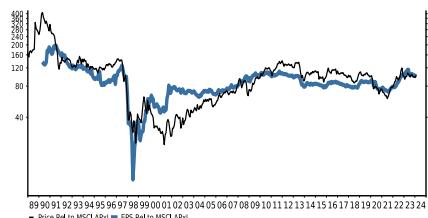


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 234: Momentum & Value: Indonesia**

Indonesia has underperformed in last 6m

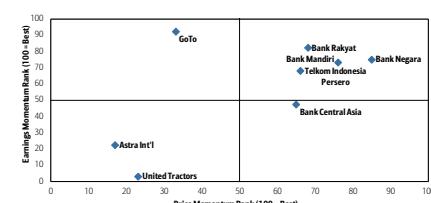


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 235: Quadrant Analysis: Indonesia**

50% of largest 25 stocks are in the top-right quadrant

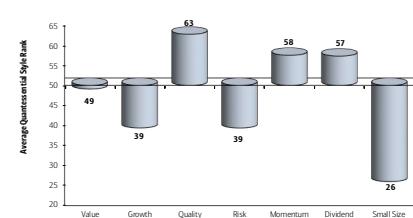


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 236: Style Characteristics: Indonesia**

Indonesia is most overweight Quality

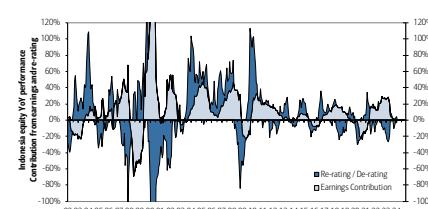


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 237: Re-rating/De-Rating: Indonesia**

In the last 12m, re-rating contributed 4.4% earnings contributed -0.8%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 238: Prospective EPS & Trend EPS: Indonesia**

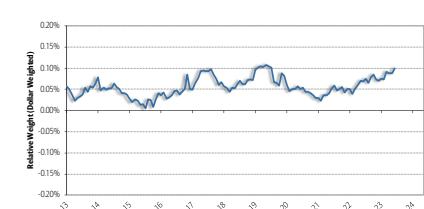
Earnings expectations have improved in Indonesia in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 239: Trends in Investor Positioning: Indonesia**

Funds are overweight Indonesia



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH



## Korea

**Table 30: Sector Metrics: Korea**

Korea Sectors Four Pillars Rank and Characteristics Summary

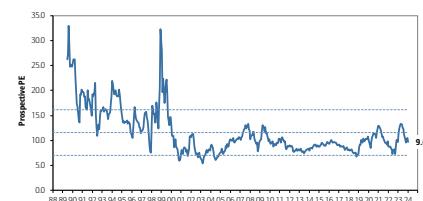
Korea Sector	OW/UW	PE	PB	Beta	Div	Yield	ROE	EPS %		Four Pillars	Bottom Up Rank	Top Down Rank	Style Rank	PE Rank
								2024	2025					
Banks	Overweight	4.0	0.43	1.02	6.3%	10%	8%	7%	7%	71	88	20	76	98
Cons. Discretionary	Overweight	4.7	0.64	1.18	4.0%	9%	8%	5%	6%	66	33	80	54	97
Cons. Staples		12.3	1.09	0.94	3.2%	9%	29%	14%	14%	58	52	47	63	69
Div Financials	Overweight	5.6	0.70	1.21	2.4%	9%	7%	6%	6%	69	84	11	89	93
Energy		6.4	0.59	1.50	2.6%	14%	82%	15%	15%	63	24	86	50	91
Health Care		26.1	5.91	0.80	0.2%	8%	20%	30%	30%	66	88	63	96	19
Industrials		13.4	1.09	1.32	1.2%	9%	35%	47%	47%	55	10	72	76	61
Insurance		4.9	0.47	0.93	4.9%	12%	9%	6%	6%	58	57	37	41	96
Materials		10.6	0.68	1.59	2.2%	6%	46%	35%	35%	59	6	82	75	75
Media & Ent.		24.4	1.63	1.35	0.5%	4%	45%	19%	19%	45	34	74	51	22
Semiconductors		12.5	1.73	1.14	0.9%	5%	181%	71%	71%	70	54	90	68	67
Software	Overweight	12.0	2.00	0.78	1.2%	12%	4%	8%	8%	80	70	88	93	70
Tech Hardware		14.7	1.35	1.14	1.9%	15%	168%	39%	39%	57	52	54	64	57
Telecom		7.4	0.64	0.79	6.2%	8%	7%	6%	6%	76	36	93	87	88

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 240: Prospective PE: Korea**

Korea forecast PE is currently at 9.6

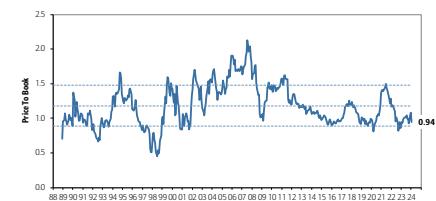


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 241: Price-to-Book Ratio: Korea**

Korea PB Ratio has ticked down compared to last month

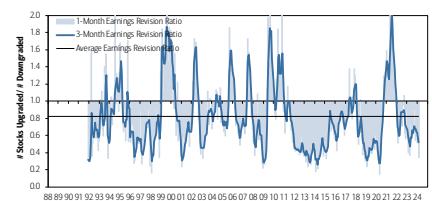


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 242: Earnings Revision Ratio: Korea**

Earnings revisions fell in Korea last month

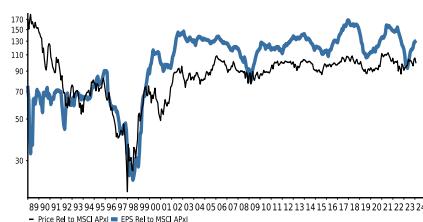


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 243: Momentum & Value: Korea**

Korea has underperformed in last 3m

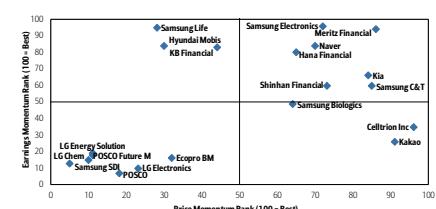


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 244: Quadrant Analysis: Korea**

35% of largest 25 stocks are in the top-right quadrant

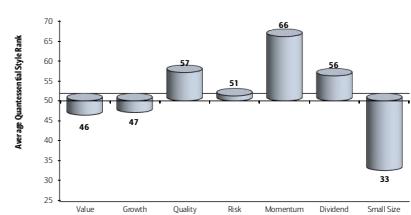


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 245: Style Characteristics: Korea**

Korea is dominated by Momentum stocks



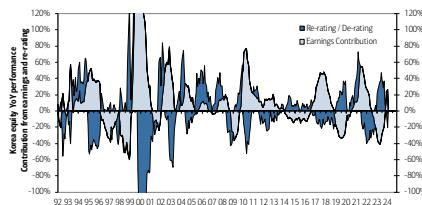
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Chart 246: Re-rating/De-Rating: Korea**

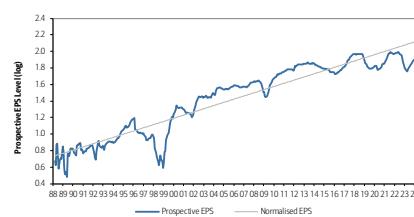
In the last 12m, earnings contributed 26.1% to equity performance (5.6%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 247: Prospective EPS & Trend EPS: Korea**

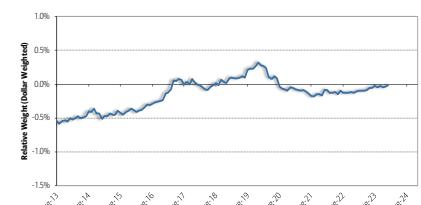
Earnings expectations have improved in Korea in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 248: Trends in Investor Positioning: Korea**

Funds are underweight Korea



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

## Malaysia

**Table 31: Sector Metrics: Malaysia**

Malaysia Sectors Four Pillars Rank and Characteristics Summary

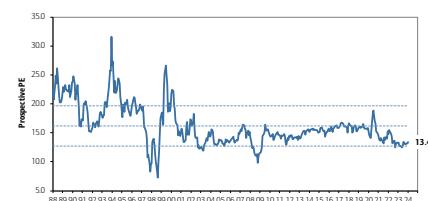
Malaysia Sector	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS % 2024	EPS % 2025	Top Down		Style	
									Four Pillars	Bottom Up Rank	Rank	Rank PE Rank
Banks	Overweight	10.3	1.19	0.67	5.0%	10%	5%	5%	70	84	81	38 77
Cons. Discretionary		19.5	0.88	1.10	3.8%	-1%	48%	17%	48	54	30	69 38
Cons. Staples		24.8	1.80	0.51	2.3%	11%	21%	4%	38	34	51	46 21
Energy		20.2	2.44	0.73	2.9%	11%	5%	5%	40	20	33	72 34
Health Care		29.9	1.92	0.56	0.6%	2%	5%	8%	56	57	76	80 13
Industrials		16.1	1.10	0.59	3.3%	6%	9%	9%	65	88	37	86 50
Materials		18.7	2.16	0.93	2.6%	17%	33%	20%	50	39	78	41 39
Telecom		22.5	2.38	0.57	3.5%	-4%	29%	12%	39	36	33	62 25
Utilities		16.3	1.33	0.51	4.1%	8%	11%	3%	62	70	38	91 49

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 249: Prospective PE: Malaysia

Malaysia prospective PE has been re-rated compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 250: Price-to-Book Ratio: Malaysia

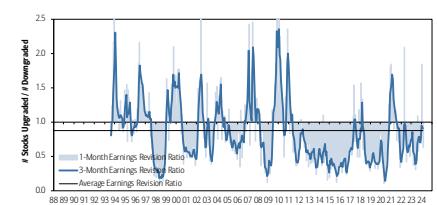
Malaysia PB is currently at 1.5



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 251: Earnings Revision Ratio: Malaysia

Earnings revisions for Malaysia fell last month and remains below long term trend



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 252: Momentum & Value: Malaysia

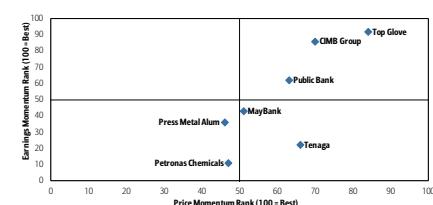
Malaysia has underperformed APXJ in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 253: Quadrant Analysis: Malaysia

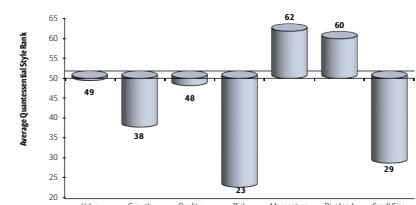
43% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 254: Style Characteristics: Malaysia

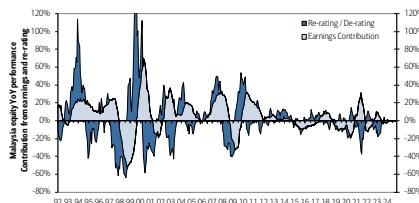
Malaysia is tilted towards Momentum



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 255: Re-rating/De-Rating: Malaysia**

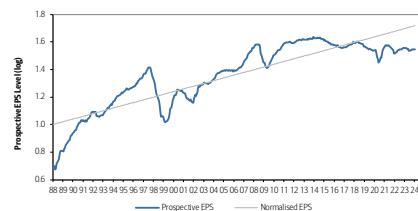
In the last 12m, re-rating contributed 1.4%  
earnings contributed -1.7%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 256: Prospective EPS & Trend EPS: Malaysia**

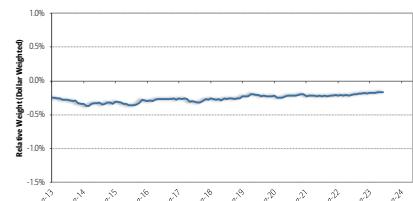
Earnings expectations have improved in  
Malaysia in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 257: Trends in Investor Positioning: Malaysia**

Funds have increased active exposure in last  
3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE,  
Factset, Bloomberg, 13F Filings, Benchmark Indices, Country  
Stock Exchanges

BofA GLOBAL RESEARCH

# Philippines

**Table 32: Sector Metrics: Philippines**

Philippines Sectors Four Pillars Rank and Characteristics Summary

Philippines Sector	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS %	EPS %	Four Pillars	Bottom Up Rank	Top Down Rank	Style Rank	PE Rank
							2024	2025	Rank	Rank	Rank	Rank	Rank
Banks		8.9	1.33	0.75	2.9%	12%	6%	6%	54	70	31	33	81
Cons. Discretionary		105.2	5.11	1.25	0.9%	15%	13%	20%	41	57	15	90	2
Cons. Staples		15.2	2.10	0.88	3.2%	12%	16%	10%	33	39	7	31	54
Industrials		11.0	1.67	0.92	2.1%	10%	12%	13%	56	93	5	52	74
Real Estate		20.4	2.23	1.05	0.9%	8%	11%	13%	55	70	39	78	32
Telecom		8.4	2.46	0.43	7.4%	10%	-1%	8%	74	57	75	83	83
Utilities		10.2	3.51	0.48	5.4%	26%	-1%	-9%	68	57	92	43	79

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 258: Prospective PE: Philippines**

PE (12m fwd) is currently below the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 259: Price-to-Book Ratio: Philippines**

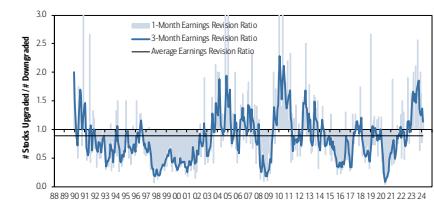
Philippines PB is currently at 2.0



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 260: Earnings Revision Ratio: Philippines**

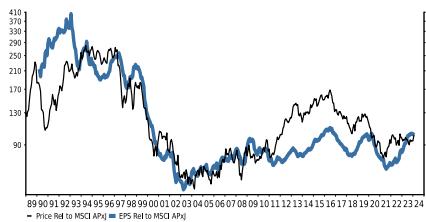
Earnings revisions improved for Philippines last month and remains above long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 261: Momentum & Value: Philippines**

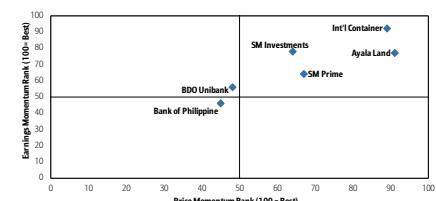
Philippines has outperformed in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 262: Quadrant Analysis: Philippines**

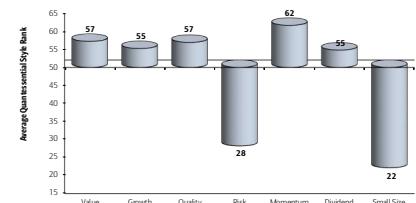
Majority of the stocks fall in the attractive top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 263: Style Characteristics: Philippines**

Singapore is dominated by Dividend stocks

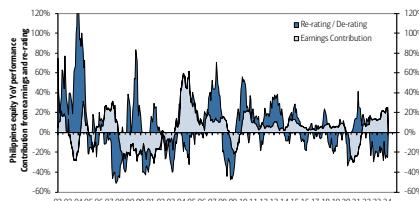


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH



**Chart 264: Re-rating/De-Rating: Philippines**

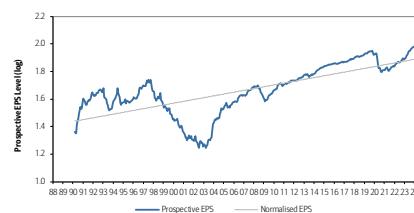
In the last 12m, re-rating contributed -24.9% to equity performance (0.4%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 265: Prospective EPS & Trend EPS: Philippines**

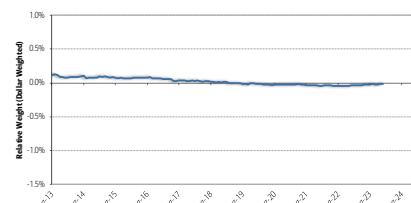
Earnings expectations have improved in Philippines in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 266: Trends in Investor Positioning: Philippines**

Funds have increased active exposure last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

## Singapore

**Table 33: Sector Metrics: Singapore**

Singapore Sectors Four Pillars Rank and Characteristics Summary

Singapore Sector	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS %		Four Pillars	Bottom Up Rank	Top Down Rank	Style Rank	PE Rank
							2024	2025					
Banks		8.1	1.25	0.83	5.8%	13%	0%	2%	53	70	57	2	84
Cons. Discretionary		48.8	1.52	0.82	3.5%	4%	11%	8%	36	57	43	37	7
Cons. Staples		8.1	0.78	0.81	5.2%	13%	40%	7%	33	20	24	4	84
Div Financials		19.1	5.96	0.42	3.5%	34%	-2%	3%	48	39	91	21	39
Industrials		18.2	1.34	0.84	3.5%	5%	28%	49%	56	52	42	88	41
Real Estate		17.8	0.94	0.81	4.9%	6%	5%	7%	39	19	41	55	42
Telecom		15.3	1.51	0.71	4.4%	9%	10%	14%	44	39	24	59	53

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 267: Prospective PE: Singapore**

Singapore forecast PE is currently at 9.7



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 268: Price-to-Book Ratio: Singapore**

PB (trailing) is currently below the long-term average

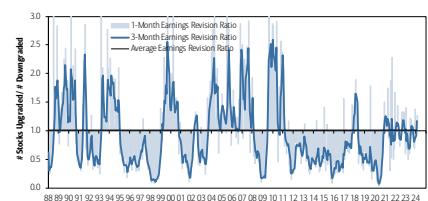


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 269: Earnings Revision Ratio: Singapore**

Earnings trend improved in Singapore in the last three months

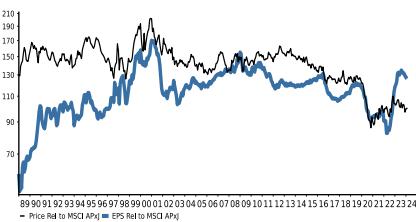


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 270: Momentum & Value: Singapore**

Singapore has underperformed in last 3m

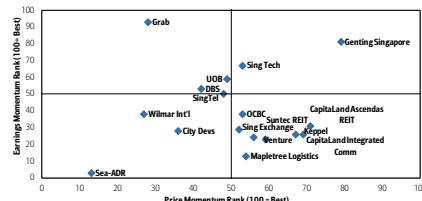


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 271: Quadrant Analysis: Singapore**

There are more stocks in the unattractive bottom-left quadrant than top-right

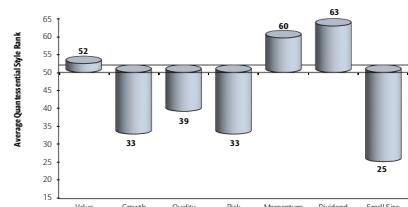


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 272: Style Characteristics: Singapore**

South Korea is tilted towards Risk



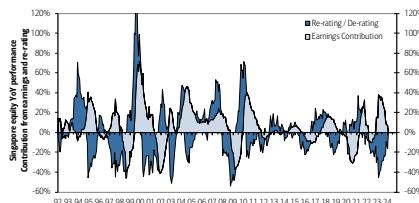
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Chart 273: Re-rating/De-Rating: Singapore**

In the last 12m, re-rating contributed -16.2% to equity performance (-9.4%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 274: Prospective EPS & Trend EPS: Singapore**

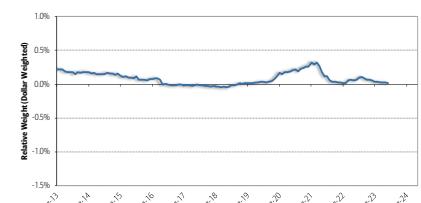
Earnings expectations have moderated in Singapore in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 275: Trends in Investor Positioning: Singapore**

Funds are overweight Singapore



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

## Taiwan

**Table 34: Sector Metrics: Taiwan**

Taiwan Sectors Four Pillars Rank and Characteristics Summary

Taiwan Sector	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS %	EPS %	Four Pillars	Bottom Up Rank	Top Down Rank	Style Rank	PE Rank
							2024	2025			Rank	Rank	Rank
Banks		13.3	1.41	0.68	2.8%	8%	0%	0%	62	70	35	80	61
Cons. Discretionary		12.5	2.86	1.01	2.6%	5%	13%	10%	57	81	22	59	66
Cons. Staples		20.6	3.91	0.39	4.1%	16%	7%	11%	43	39	64	36	31
Div Financials		10.5	1.49	1.20	3.3%	12%	11%	9%	39	39	29	11	75
Energy		28.7	2.15	0.57	1.5%	5%	25%	26%	32	24	15	74	16
Industrials	Underweight	24.4	1.14	1.30	14.5%	36%	-22%	0%	32	32	53	19	23
Insurance		10.3	0.79	0.89	1.7%	5%	11%	20%	59	24	54	82	78
Materials		21.9	1.16	0.82	4.0%	6%	65%	42%	38	14	72	40	26
Semiconductors		16.6	4.36	1.41	2.7%	30%	21%	24%	57	98	71	13	46
Tech Hardware		15.1	1.79	0.95	3.5%	11%	26%	15%	60	100	60	25	55
Telecom		24.0	3.01	0.28	4.1%	11%	4%	7%	37	57	19	47	24

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 276: Prospective PE: Taiwan**

Taiwan PE (12m fwd) is currently above the long-term average

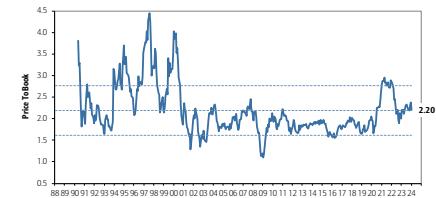


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 277: Price-to-Book Ratio: Taiwan**

Taiwan PB (trailing) is currently above the long-term average

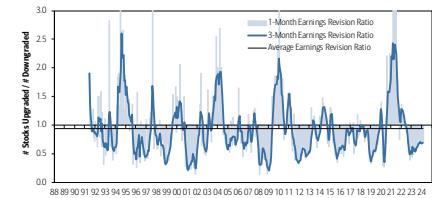


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 278: Earnings Revision Ratio: Taiwan**

Earnings trend improved in Taiwan in the last three months



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 279: Momentum & Value: Taiwan**

Taiwan has outperformed APJ in last 6m

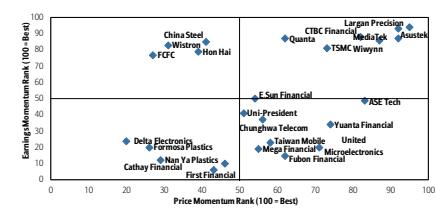


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 280: Quadrant Analysis: Taiwan**

25% of largest 25 stocks are in the top-right quadrant

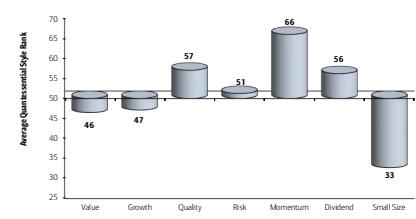


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 281: Style Characteristics: Taiwan**

Taiwan is most overweight Momentum



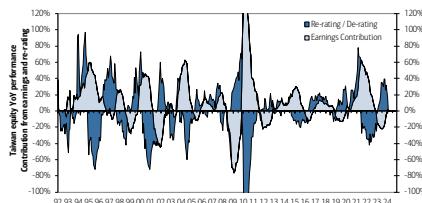
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Chart 282: Re-rating/De-Rating: Taiwan**

In the last 12m, re-rating contributed 14.1% to equity performance (15.9%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 283: Prospective EPS & Trend EPS: Taiwan**

Earnings expectations have improved in Taiwan in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 284: Trends in Investor Positioning: Taiwan**

Funds have increased active exposure in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

## Thailand

**Table 35: Sector Metrics: Thailand**

Thailand Sectors Four Pillars Rank and Characteristics Summary

Thailand Sector	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS % 2024	EPS % 2025	Top		Style Rank	PE Rank
									Four Pillars	Bottom Up Rank		
Banks		6.5	0.63	0.81	5.3%	7%	14%	3%	64	70	59	35 90
Cons. Discretionary		21.0	2.88	0.99	1.8%	10%	30%	13%	20	11	8	30 30
Cons. Staples		21.0	1.83	0.64	1.8%	6%	49%	21%	44	18	85	46 29
Div Financials		14.3	3.07	1.15	2.5%	18%	14%	14%	29	34	2	23 58
Energy		8.8	0.85	1.14	5.9%	13%	-2%	7%	60	54	89	17 82
Health Care		28.2	5.66	0.74	2.1%	17%	7%	7%	24	70	4	5 16
Industrials		31.9	4.30	0.77	1.4%	6%	88%	24%	26	14	6	72 11
Materials		11.3	0.78	1.04	1.8%	5%	34%	33%	62	14	87	73 73
Real Estate		15.8	2.65	1.00	3.6%	14%	9%	8%	34	57	2	24 52
Telecom		27.0	5.37	0.54	3.2%	14%	24%	8%	49	39	44	57 56
Utilities		20.9	3.02	0.96	1.2%	7%	19%	13%	40	14	65	50 30

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 285: Prospective PE: Thailand**

Thailand forecast PE is currently at 15.0



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 286: Price-to-Book Ratio: Thailand**

Thailand PB Ratio has ticked up compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 287: Earnings Revision Ratio: Thailand**

Earnings revisions for Thailand fell last month and remains below long term trend

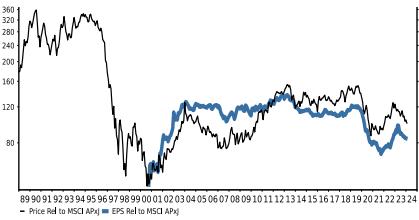


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 288: Momentum & Value: Thailand**

Thailand has underperformed in last 3m

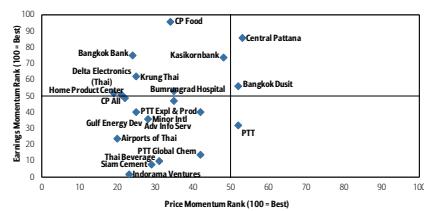


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 289: Quadrant Analysis: Thailand**

11% of largest 25 stocks are in the top-right quadrant

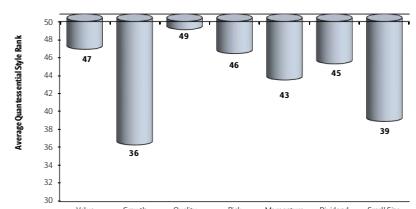


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 290: Style Characteristics: Thailand**

Thailand is tilted towards Quality

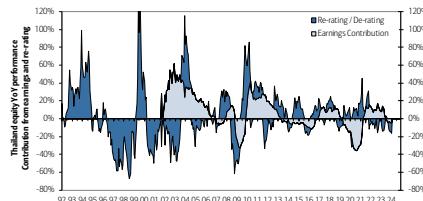


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 291: Re-rating/De-Rating: Thailand**

In the last 12m, earnings contributed -4.5% to equity performance (-16.6%)

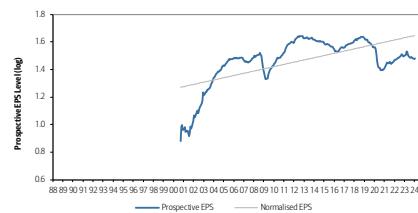


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 292: Prospective EPS & Trend EPS: Thailand**

Earnings expectations have moderated in Thailand in last 6m

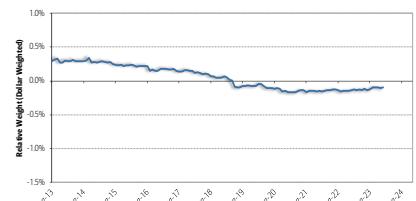


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Chart 293: Trends in Investor Positioning: Thailand**

Funds have increased active exposure in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

## Banks

**Table 36: Country Metrics: Banks**

Banks Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS %		Four Pillars	Bottom Up Rank	Top Down Rank		Style Rank	PE Rank
							2024	2025			Rank	Rank		
Australia Banks		15.9	1.69	1.02	4.9%	11%	-4%	2%	53	70	48	42	51	
China Banks	Overweight	3.2	0.43	0.60	8.5%	11%	5%	6%	68	96	63	15	99	
Hong Kong Banks		5.1	0.78	0.63	7.1%	9%	8%	3%	46	24	32	33	94	
India Banks	Overweight	10.4	2.43	0.85	0.8%	13%	14%	15%	85	98	80	84	76	
Indonesia Banks		13.8	3.14	0.77	3.7%	17%	10%	10%	65	84	96	20	60	
Korea Banks	Overweight	4.0	0.43	1.02	6.3%	10%	8%	7%	71	88	20	76	98	
Malaysia Banks	Overweight	10.3	1.19	0.67	5.0%	10%	5%	5%	70	84	81	38	77	
Philippines Banks		8.9	1.33	0.75	2.9%	12%	6%	6%	54	70	31	33	81	
Singapore Banks		8.1	1.25	0.83	5.8%	13%	0%	2%	53	70	57	2	84	
Taiwan Banks		13.3	1.41	0.68	2.8%	8%	0%	0%	62	70	35	80	61	
Thailand Banks		6.5	0.63	0.81	5.3%	7%	14%	3%	64	70	59	35	90	

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 294: Prospective PE: Banks**

Banks forecast PE is currently at 6.5



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 295: Price-to-Book Ratio: Banks**

Banks PB Ratio has ticked up compared to last month

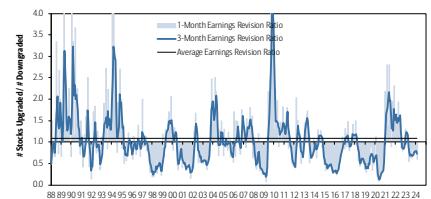


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 296: Earnings Revision Ratio: Banks**

ERR fell in Banks last month and the trend moderated

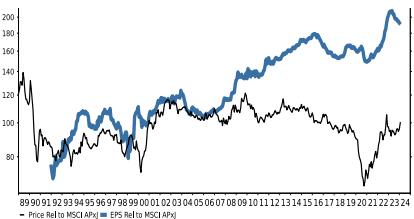


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 297: Momentum & Value: Banks**

APXj Banks has underperformed the world in last 12m

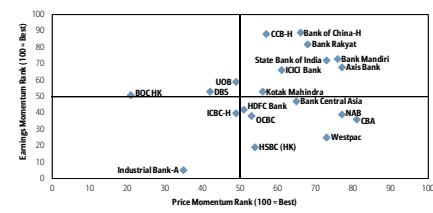


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 298: Quadrant Analysis: Banks**

40% of largest 25 stocks are in the top-right quadrant

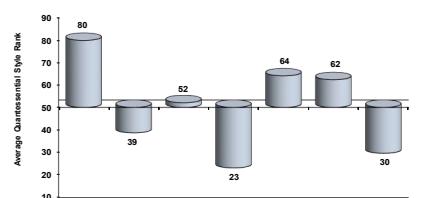


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 299: Style Characteristics: Banks**

Banks are tilted towards Value



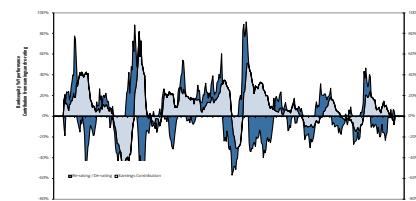
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Chart 300: Re-rating/De-Rating: Banks**

In the last 12m, re-rating contributed 40.1% earnings contributed 3.3%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 301: Prospective EPS & Trend EPS: Banks**

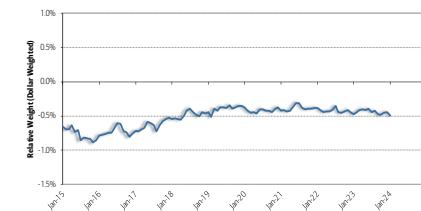
Earnings expectations have improved in Banks in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 302: Trends in Investor Positioning: Banks**

Funds are currently overweight the sector by 2.41%

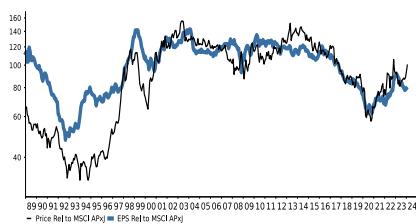


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 303: Momentum & Value: Australia Banks**

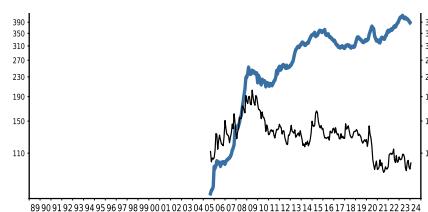
Australia Banks has outperformed in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 304: Momentum & Value: China Banks**

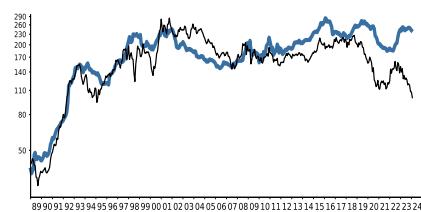
China Banks has outperformed MSCI APx in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 305: Momentum & Value: Hong Kong Banks**

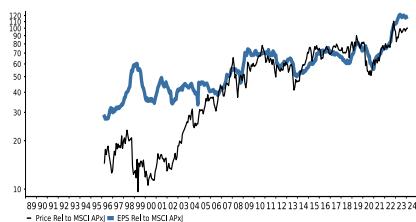
Hong Kong Banks has underperformed MSCI APx in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 306: Momentum & Value: India Banks**

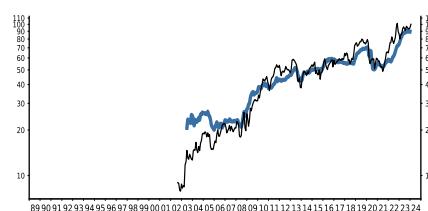
Relative EPS trend for India Banks has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 307: Momentum & Value: Indonesia Banks**

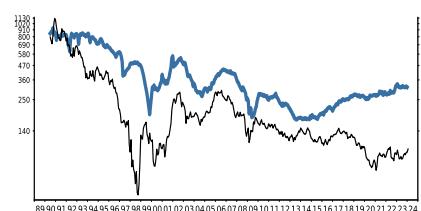
Relative EPS trend for Indonesia Banks has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 308: Momentum & Value: Korea Banks**

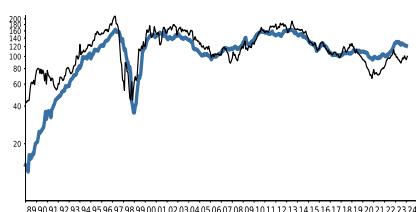
Relative EPS trend for South Korea Banks has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 309: Momentum & Value: Malaysia Banks**

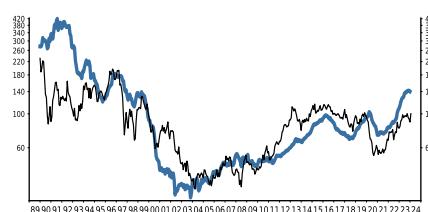
Relative EPS trend for Malaysia Banks has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 310: Momentum & Value: Philippines Banks**

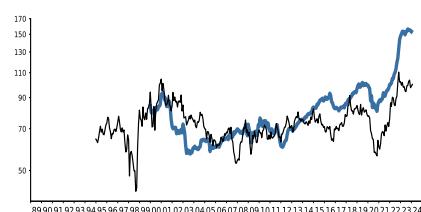
Philippines Banks has outperformed MSCI APx in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 311: Momentum & Value: Singapore Banks**

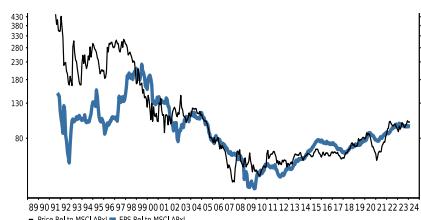
Relative EPS trend for Singapore Banks has deteriorated in last 3m



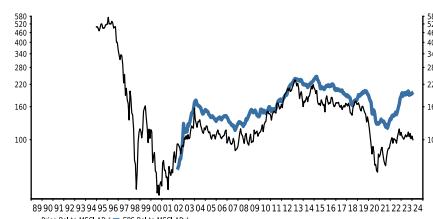
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 312: Momentum & Value: Taiwan Banks****Banks**

Relative EPS trend for Taiwan Banks has deteriorated in last 12m

**Chart 313: Momentum & Value: Thailand Banks****Banks**

Thailand Banks has underperformed in last 6m



## Consumer Discretionary

**Table 37: Country Metrics: Consumer Discretionary**

Consumer Discretionary Country-Sector Four Pillars Rank and Characteristics Summary

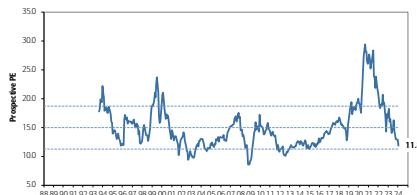
Name	OW/UW	Div			EPS %	EPS %	Bottom		Top				
		PE	PB	Beta	Yield	2024	2025	Four Pillars	Up Rank	Down Rank	Style Rank	PE Rank	
Australia Cons. Discretionary		96.7	7.19	1.06	2.7%	23%	7%	10%	36	93	27	20	2
China Cons. Discretionary		5.5	1.41	1.31	1.4%	7%	23%	25%	41	8	36	26	93
Hong Kong Cons. Discretionary	Underweight	28.9	4.22	1.22	0.0%	46%	66%	19%	37	11	56	65	15
India Cons. Discretionary		67.1	6.37	0.84	0.6%	12%	25%	21%	66	99	67	94	5
Korea Cons. Discretionary	Overweight	4.7	0.64	1.18	4.0%	9%	8%	5%	66	33	80	54	97
Malaysia Cons. Discretionary		19.5	0.88	1.10	3.8%	-1%	48%	17%	48	54	30	69	38
Philippines Cons. Discretionary		105.2	5.11	1.25	0.9%	15%	13%	20%	41	57	15	90	2
Singapore Cons. Discretionary		48.8	1.52	0.82	3.5%	4%	11%	8%	36	57	43	37	7
Taiwan Cons. Discretionary		12.5	2.86	1.01	2.6%	5%	13%	10%	57	81	22	59	66
Thailand Cons. Discretionary		21.0	2.88	0.99	1.8%	10%	30%	13%	20	11	8	30	30

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 314: Prospective PE: Consumer Discretionary

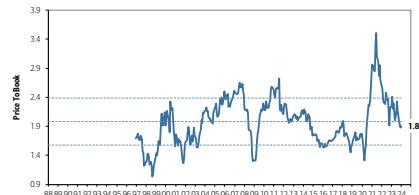
Cons. Discretionary prospective PE has been de-rated compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 315: Price-to-Book Ratio: Consumer Discretionary

Cons. Discretionary PB Ratio has ticked down compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 316: Earnings Revision Ratio: Consumer Discretionary

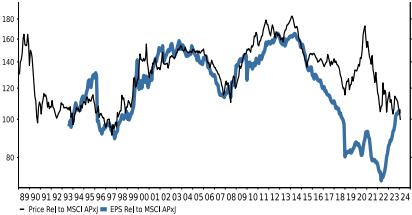
Earnings revisions fell in Cons. Discretionary last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 317: Momentum & Value: Consumer Discretionary

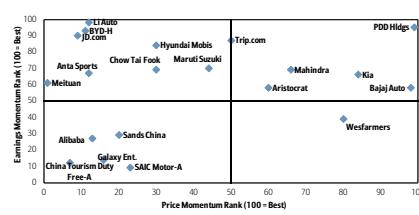
APx Cons. Discretionary has underperformed in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 318: Quadrant Analysis: Consumer Discretionary

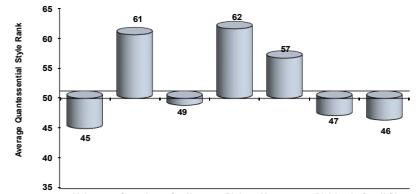
25% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 319: Style Characteristics: Consumer Discretionary

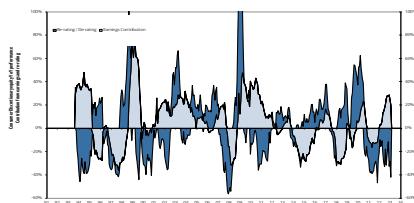
Cons. Discretionary are most overweight Risk



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 320: Re-rating/De-Rating: Consumer Discretionary

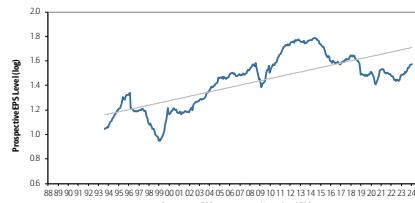
In the last 12m, re-rating contributed 49.6% to equity performance (62.6%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 321: Prospective EPS & Trend EPS: Consumer Discretionary

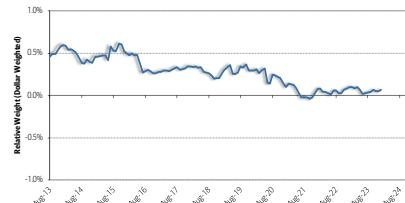
Earnings expectations have improved in Cons. Discretionary in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

### Chart 322: Trends in Investor Positioning: Consumer Discretionary

Funds have increased their active exposure to this sector in the last 3m

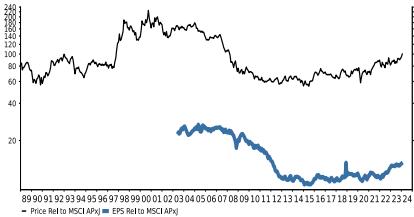


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 323: Momentum & Value: Australia Consumer Discretionary

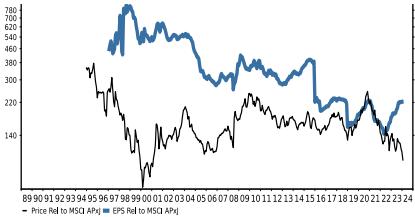
Australia Cons. Discretionary has outperformed MSCI APxJ in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 324: Momentum & Value: China Consumer Discretionary

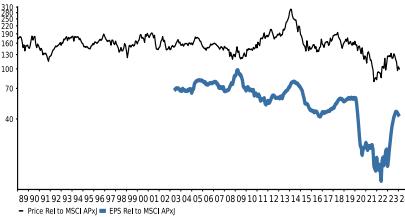
China Cons. Discretionary has underperformed MSCI APxJ in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 325: Momentum & Value: Hong Kong Consumer Discretionary

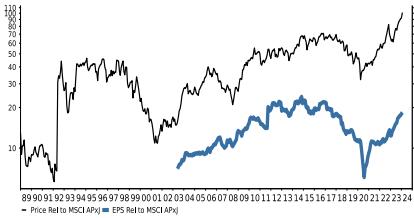
Relative EPS trend for Hong Kong Cons. Discretionary has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 326: Momentum & Value: India Consumer Discretionary

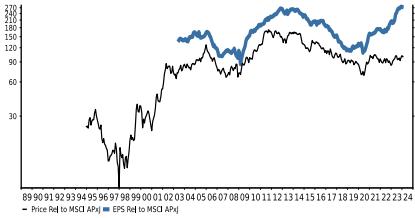
India Cons. Discretionary has outperformed in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 327: Momentum & Value: Korea Consumer Discretionary

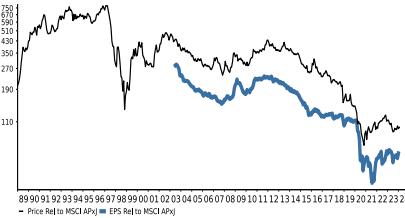
South Korea Cons. Discretionary has outperformed in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 328: Momentum & Value: Malaysia Consumer Discretionary

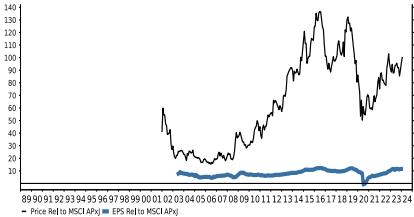
Relative EPS trend for Malaysia Cons. Discretionary has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 329: Momentum & Value: Philippines Consumer Discretionary

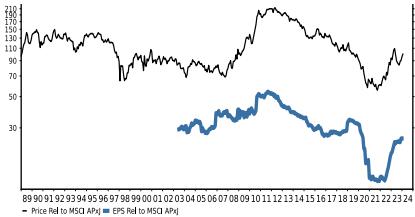
Relative EPS trend for Philippines Cons. Discretionary has improved in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 330: Momentum & Value: Singapore Consumer Discretionary

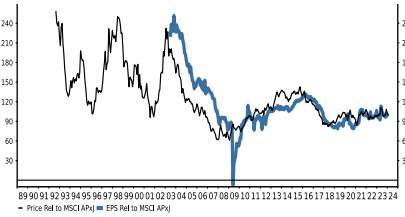
Singapore Cons. Discretionary has outperformed MSCI APxJ in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 331: Momentum & Value: Taiwan Consumer Discretionary

Taiwan Cons. Discretionary has outperformed MSCI APxJ in last 3m



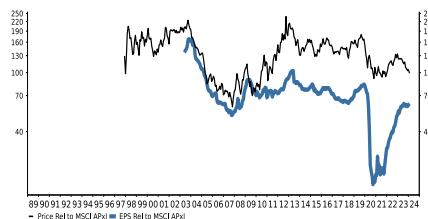
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH



**Chart 332: Momentum & Value: Thailand****Consumer Discretionary**

Relative EPS trend for Thailand Cons.

Discretionary has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Consumer Staples

**Table 38: Country Metrics: Consumer Staples**

Consumer Staples Country-Sector Four Pillars Rank and Characteristics Summary

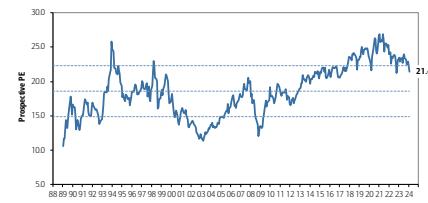
Name	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS %		Four Pillars	Bottom Up Rank		Top Down Rank		Style Rank	PE Rank
							2024	2025		Rank	Rank	Rank	Rank		
Australia Cons. Staples	Underweight	21.5	4.81	0.73	3.4%	20%	5%	8%	18	24	20	1	28		
China Cons. Staples		12.9	3.26	0.87	3.1%	13%	21%	22%	41	3	83	14	62		
Hong Kong Cons. Staples		7.9	1.00	0.91	5.1%	12%	32%	8%	42	70	3	9	86		
India Cons. Staples	Underweight	47.3	12.39	0.32	1.3%	23%	15%	14%	35	24	50	58	7		
Indonesia Cons. Staples		14.9	2.84	0.44	2.3%	17%	12%	13%	48	24	67	44	57		
Korea Cons. Staples		12.3	1.09	0.94	3.2%	9%	29%	14%	58	52	47	63	69		
Malaysia Cons. Staples		24.8	1.80	0.51	2.3%	11%	21%	4%	38	34	51	46	21		
Philippines Cons. Staples		15.2	2.10	0.88	3.2%	12%	16%	10%	33	39	7	31	54		
Singapore Cons. Staples		8.1	0.78	0.81	5.2%	13%	40%	7%	33	20	24	4	84		
Taiwan Cons. Staples		20.6	3.91	0.39	4.1%	16%	7%	11%	43	39	64	36	31		
Thailand Cons. Staples		21.0	1.83	0.64	1.8%	6%	49%	21%	44	18	85	46	29		

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 333: Prospective PE: Consumer Staples

Cons. Staples forecast PE is currently at 21.4



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 334: Price-to-Book Ratio: Consumer Staples

Cons. Staples PB (trailing) is currently above the long-term average

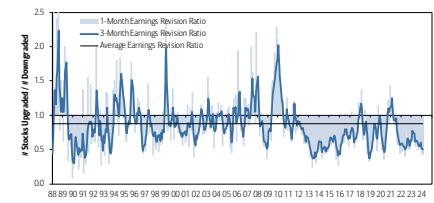


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 335: Earnings Revision Ratio: Consumer Staples

Earnings revisions fell in Cons. Staples last month

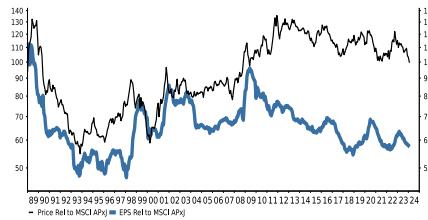


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 336: Momentum & Value: Consumer Staples

APXj Cons. Staples has underperformed in last 6m

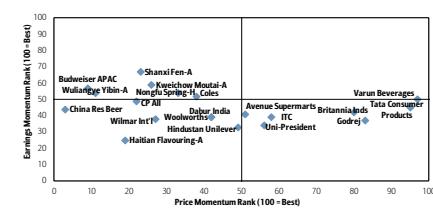


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 337: Quadrant Analysis: Consumer Staples

There are more stocks in the unattractive bottom-left quadrant than top-right

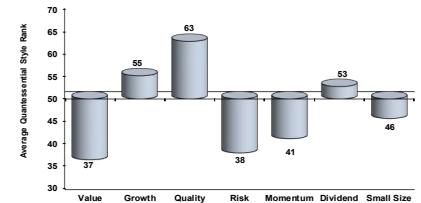


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 338: Style Characteristics: Consumer Staples

Cons. Staples are dominated by Quality stocks



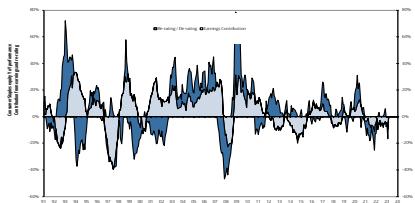
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



### Chart 339: Re-rating/De-Rating: Consumer Staples

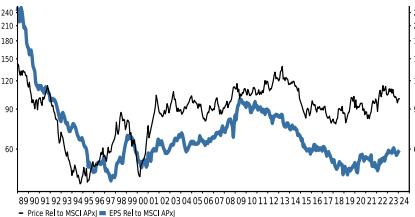
In the last 12m, earnings contributed 9.2% to equity performance (31.1%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 342: Momentum & Value: Australia Consumer Staples

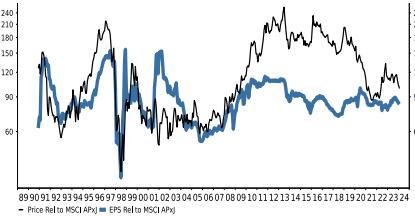
Australia Cons. Staples has underperformed in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 345: Momentum & Value: Indonesia Consumer Staples

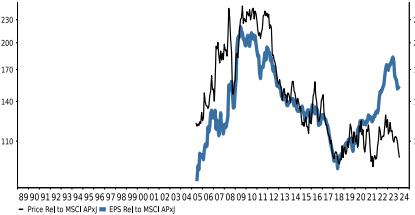
Relative EPS trend for Indonesia Cons. Staples has improved in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 348: Momentum & Value: Singapore Consumer Staples

Relative EPS trend for Singapore Cons. Staples has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 340: Prospective EPS & Trend EPS: Consumer Staples

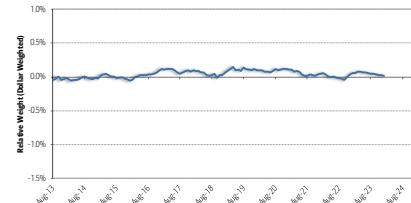
Earnings expectations have moderated in Cons. Staples in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

### Chart 341: Trends in Investor Positioning: Consumer Staples

Funds are currently overweight the sector by 0.01%

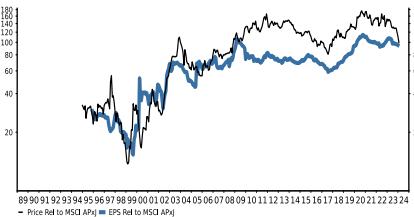


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 343: Momentum & Value: China Consumer Staples

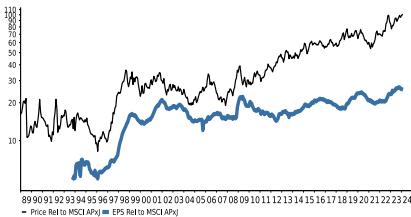
China Cons. Staples has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 344: Momentum & Value: India Consumer Staples

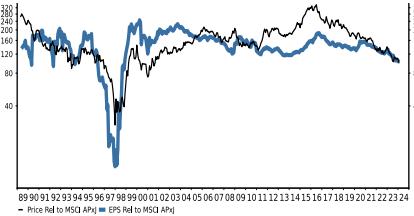
Relative EPS trend for India Cons. Staples has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 346: Momentum & Value: Korea Consumer Staples

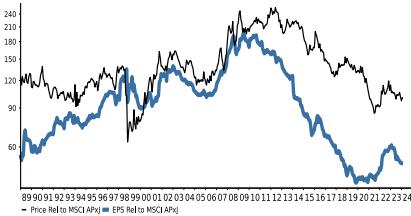
South Korea Cons. Staples has underperformed MSCI APxJ in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 347: Momentum & Value: Malaysia Consumer Staples

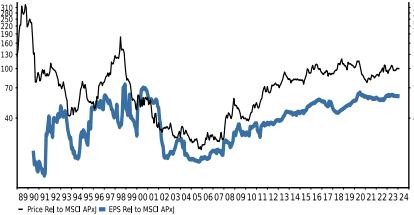
Malaysia Cons. Staples has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 349: Momentum & Value: Taiwan Consumer Staples

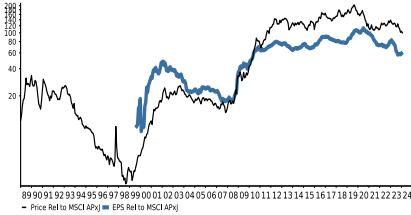
Taiwan Cons. Staples has outperformed MSCI APxJ in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 350: Momentum & Value: Thailand Consumer Staples

Thailand Cons. Staples has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

## Diversified Financials

**Table 39: Country Metrics: Diversified Financials**

Diversified Financials Country-Sector Four Pillars Rank and Characteristics Summary

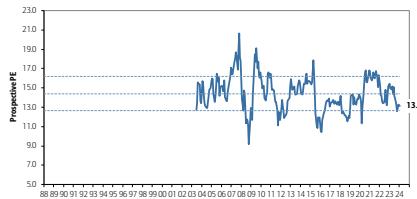
Name	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS % 2024	EPS % 2025	Top		Style Rank	PE Rank
									Four Pillars	Bottom Up Rank		
Australia Div Financials	Overweight	18.4	2.17	1.15	3.6%	12%	1%	9%	41	24	49	53
China Div Financials		7.3	0.72	1.15	4.7%	7%	15%	14%	64	2	98	66
Hong Kong Div Financials		21.9	6.14	1.37	3.2%	18%	5%	7%	39	24	99	7
India Div Financials		16.3	2.88	1.08	1.0%	13%	21%	18%	81	97	94	85
Korea Div Financials		5.6	0.70	1.21	2.4%	9%	7%	6%	69	84	11	89
Singapore Div Financials		19.1	5.96	0.42	3.5%	34%	-2%	3%	48	39	91	21
Taiwan Div Financials		10.5	1.49	1.20	3.3%	12%	11%	9%	39	39	29	11
Thailand Div Financials		14.3	3.07	1.15	2.5%	18%	14%	14%	29	34	2	23

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 351: Prospective PE: Diversified Financials

PE (12m fwd) is currently below the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 352: Price-to-Book Ratio: Diversified Financials

PB (trailing) is currently below the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 353: Earnings Revision Ratio: Diversified Financials

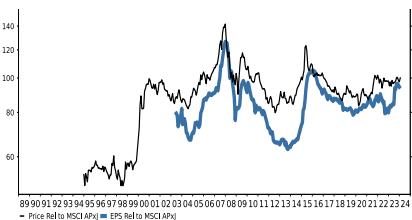
Earnings revisions fell in Div Financials last month, but the trend remains strong



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 354: Momentum & Value: Diversified Financials

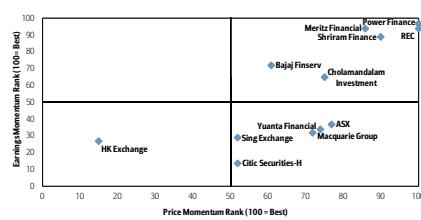
Relative EPS trend for APx Div Financials has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 355: Quadrant Analysis: Diversified Financials

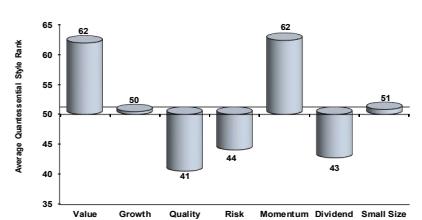
50% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 356: Style Characteristics: Diversified Financials

Div Financials are dominated by Momentum stocks



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH



### Chart 357: Re-rating/De-Rating: Diversified Financials

In the last 12m, re-rating contributed 47.0% earnings contributed 18.8%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 358: Prospective EPS & Trend EPS: Diversified Financials

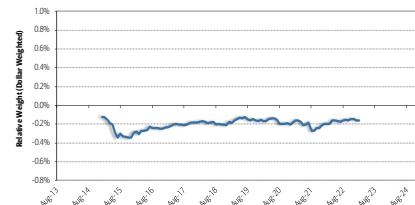
Earnings expectations have improved in Div Financials in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

### Chart 359: Trends in Investor Positioning: Diversified Financials

Funds are underweight Hong Kong Div Financials

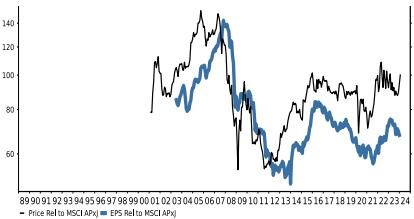


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 360: Momentum & Value: Australia Diversified Financials

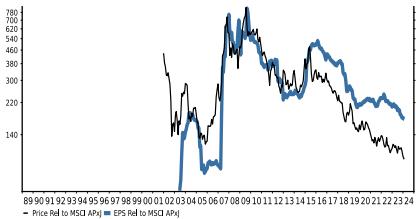
Australia Div Financials has outperformed MSCI APXj in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 361: Momentum & Value: China Diversified Financials

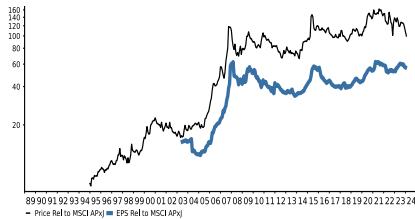
China Div Financials has underperformed in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 362: Momentum & Value: Hong Kong Diversified Financials

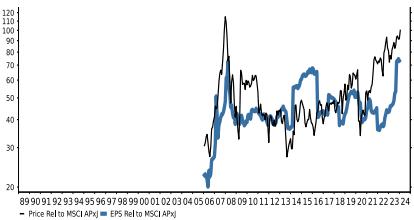
Hong Kong Div Financials has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 363: Momentum & Value: India Diversified Financials

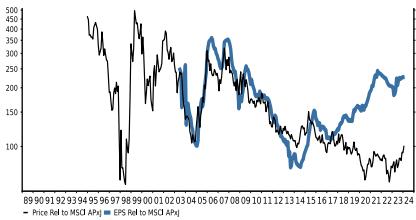
Relative EPS trend for India Div Financials has improved in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 364: Momentum & Value: Korea Diversified Financials

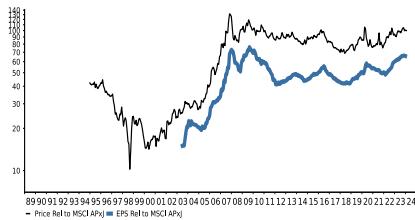
Relative EPS trend for South Korea Div Financials has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 365: Momentum & Value: Singapore Diversified Financials

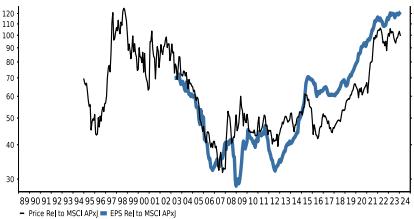
Relative EPS trend for Singapore Div Financials has improved in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 366: Momentum & Value: Taiwan Diversified Financials

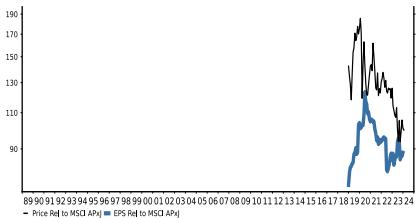
Taiwan Div Financials has outperformed MSCI APXj in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 367: Momentum & Value: Thailand Diversified Financials

Thailand Div Financials has outperformed MSCI APXj in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

# Energy

**Table 40: Country Metrics: Energy**

Energy Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS %		Four Pillars	Bottom Up Rank	Top Down Rank	Style Rank	PE Rank
							2024	2025					
Australia Energy	Overweight	12.7	1.21	1.14	8.4%	19%	-7%	-14%	58	82	46	37	66
China Energy		6.9	0.78	0.70	10.2%	16%	2%	2%	65	87	73	12	89
India Energy		16.3	2.19	0.74	1.3%	11%	8%	7%	70	88	66	77	48
Indonesia Energy		2.2	0.86	0.44	24.2%	32%	-27%	-2%	65	20	100	39	100
Korea Energy		6.4	0.59	1.50	2.6%	14%	82%	15%	63	24	86	50	91
Malaysia Energy		20.2	2.44	0.73	2.9%	11%	5%	5%	40	20	33	72	34
Taiwan Energy		28.7	2.15	0.57	1.5%	5%	25%	26%	32	24	15	74	16
Thailand Energy		8.8	0.85	1.14	5.9%	13%	-2%	7%	60	54	89	17	82

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 368: Prospective PE: Energy**

PE (12m fwd) is currently below the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 369: Price-to-Book Ratio: Energy**

Energy PB Ratio has ticked up compared to last month

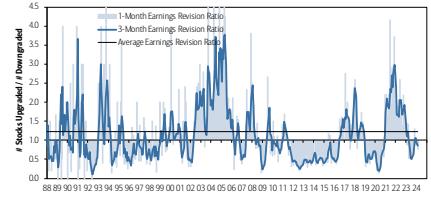


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 370: Earnings Revision Ratio: Energy**

Earnings revisions fell in Energy last month

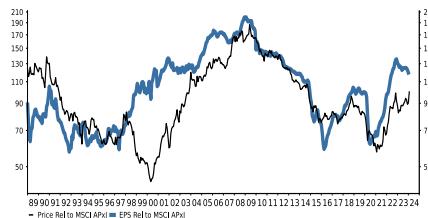


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 371: Momentum & Value: Energy**

Relative EPS trend for APxJ Energy has deteriorated in last 3m

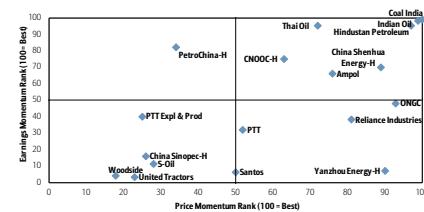


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 372: Quadrant Analysis: Energy**

35% of largest 25 stocks are in the top-right quadrant

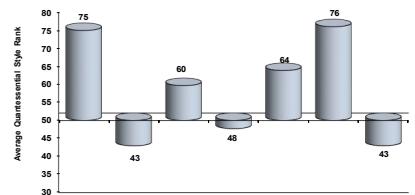


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 373: Style Characteristics: Energy**

Energy are most overweight Dividend



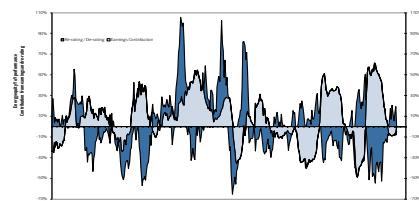
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Chart 374: Re-rating/De-Rating: Energy**

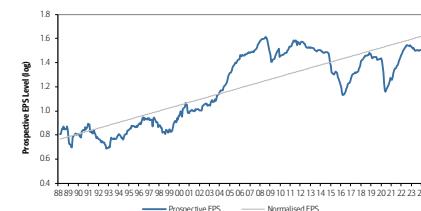
In the last 12m, re-rating contributed 50.6% to equity performance (47.5%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 375: Prospective EPS & Trend EPS: Energy**

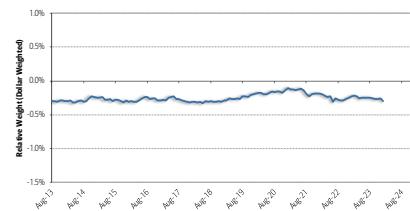
Earnings expectations have moderated in Energy in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 376: Trends in Investor Positioning: Energy**

Funds are currently underweight the sector by -0.30%



Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 377: Momentum & Value: Australia Energy**

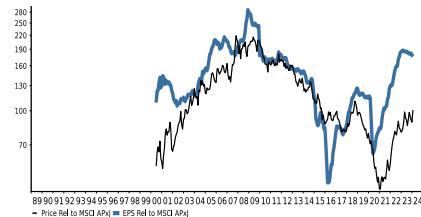
Australia Energy has underperformed MSCI APxJ in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 378: Momentum & Value: China Energy**

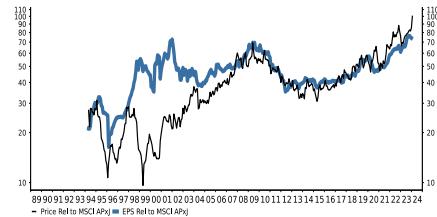
China Energy has outperformed MSCI APxJ in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 379: Momentum & Value: India Energy**

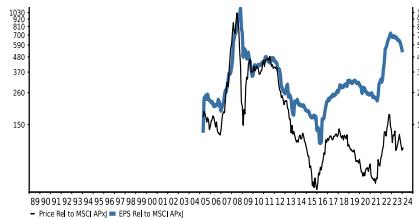
India Energy has outperformed MSCI APxJ in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 380: Momentum & Value: Indonesia Energy**

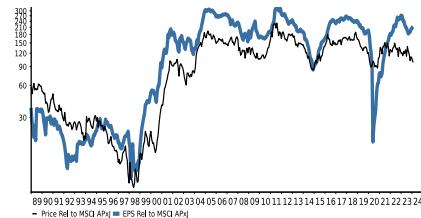
Relative EPS trend for Indonesia Energy has deteriorated in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 381: Momentum & Value: Korea Energy**

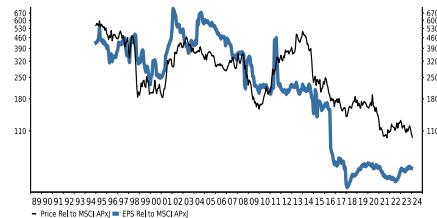
South Korea Energy has underperformed MSCI APxJ in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 382: Momentum & Value: Malaysia Energy**

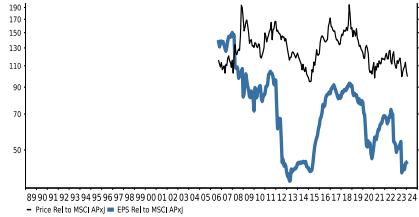
Malaysia Energy has underperformed in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 383: Momentum & Value: Taiwan Energy**

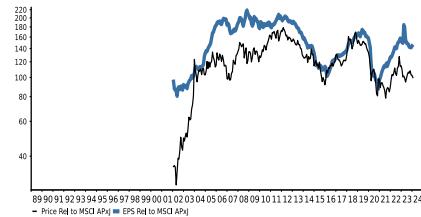
Taiwan Energy has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 384: Momentum & Value: Thailand Energy**

Relative EPS trend for Thailand Energy has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

## Health Care

**Table 41: Country Metrics: Health Care**

Health Care Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Div		EPS % 2024	EPS % 2025	Four Pillars	Bottom Up Rank	Top Down Rank	Style Rank	PE Rank
					Yield	ROE							
Australia Health Care		30.2	5.26	0.73	1.3%	12%	21%	18%	50	57	59	70	12
China Health Care		16.5	2.24	0.98	1.5%	10%	19%	26%	53	91	46	27	47
India Health Care		29.8	5.64	0.54	0.5%	12%	21%	17%	67	95	61	97	14
Indonesia Health Care		20.0	3.38	0.46	2.5%	17%	18%	12%	40	24	97	2	36
Korea Health Care		26.1	5.91	0.80	0.2%	8%	20%	30%	66	88	63	96	19
Malaysia Health Care		29.9	1.92	0.56	0.6%	2%	5%	8%	56	57	76	80	13
Thailand Health Care		28.2	5.66	0.74	2.1%	17%	7%	7%	24	70	4	5	16

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 385: Prospective PE: Health Care**

Health Care forecast PE is currently at 28.6



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 386: Price-to-Book Ratio: Health Care**

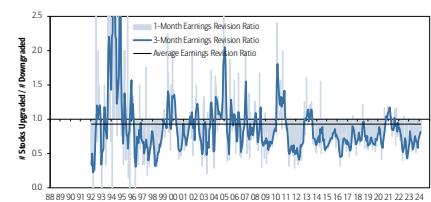
Health Care PB Ratio has ticked down compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 387: Earnings Revision Ratio: Health Care**

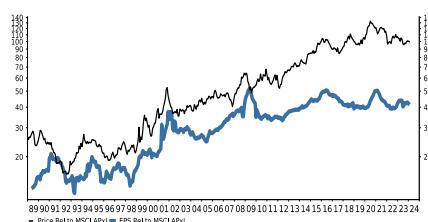
Earnings revisions fell in Health Care last month, but the trend remains strong



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 388: Momentum & Value: Health Care**

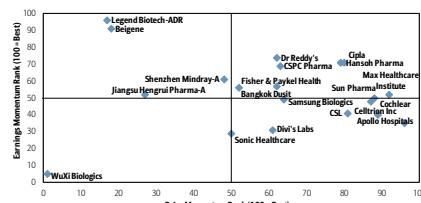
Relative EPS trend for APxJ Health Care has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 389: Quadrant Analysis: Health Care**

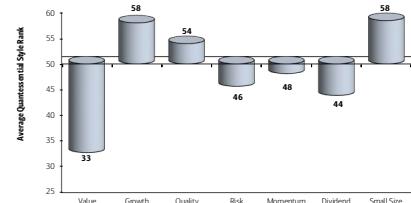
There are more stocks in the attractive top-right quadrant than bottom-left



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 390: Style Characteristics: Health Care**

Health Care are most overweight Small Size

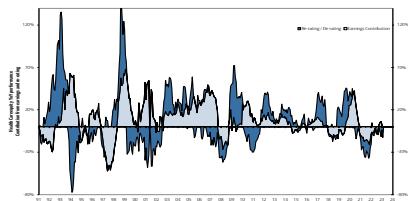


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH



### Chart 391: Re-rating/De-Rating: Health Care

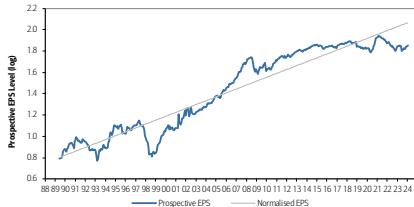
In the last 12m, re-rating contributed 10.5% to equity performance (44.9%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 392: Prospective EPS & Trend EPS: Health Care

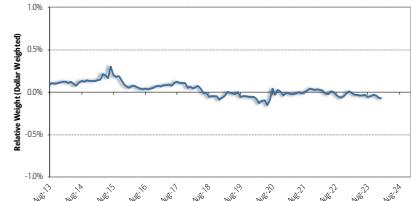
Earnings expectations have improved in Health Care in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

### Chart 393: Trends in Investor Positioning: Health Care

Funds have reduced their active exposure to this sector last month

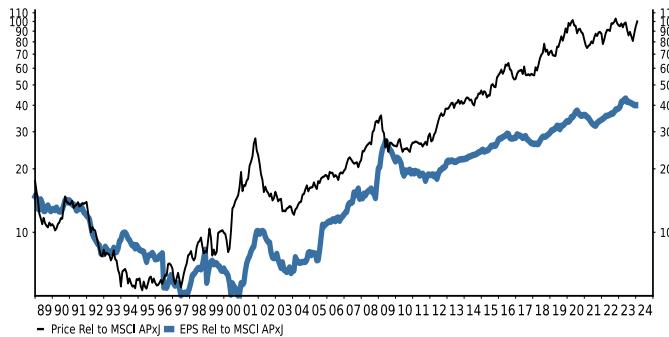


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 394: Momentum & Value: Australia Health Care

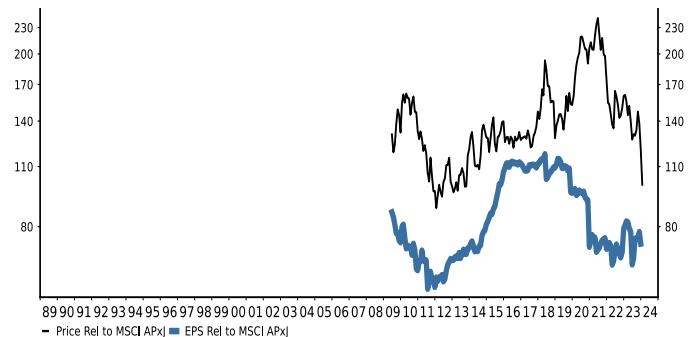
Australia Health Care has outperformed in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 395: Momentum & Value: China Health Care

China Health Care has underperformed in last 6m

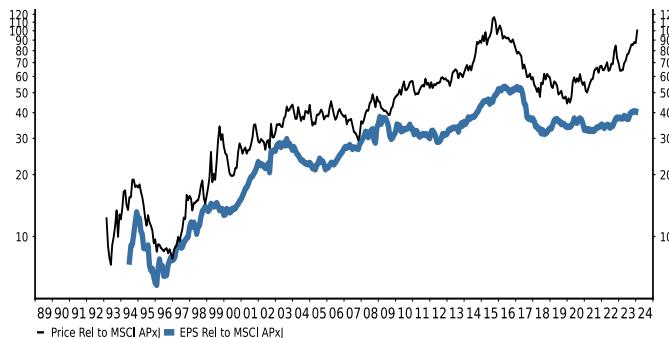


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 396: Momentum & Value: India Health Care

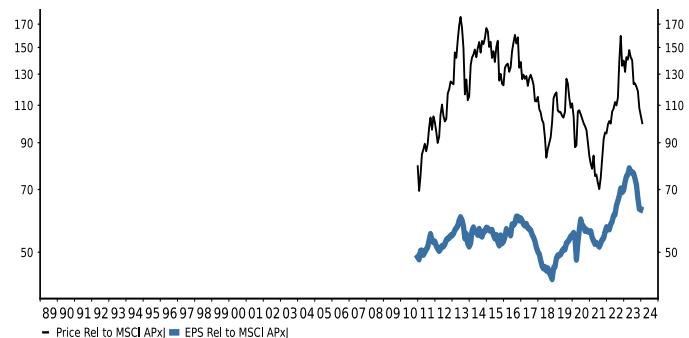
India Health Care has outperformed MSCI APxJ in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 397: Momentum & Value: Indonesia Health Care

Relative EPS trend for Indonesia Health Care has deteriorated in last 12m

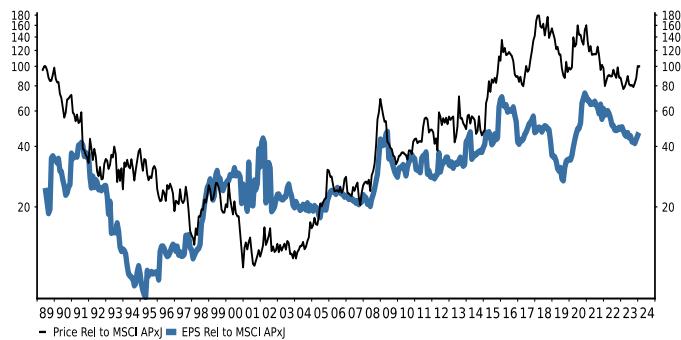


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 398: Momentum & Value: Korea Health Care

Relative EPS trend for South Korea Health Care has deteriorated in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Industrials

**Table 42: Country Metrics: Industrials**

Industrials Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Div	EPS %	EPS %	Four Pillars	Bottom Up Rank	Top Down Rank		Style Rank	PE Rank
										Up Rank	Rank		
Australia Industrials	Underweight	20.1	3.64	0.89	3.4%	11%	44%	17%	44	69	14	56	35
China Industrials		7.5	0.87	0.87	6.2%	11%	27%	20%	49	12	70	28	87
Hong Kong Industrials		7.9	0.23	1.04	5.5%	8%	49%	10%	35	23	25	6	85
India Industrials		25.0	8.53	0.71	0.6%	14%	17%	15%	75	94	89	95	20
Korea Industrials		13.4	1.09	1.32	1.2%	9%	35%	47%	55	10	72	76	61
Malaysia Industrials		16.1	1.10	0.59	3.3%	6%	9%	9%	65	88	37	86	50
Philippines Industrials		11.0	1.67	0.92	2.1%	10%	12%	13%	56	93	5	52	74
Singapore Industrials		18.2	1.34	0.84	3.5%	5%	28%	49%	56	52	42	88	41
Taiwan Industrials		24.4	1.14	1.30	14.5%	36%	-22%	0%	32	32	53	19	23
Thailand Industrials		31.9	4.30	0.77	1.4%	6%	88%	24%	26	14	6	72	11

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 399: Prospective PE: Industrials**

Industrials forecast PE is currently at 12.3



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 400: Price-to-Book Ratio: Industrials**

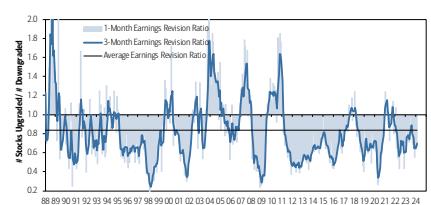
Industrials PB is currently at 1.35



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 401: Earnings Revision Ratio: Industrials**

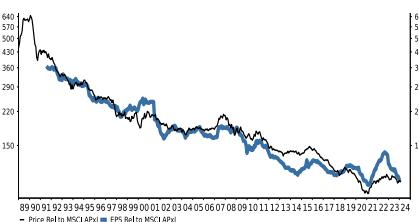
Earnings revisions improved in Industrials last month but remains below long term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 402: Momentum & Value: Industrials**

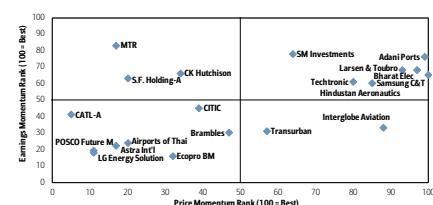
Relative EPS trend for APxJ Industrials has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 403: Quadrant Analysis: Industrials**

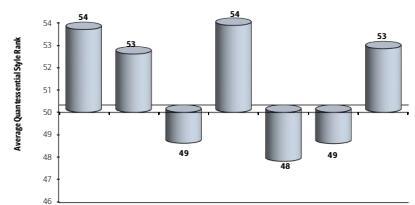
There are more stocks in the unattractive bottom-left quadrant than top-right



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 404: Style Characteristics: Industrials**

Industrials are most overweight Risk



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 405: Re-rating/De-Rating: Industrials**

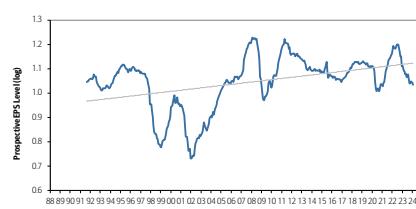
In the last 12m, re-rating contributed 54.2% to equity performance (44.8%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 406: Prospective EPS & Trend EPS: Industrials**

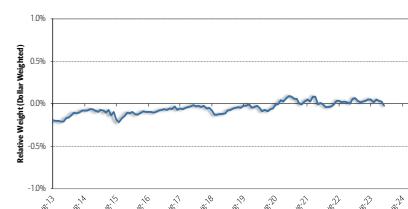
Earnings expectations have moderated in Industrials in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 407: Trends in Investor Positioning: Industrials**

Funds have reduced their active exposure to this sector last month

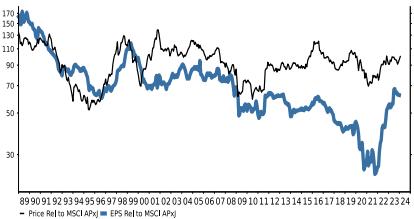


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 408: Momentum & Value: Australia Industrials**

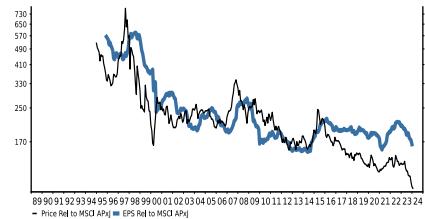
Relative EPS trend for Australia Industrials has improved in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 409: Momentum & Value: China Industrials**

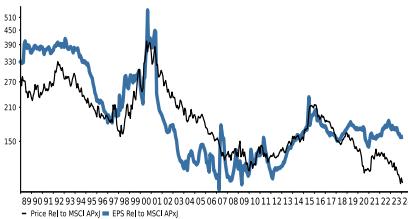
Relative EPS trend for China Industrials has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 410: Momentum & Value: Hong Kong Industrials**

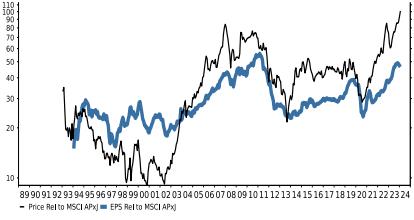
Relative EPS trend for Hong Kong Industrials has deteriorated in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 411: Momentum & Value: India Industrials**

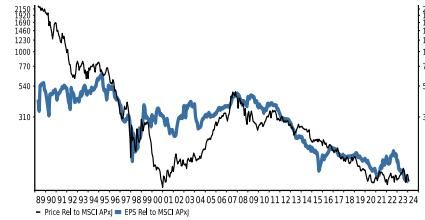
India Industrials has outperformed in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 412: Momentum & Value: Korea Industrials**

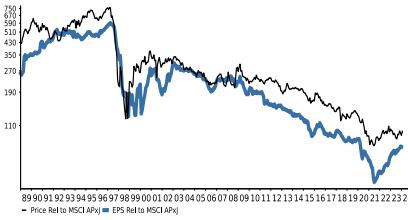
Korea Industrials has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 413: Momentum & Value: Malaysia Industrials**

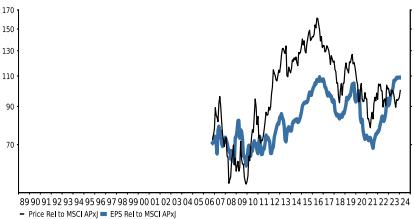
Relative EPS trend for Malaysia Industrials has improved in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 414: Momentum & Value: Philippines Industrials**

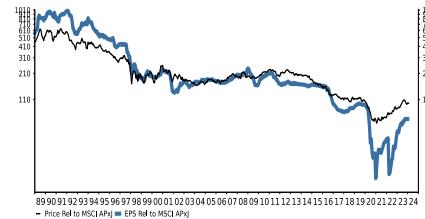
Philippines Industrials has outperformed MSCI APxJ in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 415: Momentum & Value: Singapore Industrials**

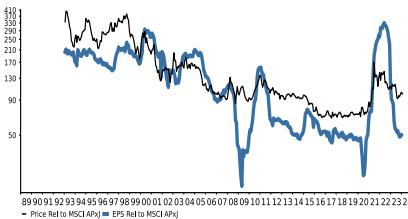
Singapore Industrials has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 416: Momentum & Value: Taiwan Industrials**

Taiwan Industrials has outperformed MSCI APxJ in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH



## Insurance

**Table 43: Country Metrics: Insurance**

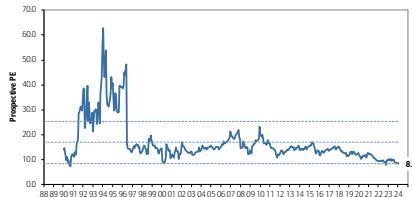
Insurance Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Yield	Div	EPS %	EPS %	2024	2025	Top		Style
											Four Pillars	Up Rank	Bottom
Australia Insurance		12.0	1.88	0.77	3.3%	10%	21%	5%	51	70	17	48	70
China Insurance		4.2	0.65	1.16	7.0%	10%	34%	12%	55	4	98	22	98
Hong Kong Insurance		12.5	1.99	1.02	2.6%	1%	24%	10%	45	39	26	45	68
India Insurance		53.0	8.35	0.82	0.4%	10%	18%	17%	37	36	7	100	6
Korea Insurance		4.9	0.47	0.93	4.9%	12%	9%	6%	58	57	37	41	96
Taiwan Insurance		10.3	0.79	0.89	1.7%	5%	11%	20%	59	24	54	82	78

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

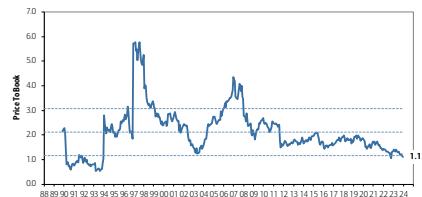
BofA GLOBAL RESEARCH

**Chart 417: Prospective PE: Insurance**  
Insurance forecast PE is currently at 8.4



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

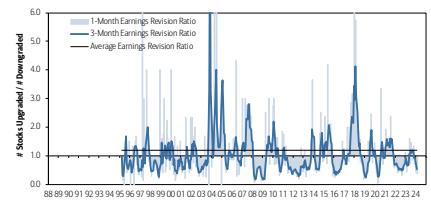
**Chart 418: Price-to-Book Ratio: Insurance**  
Insurance PB is currently at 1.1



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

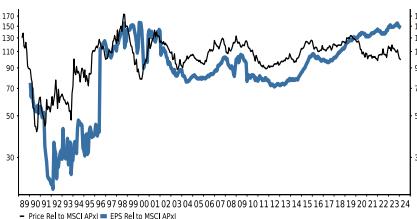
**Chart 419: Earnings Revision Ratio: Insurance**

ERR fell in Insurance last month and the trend moderated



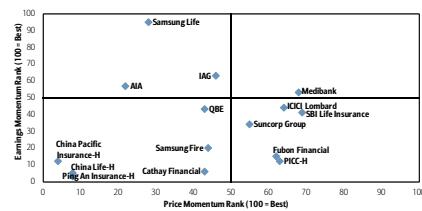
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 420: Momentum & Value: Insurance**  
APXj Insurance has underperformed the world in last 12m



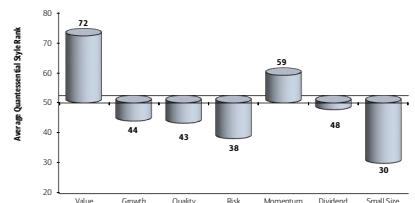
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 421: Quadrant Analysis: Insurance**  
7% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

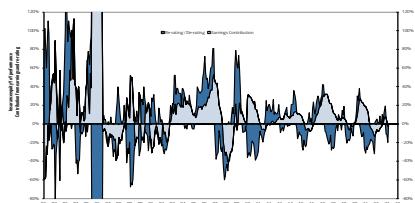
**Chart 422: Style Characteristics: Insurance**  
Insurance are tilted towards Value



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 423: Re-rating/De-Rating: Insurance**

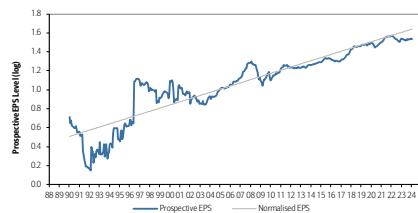
In the last 12m, re-rating contributed 20.6%  
earnings contributed 9.3%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 424: Prospective EPS & Trend EPS: Insurance**

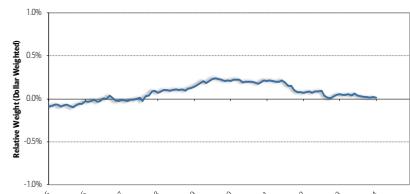
Earnings expectations have moderated in Insurance in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 425: Trends in Investor Positioning: Insurance**

Funds have reduced their active exposure to this sector last month

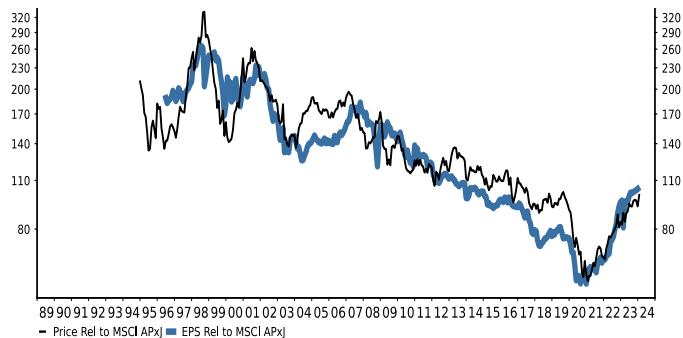


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE,  
Factset, Bloomberg, 13F Filings, Benchmark Indices, Country  
Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 426: Momentum & Value: Australia Insurance**

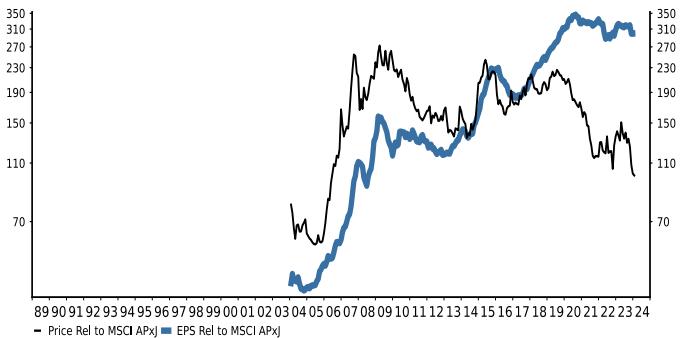
Relative EPS trend for Australia Insurance has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 427: Momentum & Value: China Insurance**

China Insurance has underperformed in last 3m

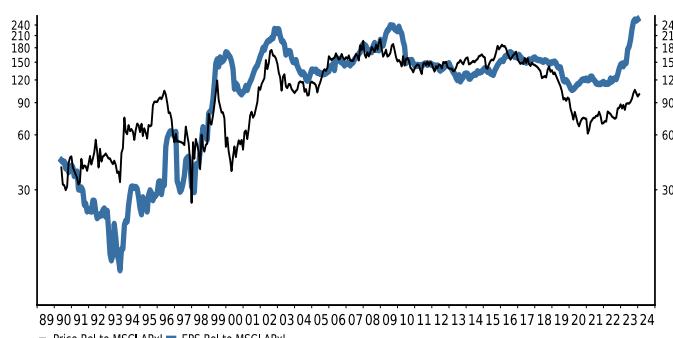


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 428: Momentum & Value: Korea Insurance**

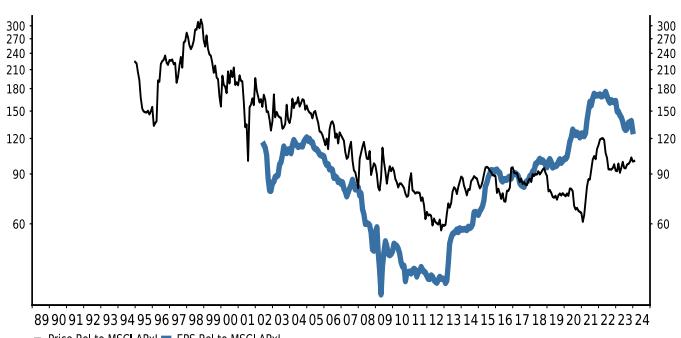
Relative EPS trend for South Korea Insurance has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 429: Momentum & Value: Taiwan Insurance**

Taiwan Insurance has outperformed MSCI APxJ in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Materials

**Table 44: Country Metrics: Materials**

Materials Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Yield	Div	EPS %	EPS %	Four	Bottom	Top				
											2024	2025	Pillars	Up Rank	Down Rank
Australia Materials		11.7	2.95	1.30	4.8%	22%	3%	-1%	55	80	52	18	72		
China Materials		11.9	1.12	1.10	3.8%	16%	37%	23%	45	2	95	11	71		
India Materials		19.8	3.14	0.78	1.1%	11%	26%	17%	72	92	79	81	37		
Indonesia Materials		17.4	1.75	1.17	1.1%	15%	1%	1%	54	14	68	89	43		
Korea Materials		10.6	0.68	1.59	2.2%	6%	46%	35%	59	6	82	75	75		
Malaysia Materials		18.7	2.16	0.93	2.6%	17%	33%	20%	50	39	78	41	39		
Taiwan Materials		21.9	1.16	0.82	4.0%	6%	65%	42%	38	14	72	40	26		
Thailand Materials		11.3	0.78	1.04	1.8%	5%	34%	33%	62	14	87	73	73		

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 430: Prospective PE: Materials**

Materials PE (12m fwd) is currently above the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 431: Price-to-Book Ratio: Materials**

Materials PB is currently at 1.8

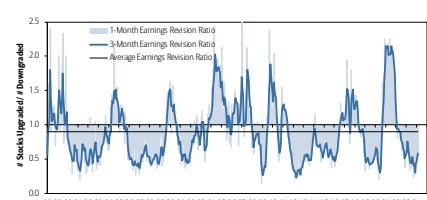


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 432: Earnings Revision Ratio: Materials**

Earnings revisions improved in Materials last month

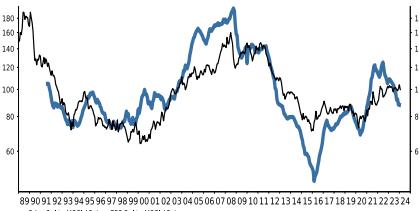


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 433: Momentum & Value: Materials**

APXj Materials has underperformed the world in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 434: Quadrant Analysis: Materials**

40% of largest 25 stocks are in the top-right quadrant

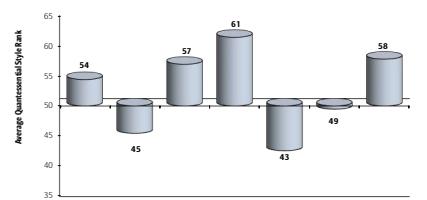


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 435: Style Characteristics: Materials**

Materials are tilted towards Risk

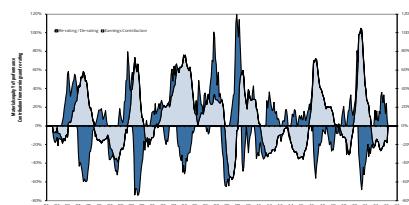


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 436: Re-rating/De-Rating: Materials**

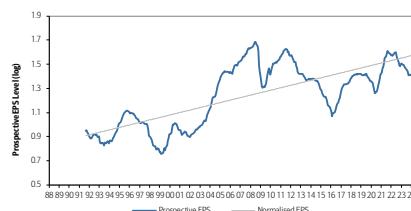
In the last 12m, re-rating contributed 36.7% earnings contributed 43.9%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 437: Prospective EPS & Trend EPS: Materials**

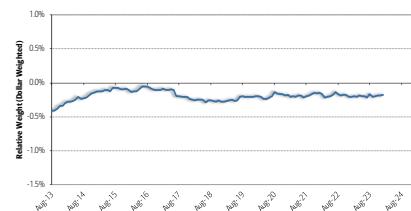
Earnings expectations have moderated in Materials in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 438: Trends in Investor Positioning: Materials**

Funds are currently underweight the sector by -0.18%

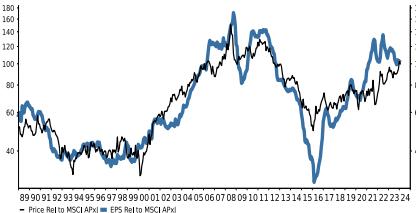


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 439: Momentum & Value: Australia Materials**

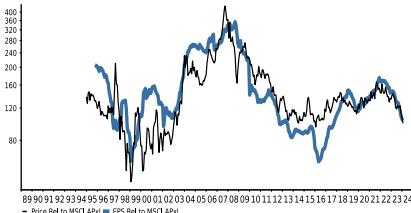
Australia Materials has outperformed MSCI APx in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 440: Momentum & Value: China Materials**

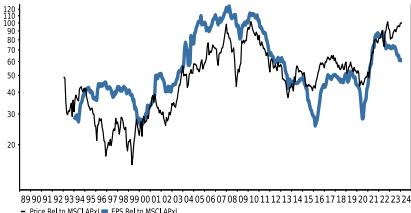
Relative EPS trend for China Materials has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 441: Momentum & Value: India Materials**

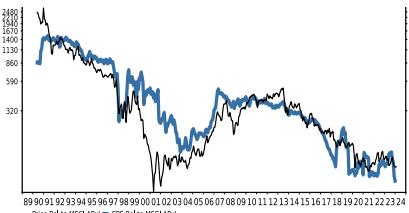
India Materials has outperformed MSCI APx in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 442: Momentum & Value: Indonesia Materials**

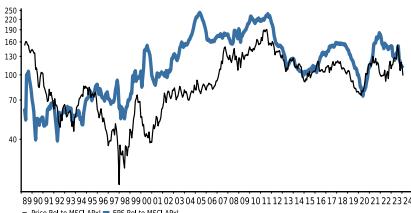
Indonesia Materials has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 443: Momentum & Value: Korea Materials**

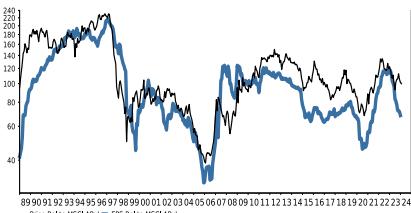
Relative EPS trend for South Korea Materials has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 444: Momentum & Value: Malaysia Materials**

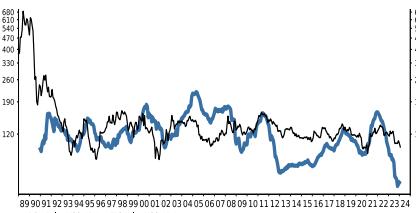
Malaysia Materials has underperformed MSCI APx in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 445: Momentum & Value: Taiwan Materials**

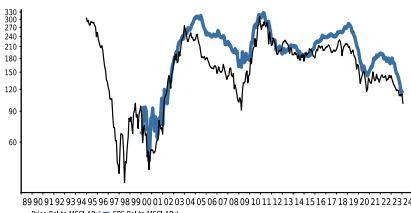
Relative EPS trend for Taiwan Materials has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 446: Momentum & Value: Thailand Materials**

Relative EPS trend for Thailand Materials has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH



## Media & Entertainment

**Table 45: Country Metrics: Media & Entertainment**

Media & Entertainment Country-Sector Four Pillars Rank and Characteristics Summary

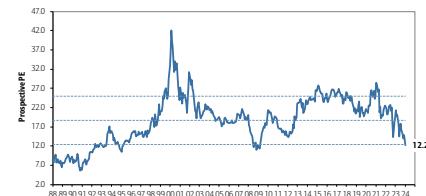
Name	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS % 2024	EPS % 2025	Top		Style Rank	PE Rank
									Four Pillars	Bottom Up Rank		
Australia Media & Ent.		38.2	4.94	1.26	1.5%	17%	16%	17%	41	57	28	67 10
China Media & Ent.	Underweight	12.7	2.84	1.40	0.9%	15%	18%	16%	25	9	1	24 65
India Media & Ent.		70.7	3.29	1.00	0.4%	-1%	26%	20%	49	39	55	99 4
Korea Media & Ent.		24.4	1.63	1.35	0.5%	4%	45%	19%	45	34	74	51 22

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 447: Prospective PE: Media & Entertainment

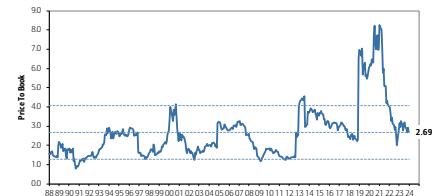
PE (12m fwd) is currently below the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 448: Price-to-Book Ratio: Media & Entertainment

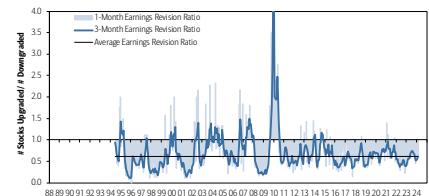
PB (trailing) is currently below the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 449: Earnings Revision Ratio: Media & Entertainment

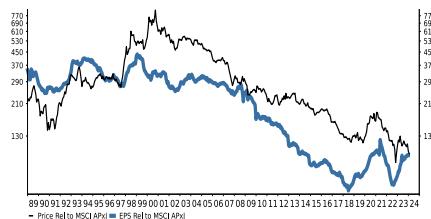
Earnings revisions fell in Media & Ent. last month, but the trend remains strong



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 450: Momentum & Value: Media & Entertainment

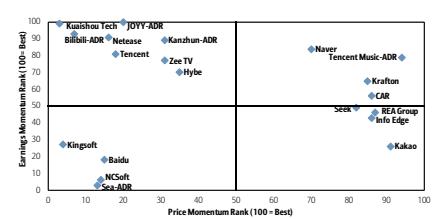
Relative EPS trend for APxJ Media & Ent. has improved in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 451: Quadrant Analysis: Media & Entertainment

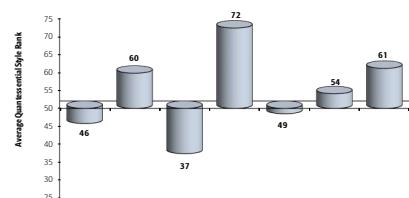
22% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 452: Style Characteristics: Media & Entertainment

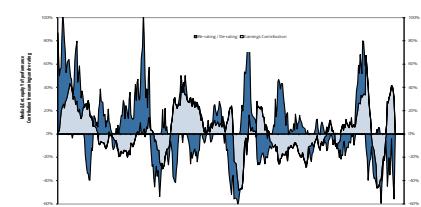
Media & Ent. are dominated by Risk stocks



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 453: Re-rating/De-Rating: Media & Entertainment

In the last 12m, earnings contributed 34.0% to equity performance (69.5%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

### Chart 454: Prospective EPS & Trend EPS: Media & Entertainment

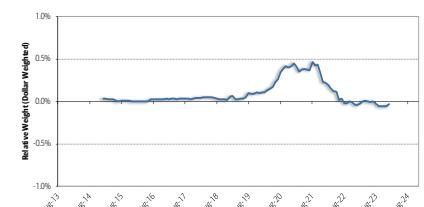
Earnings expectations have improved in Media & Ent. in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

### Chart 455: Trends in Investor Positioning: Media & Entertainment

Funds have increased their active exposure to this sector in the last 3m

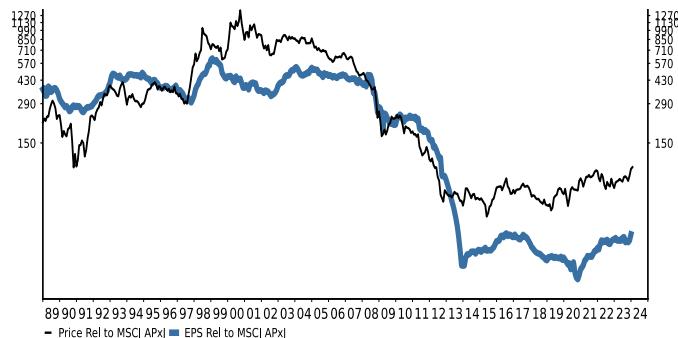


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 456: Momentum & Value: Australia Media & Entertainment**

Australia Media &amp; Ent. has outperformed in last 12m

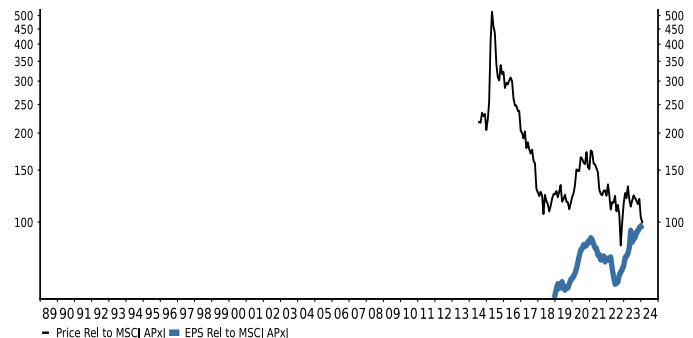


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 457: Momentum & Value: China Media & Entertainment**

China Media &amp; Ent. has underperformed in last 3m

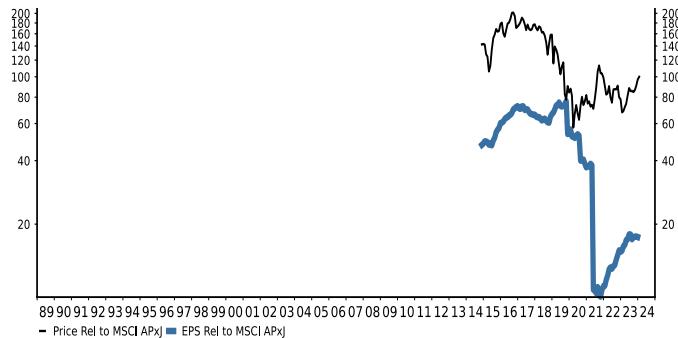


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 458: Momentum & Value: India Media & Entertainment**

India Media &amp; Ent. has outperformed in last 12m

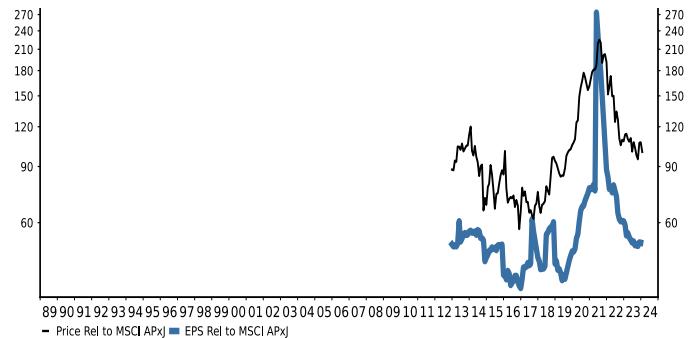


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 459: Momentum & Value: Korea Media & Entertainment**

South Korea Media &amp; Ent. has underperformed in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Real Estate

**Table 46: Country Metrics: Real Estate**

Real Estate Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Yield	Div	EPS %	EPS %	Bottom		Top		
									2024	2025	Four Pillars	Up Rank	Down Rank
Australia Real Estate		16.9	1.19	1.18	3.6%	2%	4%	7%	45	54	18	61	45
China Real Estate		5.9	0.47	1.40	5.2%	8%	13%	13%	49	6	93	3	92
Hong Kong Real Estate	Underweight	40.8	0.22	0.84	6.3%	3%	4%	11%	26	6	41	49	8
Philippines Real Estate		20.4	2.23	1.05	0.9%	8%	11%	13%	55	70	39	78	32
Singapore Real Estate		17.8	0.94	0.81	4.9%	6%	5%	7%	39	19	41	55	42
<b>Thailand Real Estate</b>		<b>15.8</b>	<b>2.65</b>	<b>1.00</b>	<b>3.6%</b>	<b>14%</b>	<b>9%</b>	<b>8%</b>	<b>34</b>	<b>57</b>	<b>2</b>	<b>24</b>	<b>52</b>

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 460: Prospective PE: Real Estate**

Real Estate prospective PE has been de-rated compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 461: Price-to-Book Ratio: Real Estate**

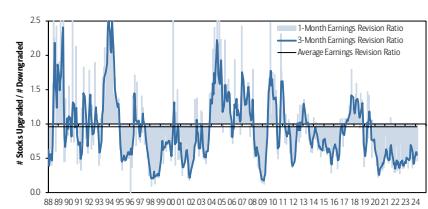
Real Estate PB Ratio has ticked down compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 462: Earnings Revision Ratio: Real Estate**

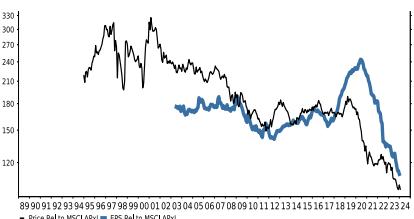
Earnings revisions for Real Estate fell last month and remains below long term trend



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 463: Momentum & Value: Real Estate**

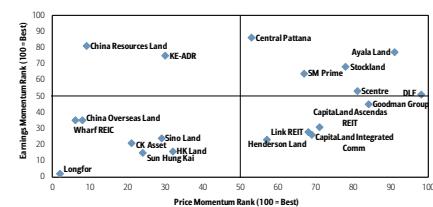
Relative EPS trend for APx Real Estate has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 464: Quadrant Analysis: Real Estate**

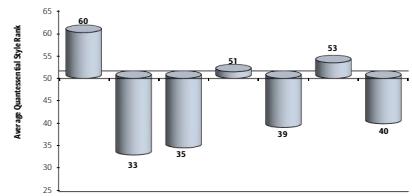
30% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 465: Style Characteristics: Real Estate**

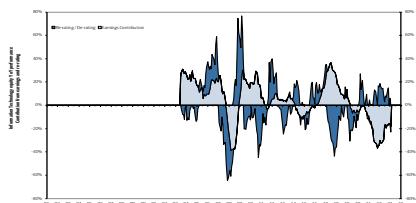
Real Estate are most overweight Value



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 466: Re-rating/De-Rating: Real Estate**

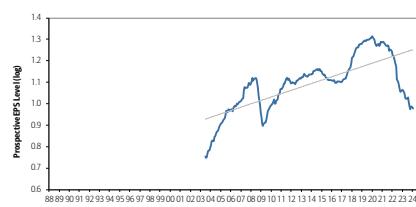
In the last 12m, re-rating contributed 27.0% to equity performance (23.4%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 467: Prospective EPS & Trend EPS: Real Estate**

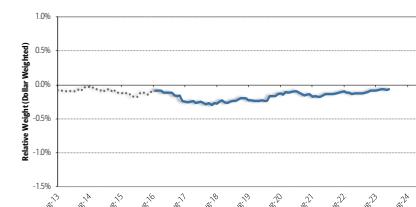
Earnings expectations have moderated in Real Estate in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 468: Trends in Investor Positioning: Real Estate**

Funds are benchmark neutral in Real Estate sector

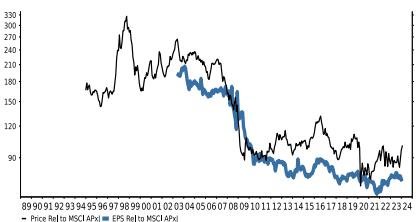


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 469: Momentum & Value: Australia Real Estate**

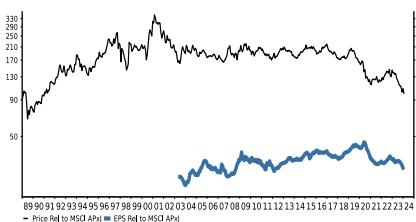
Australia Real Estate has outperformed MSCI APXj in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 470: Momentum & Value: Hong Kong Real Estate**

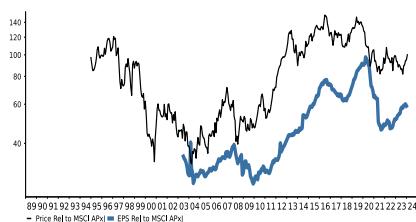
Relative EPS trend for Hong Kong Real Estate has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 471: Momentum & Value: Philippines Real Estate**

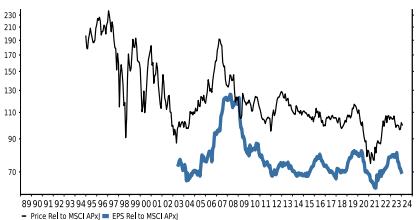
Relative EPS trend for Philippines Real Estate has improved in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 472: Momentum & Value: Singapore Real Estate**

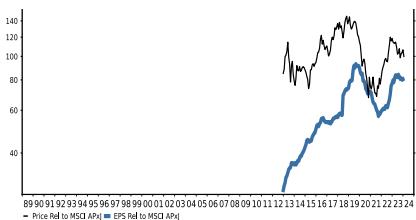
Singapore Real Estate has outperformed MSCI APXj in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 473: Momentum & Value: Thailand Real Estate**

Relative EPS trend for Thailand Real Estate has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

# Semiconductors

**Table 47: Country Metrics: Semiconductors**

Semiconductors Country-Sector Four Pillars Rank and Characteristics Summary

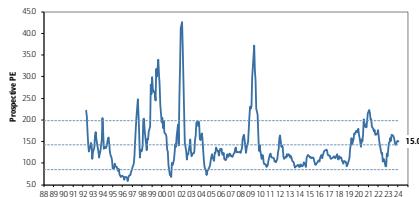
Name	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS %	EPS %	Four Pillars	Bottom Up Rank	Top Down Rank	Style Rank	PE Rank
							2024	2025	Up Rank	Rank	PE Rank	PE Rank	
China Semiconductors	Underweight	9.2	1.43	1.10	3.0%	18%	64%	38%	25	1	9	10	80
Korea Semiconductors		12.5	1.73	1.14	0.9%	5%	181%	71%	70	54	90	68	67
Taiwan Semiconductors		16.6	4.36	1.41	2.7%	30%	21%	24%	57	98	71	13	46

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 474: Prospective PE: Semiconductors**

Prospective PE for APxJ Semiconductors is near long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 475: Price-to-Book Ratio: Semiconductors**

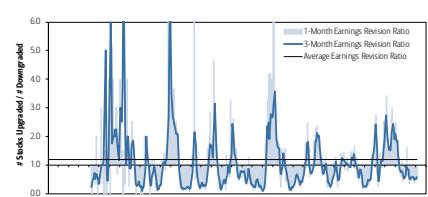
Semiconductors PB is currently at 3.7



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 476: Earnings Revision Ratio: Semiconductors**

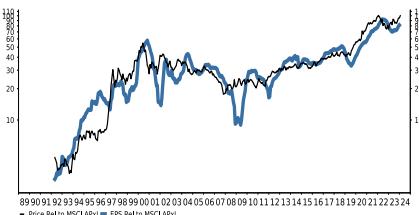
Earnings revisions improved in Semiconductors last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 477: Momentum & Value: Semiconductors**

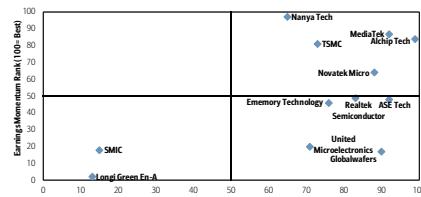
Relative EPS trend for APxJ Semiconductors has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 478: Quadrant Analysis: Semiconductors**

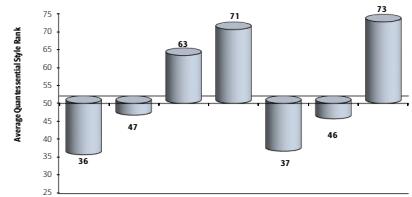
42% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 479: Style Characteristics: Semiconductors**

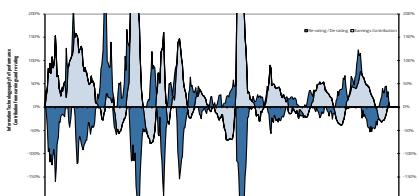
Semiconductors are dominated by Small Size stocks



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 480: Re-rating/De-Rating: Semiconductors**

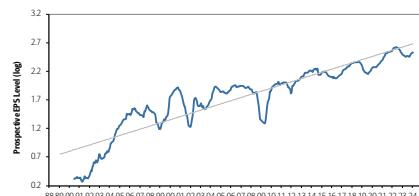
In the last 12m, re-rating contributed 70.1% to equity performance (122.5%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 481: Prospective EPS & Trend EPS: Semiconductors**

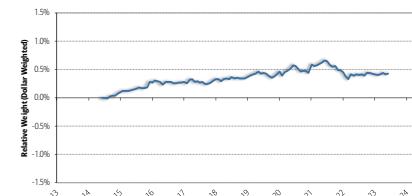
Earnings expectations have improved in Semiconductors in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 482: Trends in Investor Positioning: Semiconductors**

Funds are currently overweight the sector by 4.01%

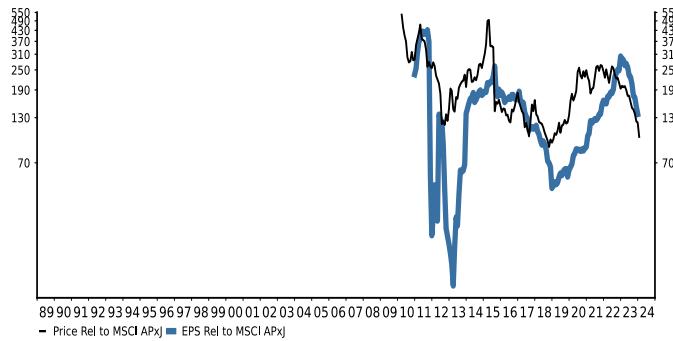


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

### Chart 483: Momentum & Value: China Semiconductors

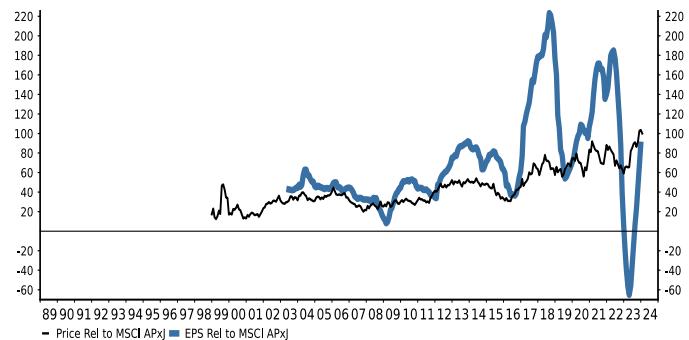
China Semiconductors has underperformed in last 6m



BofA GLOBAL RESEARCH

### Chart 484: Momentum & Value: Korea Semiconductors

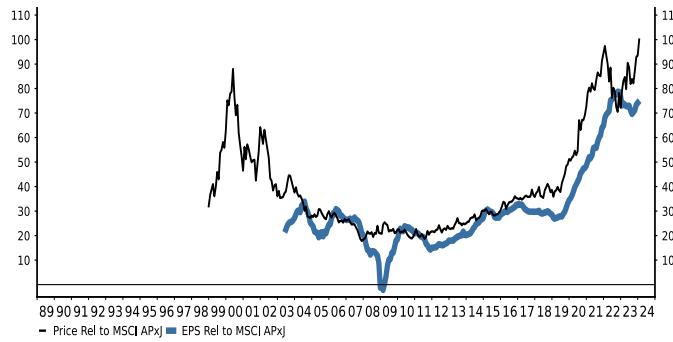
Relative EPS trend for South Korea Semiconductors has improved in last 6m



BofA GLOBAL RESEARCH

### Chart 485: Momentum & Value: Taiwan Semiconductors

Relative EPS trend for Taiwan Semiconductors has improved in last 12m



BofA GLOBAL RESEARCH



## Software & Services

**Table 48: Country Metrics: Software**

Software Country-Sector Four Pillars Rank and Characteristics Summary

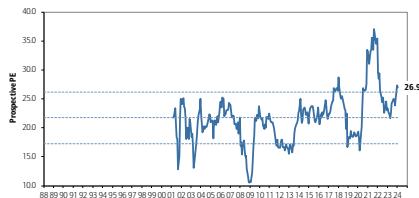
Name	OW/UW	PE	PB	Beta	Div	Yield	ROE	EPS % 2024	EPS % 2025	Bottom		Top		
										Four Pillars	Rank	Up Rank	Down Rank	Style Rank
Australia Software		75.0	13.51	1.38	0.1%		4%	48%	39%	39	39	28	85	3
China Software		40.0	1.42	1.06	0.4%		-1%	73%	47%	42	5	84	71	9
India Software		26.5	8.41	0.67	1.9%		29%	12%	13%	53	57	85	54	18
Korea Software	Overweight	12.0	2.00	0.78	1.2%		12%	4%	8%	80	70	88	93	70

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 486: Prospective PE: Software**

Software prospective PE has been de-rated compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 487: Price-to-Book Ratio: Software**

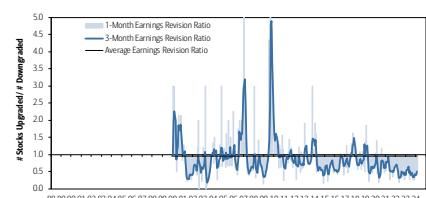
Software PB Ratio has ticked up compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 488: Earnings Revision Ratio: Software**

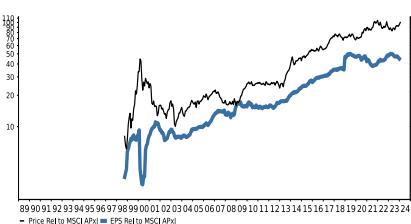
Earnings revisions fell in Software last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 489: Momentum & Value: Software**

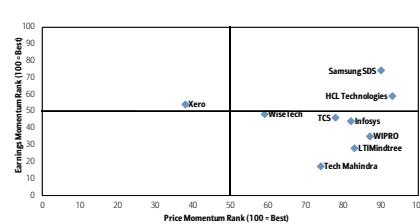
APX Software has outperformed the world in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 490: Quadrant Analysis: Software**

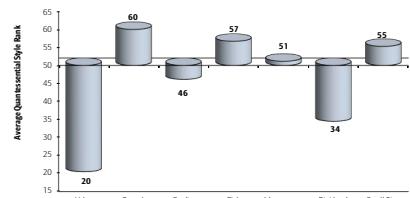
22% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 491: Style Characteristics: Software**

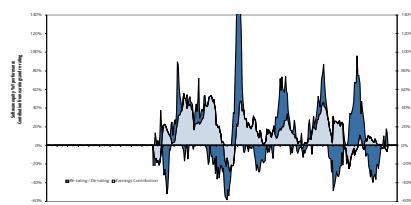
Software are dominated by Growth stocks



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 492: Re-rating/De-Rating: Software**

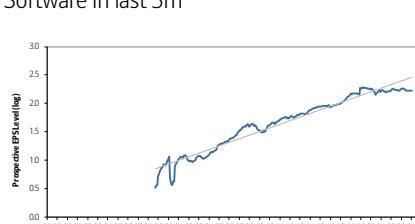
In the last 12m, re-rating contributed 96.1% to equity performance (92.1%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 493: Prospective EPS & Trend EPS: Software**

Earnings expectations have improved in Software in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 494: Trends in Investor Positioning: Software**

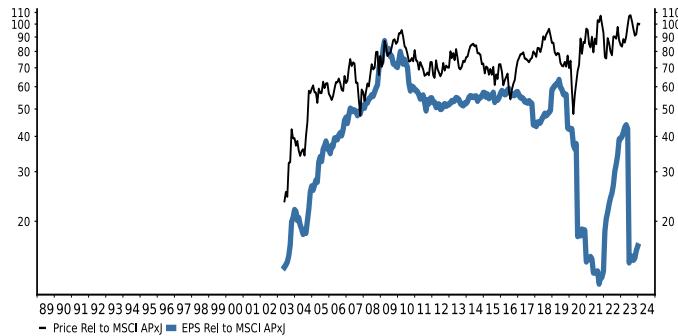
Funds have increased their exposure to the sector in recent months



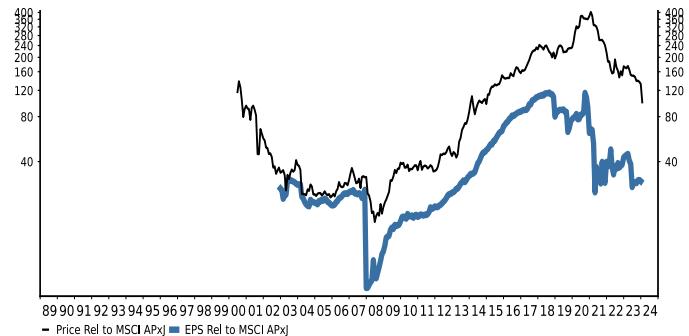
Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges  
BofA GLOBAL RESEARCH

**Chart 495: Momentum & Value: Australia Software**

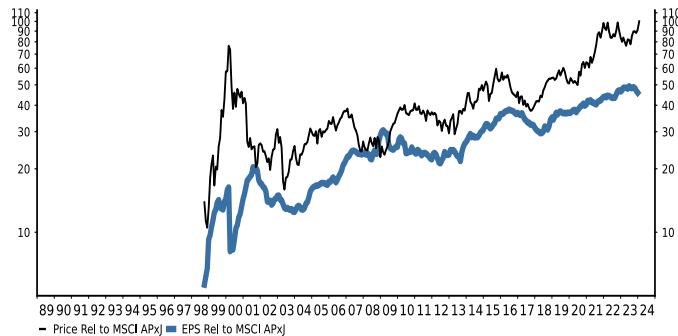
Australia Software has outperformed in last 12m

**Chart 496: Momentum & Value: China Software**

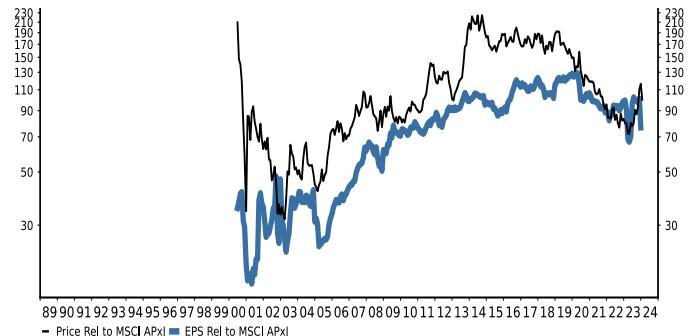
Relative EPS trend for China Software has improved in last 3m

**Chart 497: Momentum & Value: India Software**

India Software has outperformed in last 12m

**Chart 498: Momentum & Value: Korea Software**

South Korea Software has outperformed MSCI APxJ in last 3m



## Tech Hardware

**Table 49: Country Metrics: Tech Hardware**

Tech Hardware Country-Sector Four Pillars Rank and Characteristics Summary

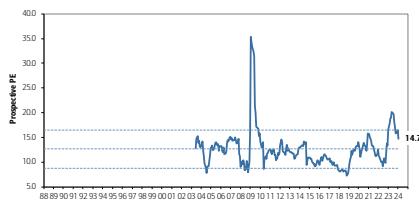
Name	OW/UW	PE	PB	Beta	Div Yield	ROE	EPS % 2024	EPS % 2025	Top		Style Rank	PE Rank
									Four Pillars	Bottom Up Rank		
China Tech Hardware		12.8	1.76	1.29	1.4%	10%	49%	23%	63	80	76	32
Korea Tech Hardware		14.7	1.35	1.14	1.9%	15%	168%	39%	57	52	54	64
Taiwan Tech Hardware		15.1	1.79	0.95	3.5%	11%	26%	15%	60	100	60	25

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 499: Prospective PE: Tech Hardware**

Tech Hardware PE (12m fwd) is currently above the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 500: Price-to-Book Ratio: Tech Hardware**

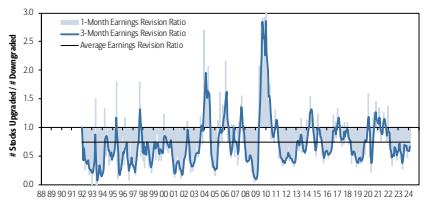
Tech Hardware PB Ratio has ticked down compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 501: Earnings Revision Ratio: Tech Hardware**

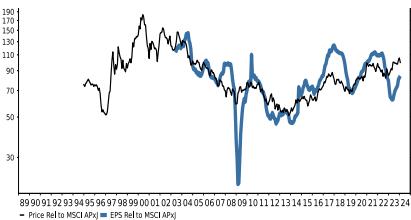
Earnings revisions improved in Tech Hardware last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 502: Momentum & Value: Tech Hardware**

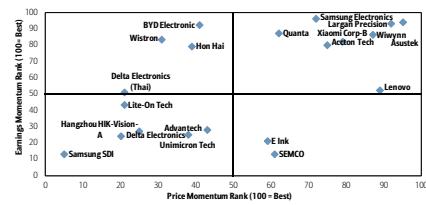
APX Tech Hardware has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 503: Quadrant Analysis: Tech Hardware**

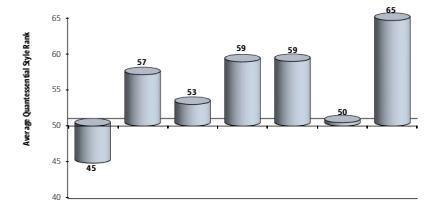
40% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 504: Style Characteristics: Tech Hardware**

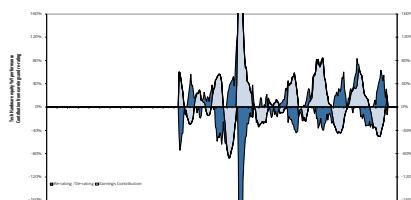
Tech Hardware are most overweight Small Size



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 505: Re-rating/De-Rating: Tech Hardware**

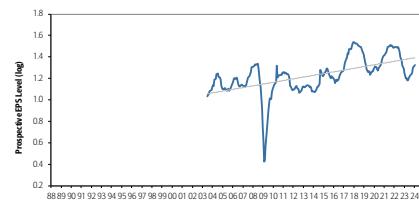
In the last 12m, re-rating contributed 46.0% earnings contributed 37.1%



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 506: Prospective EPS & Trend EPS: Tech Hardware**

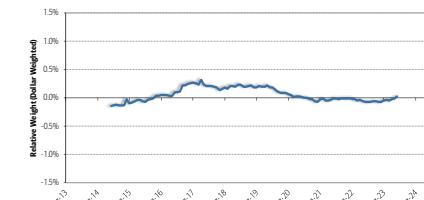
Earnings expectations have improved in Tech Hardware in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 507: Trends in Investor Positioning: Tech Hardware**

Funds have reduced their active exposure to this sector last month



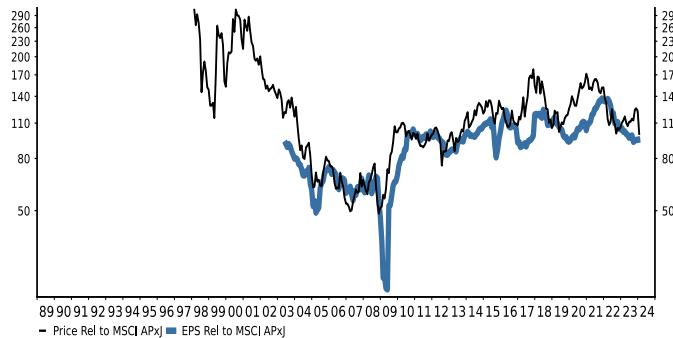
Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH



**Chart 508: Momentum & Value: China Tech Hardware**

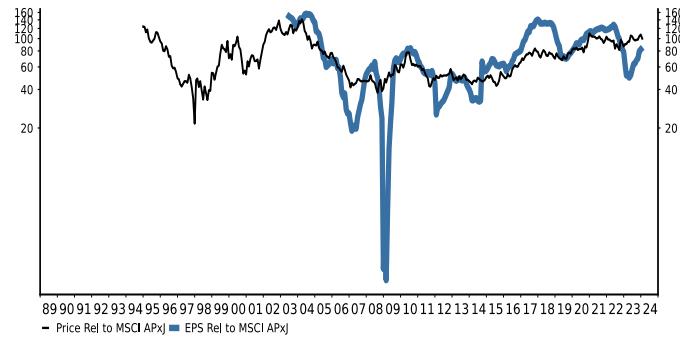
Relative EPS trend for China Tech Hardware has deteriorated in last 12m



BofA GLOBAL RESEARCH

**Chart 509: Momentum & Value: Korea Tech Hardware**

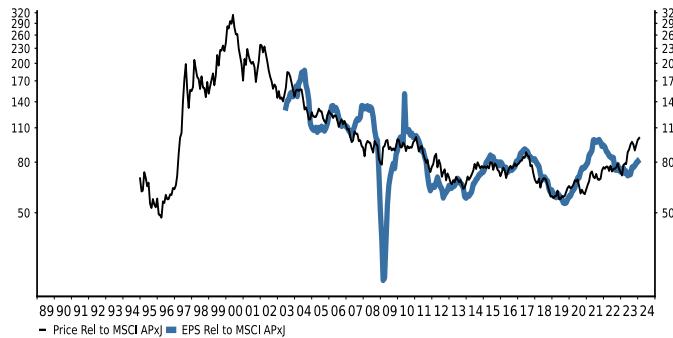
South Korea Tech Hardware has outperformed in last 12m



BofA GLOBAL RESEARCH

**Chart 510: Momentum & Value: Taiwan Tech Hardware**

Taiwan Tech Hardware has outperformed APxJ in last 6m



BofA GLOBAL RESEARCH



## Telecom

**Table 50: Country Metrics: Telecom**

Telecom Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Yield	Div	EPS % 2024	EPS % 2025	Four Pillars	Bottom Up Rank	Top Down Rank		Style Rank	PE Rank
											2024	2025	Up Rank	Rank
Australia Telecom	Underweight	20.2	3.03	0.63	4.2%	13%	9%	8%	28	39	10	29	34	
China Telecom		12.8	0.80	0.67	4.0%	8%	10%	18%	54	84	62	7	64	
Hong Kong Telecom		17.2	2.04	0.45	8.0%	13%	4%	3%	28	39	11	16	44	
India Telecom		222.6	8.94	0.32	0.4%	-66%	57%	40%	45	70	12	98	1	
Indonesia Telecom		14.2	2.98	0.53	4.1%	17%	8%	7%	43	36	45	34	59	
Korea Telecom		7.4	0.64	0.79	6.2%	8%	7%	6%	76	36	93	87	88	
Malaysia Telecom		22.5	2.38	0.57	3.5%	-4%	29%	12%	39	36	33	62	25	
Philippines Telecom		8.4	2.46	0.43	7.4%	10%	-1%	8%	74	57	75	83	83	
Singapore Telecom		15.3	1.51	0.71	4.4%	9%	10%	14%	44	39	24	59	53	
Taiwan Telecom		24.0	3.01	0.28	4.1%	11%	4%	7%	37	57	19	47	24	
Thailand Telecom		27.0	5.37	0.54	3.2%	14%	24%	8%	49	39	44	57	56	

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 511: Prospective PE: Telecom**

Telecom PE (12m fwd) is currently above the long-term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 512: Price-to-Book Ratio: Telecom**

PB (trailing) is currently below the long-term average

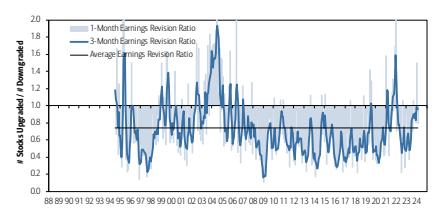


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 513: Earnings Revision Ratio: Telecom**

ERR fell in Telecom last month and the trend moderated

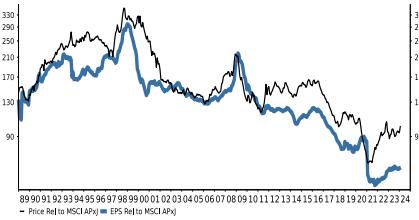


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 514: Momentum & Value: Telecom**

APXj Telecom has underperformed the world in last 12m

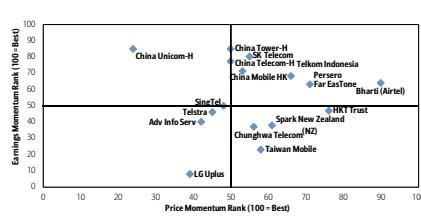


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 515: Quadrant Analysis: Telecom**

38% of largest 25 stocks are in the top-right quadrant

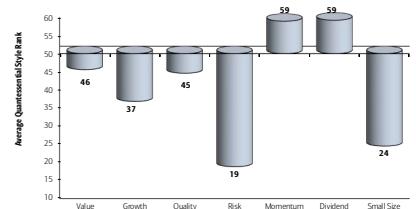


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 516: Style Characteristics: Telecom**

Telecom are most overweight Dividend

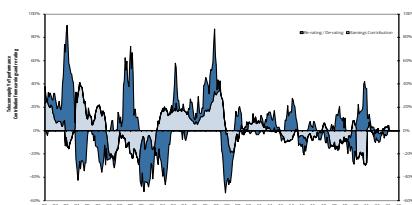


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 517: Re-rating/De-Rating: Telecom**

In the last 12m, earnings contributed -24.1% to equity performance (-1.4%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 518: Prospective EPS & Trend EPS: Telecom**

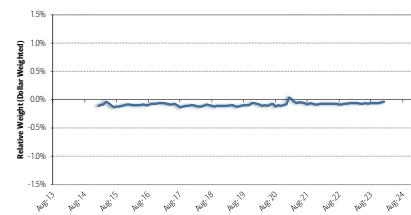
Earnings expectations have moderated in Telecom in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 519: Trends in Investor Positioning: Telecom**

Funds are currently overweight the sector by 0.65%

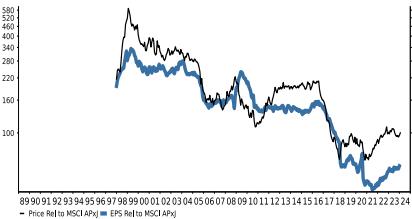


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 520: Momentum & Value: Australia Telecom**

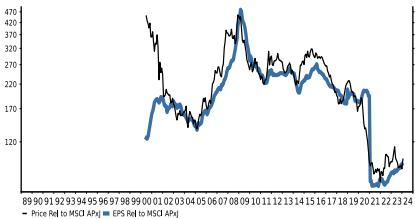
Relative EPS trend for Australia Telecom has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 521: Momentum & Value: China Telecom**

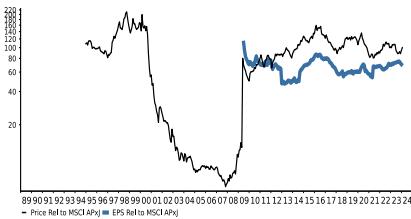
China Telecom has outperformed MSCI APxJ in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 522: Momentum & Value: Hong Kong Telecom**

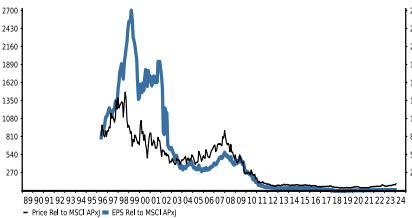
Relative EPS trend for Hong Kong Telecom has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 523: Momentum & Value: India Telecom**

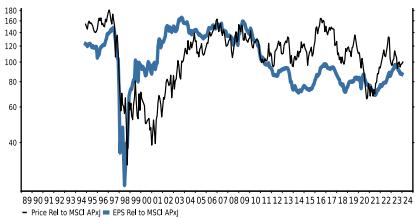
Relative EPS trend for India Telecom has improved in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 524: Momentum & Value: Indonesia Telecom**

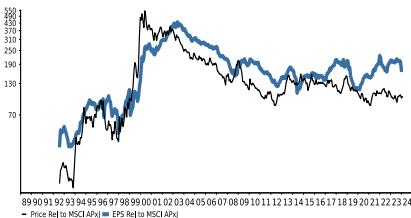
Indonesia Telecom has outperformed in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 525: Momentum & Value: Korea Telecom**

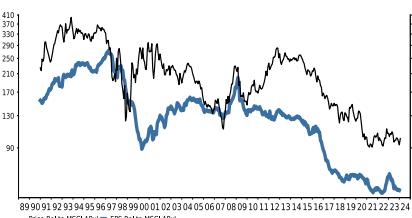
Relative EPS trend for South Korea Telecom has deteriorated in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 526: Momentum & Value: Malaysia Telecom**

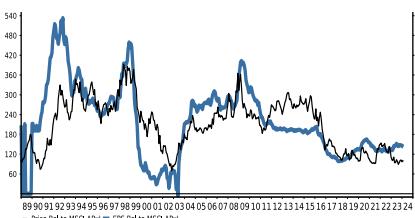
Relative EPS trend for Malaysia Telecom has deteriorated in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 527: Momentum & Value: Philippines Telecom**

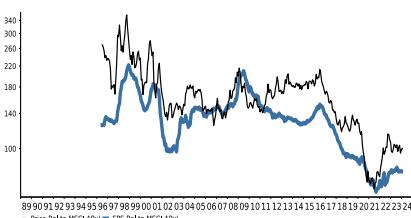
Relative EPS trend for Philippines Telecom has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 528: Momentum & Value: Singapore Telecom**

Singapore Telecom has outperformed in last 12m

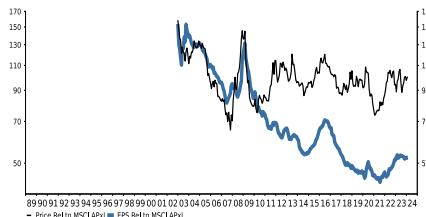


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH



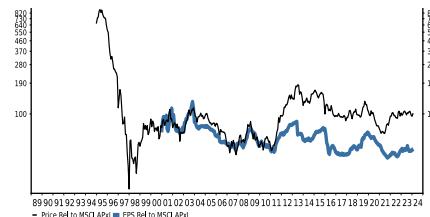
### Chart 529: Momentum & Value: Taiwan Telecom

Relative EPS trend for Taiwan Telecom has deteriorated in last 3m



### Chart 530: Momentum & Value: Thailand Telecom

Relative EPS trend for Thailand Telecom has deteriorated in last 3m



## Utilities

**Table 51: Country Metrics: Utilities**

Utilities Country-Sector Four Pillars Rank and Characteristics Summary

Name	OW/UW	PE	PB	Beta	Div		EPS %		Four Pillars	Bottom Up Rank	Down Rank	Top Style	
					Yield	ROE	2024	2025				Rank	PE Rank
Australia Utilities		15.6	2.24	0.78	5.2%	0%	19%	6%	42	20	34	63	52
China Utilities		9.3	1.09	0.77	4.9%	7%	14%	10%	50	13	77	28	80
Hong Kong Utilities		21.9	1.34	0.62	5.7%	5%	7%	6%	37	39	16	67	25
India Utilities		17.7	2.81	0.59	2.0%	15%	12%	6%	64	83	50	79	43
Korea Utilities		5.0	0.36	1.12	0.0%	-60%	122%	118%	66	57	13	98	95
Malaysia Utilities		16.3	1.33	0.51	4.1%	8%	11%	3%	62	70	38	91	49
Philippines Utilities		10.2	3.51	0.48	5.4%	26%	-1%	-9%	68	57	92	43	79
Thailand Utilities		20.9	3.02	0.96	1.2%	7%	19%	13%	40	14	65	50	30

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 531: Prospective PE: Utilities**

Utilities forecast PE is currently at 16.1



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 532: Price-to-Book Ratio: Utilities**

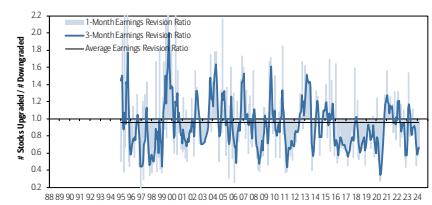
Utilities PB Ratio has ticked up compared to last month



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 533: Earnings Revision Ratio: Utilities**

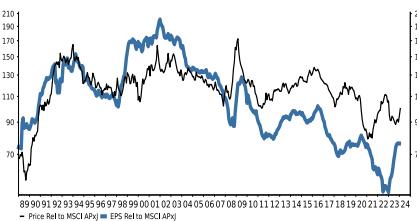
Earnings revisions fell in Utilities last month, but the trend remains strong



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 534: Momentum & Value: Utilities**

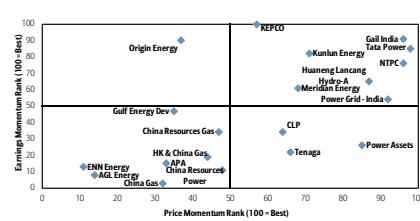
Relative EPS trend for APxJ Utilities has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 535: Quadrant Analysis: Utilities**

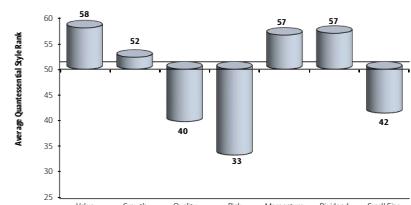
42% of largest 25 stocks are in the top-right quadrant



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 536: Style Characteristics: Utilities**

Utilities are dominated by Value stocks

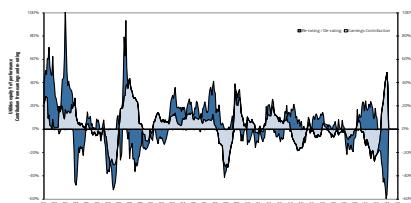


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH



**Chart 537: Re-rating/De-Rating: Utilities**

In the last 12m, re-rating contributed 12.1% to equity performance (16.9%)



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 538: Prospective EPS & Trend EPS: Utilities**

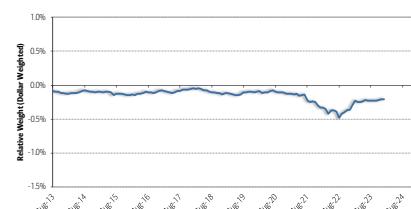
Earnings expectations have improved in Utilities in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare  
BofA GLOBAL RESEARCH

**Chart 539: Trends in Investor Positioning: Utilities**

Funds are currently underweight the sector by -0.21%

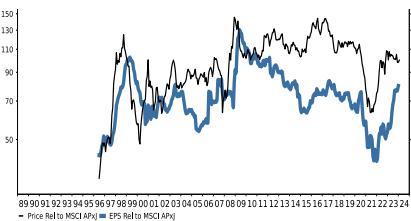


Source : BofA Asia Pac Quantitative Strategy, MSCI, FTSE, Factset, Bloomberg, 13F Filings, Benchmark Indices, Country Stock Exchanges

BofA GLOBAL RESEARCH

**Chart 540: Momentum & Value: Australia Utilities**

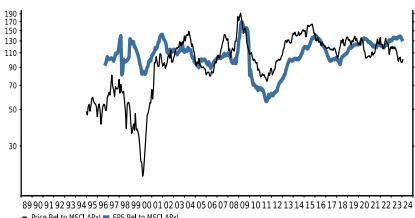
Relative EPS trend for Australia Utilities has improved in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 541: Momentum & Value: China Utilities**

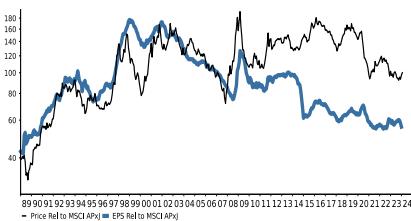
China Utilities has underperformed in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 542: Momentum & Value: Hong Kong Utilities**

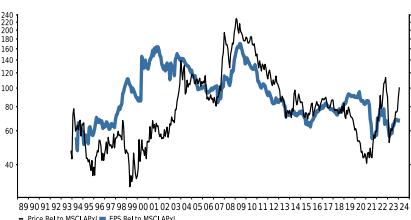
Relative EPS trend for Hong Kong Utilities has deteriorated in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 543: Momentum & Value: India Utilities**

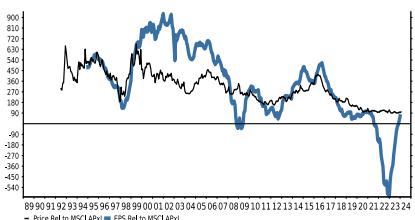
Relative EPS trend for India Utilities has improved in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 544: Momentum & Value: Korea Utilities**

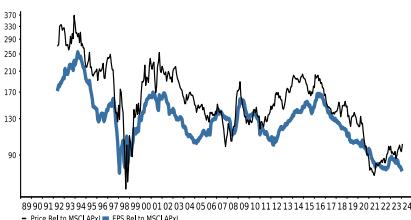
Relative EPS trend for South Korea Utilities has improved in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 545: Momentum & Value: Malaysia Utilities**

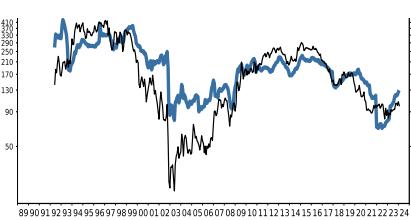
Relative EPS trend for Malaysia Utilities has deteriorated in last 3m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 546: Momentum & Value: Philippines Utilities**

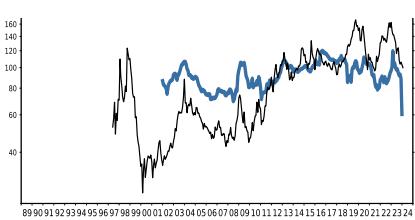
Relative EPS trend for Philippines Utilities has improved in last 6m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

**Chart 547: Momentum & Value: Thailand Utilities**

Relative EPS trend for Thailand Utilities has deteriorated in last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES  
BofA GLOBAL RESEARCH

## Asia ex-Japan Quant Strategy Fifty

The Asia ex-Japan Quant Strategy Fifty (excluding Australia) reflects our macro views, bottom-up analysis, style tilts and valuation bias, and targets country-sector exposures relative to the MSCI Asia ex-Japan index. Refer to the Portfolio Methodology for details.

**Table 52: Asia ex-Japan Quant Strategy Fifty**

50-stocks monthly screen that reflects our macro views, bottom-up analysis, style tilts and valuation bias

BBG Code	Company Name	Country	Sector	Market Cap		ADTV		Beta	PE^	PB**	Four Pillars	Bottom-Up Rank	Top-down Rank	Style Rank	PE Rank	BofA Analyst
				US\$m	US\$m	Weight										View
3988 HK	Bank of China-H	CN	Banks	31,450	77	2%	0.42	3.5	0.4	69	100	29	51	95	Buy	
1288 HK	Agricultural Bank-H	CN	Banks	11,875	33	2%	0.43	3.7	0.3	68	100	30	49	95	Buy	
VIPS US	Vipshop-ADR	CN	Cons. Discretion	7,372	50	2%	1.74	6.7	1.6	80	84	97	55	85	Buy	
2333 HK	Great Wall Motor-H	CN	Cons. Discretion	2,281	32	2%	1.56	7.0	1.3	74	68	95	49	84	Buy	
1114 HK	Brilliance China Auto	CN	Cons. Discretion	2,698	10	2%	1.11	2.7	0.4	73	50	91	52	97	---	
175 HK	Geely Auto	CN	Cons. Discretion	9,500	38	2%	1.93	9.5	1.1	72	65	98	54	72	---	
1138 HK	COSCO Shipping Energy-H	CN	Energy	1,205	9	2%	0.41	4.9	1.0	78	70	86	63	92	Buy	
1066 HK	Shandong Weigao-H	CN	Health Care	2,898	7	2%	0.72	7.1	1.4	74	68	99	45	83	---	
152 HK	Shenz Intl Hldg	CN	Industrials	1,972	5	2%	1.05	4.6	0.5	86	100	89	62	92	---	
2328 HK	PICC-H	CN	Insurance	8,579	32	2%	0.35	6.2	0.8	68	49	88	50	86	Buy	
2600 HK	CHALCO-H	CN	Materials	1,917	9	2%	1.84	7.8	1.1	76	68	87	66	81	Buy	
YY US	JOYY-ADR	CN	Media & Ent.	1,400	19	2%	1.16	8.0	0.5	74	67	91	60	79	Buy	
700 HK	Tencent	CN	Media & Ent.	329,807	765	2%	1.47	13.1	3.7	63	62	95	40	56	Buy	
992 HK	Lenovo	CN	Tech Hardware	12,675	59	2%	1.08	9.2	2.9	74	83	94	45	73	Neutral	
135 HK	Kunlun Energy	CN	Utilities	7,742	10	2%	1.17	8.0	0.9	79	98	82	58	80	Buy	
1299 HK	AIA	HK	Insurance	89,498	237	2%	1.05	12.5	2.2	52	62	37	52	58	Buy	
CUBK IN	City Union Bank	IN	Banks	1,293	8	2%	0.64	9.4	1.4	77	97	76	61	72	---	
PNB IN	Punjab Natl	IN	Banks	15,169	64	2%	0.91	11.6	0.8	75	95	72	70	63	U/P	
MOTHERSO	Samvardhana Motherson	IN	Cons. Discretion	9,241	17	2%	1.56	20.5	2.8	70	89	96	65	30	Buy	
MGFL IN	Manappuram Fin.	IN	Div Financials	1,881	24	2%	1.13	6.7	1.5	86	99	95	68	84	Buy	
HPCL IN	Hindustan Petroleum	IN	Energy	7,913	32	2%	0.87	7.1	1.1	73	99	37	74	83	U/P	
IOCL IN	Indian Oil	IN	Energy	24,988	32	2%	0.78	8.2	0.9	72	98	47	63	78	Neutral	
ARBP IN	Aurobindo Pharma	IN	Health Care	8,117	25	2%	0.58	19.0	2.2	65	90	79	59	33	Buy	
ADSEZ IN	Adani Ports	IN	Industrials	30,719	82	2%	0.56	26.6	3.7	58	88	69	55	20	---	
NMDC IN	NMDC	IN	Materials	7,758	33	2%	1.10	10.3	2.4	79	96	96	55	68	U/P	
HCLT IN	HCL Technologies	IN	Software	51,382	42	2%	0.65	24.3	5.5	52	76	69	40	23	Neutral	
GAIL IN	Gail India	IN	Utilities	13,666	36	2%	0.79	12.4	1.2	67	95	57	59	58	---	
BBNI IJ	Bank Negara	ID	Banks	13,591	17	2%	1.02	8.9	1.4	70	98	52	56	75	Buy	
055550 KS	Shinhan Financial	KR	Banks	15,778	25	2%	0.84	4.5	0.4	72	85	57	55	92	Buy	
000270 KS	Kia	KR	Cons. Discretion	30,997	73	2%	1.30	4.6	0.8	73	85	62	51	92	Neutral	
138040 KS	Meritz Financial	KR	Div Financials	10,687	17	2%	1.25	5.4	1.4	83	100	78	65	90	---	
086900 KS	Medy-Tox	KR	Health Care	1,054	16	2%	0.80	20.8	3.1	59	77	73	57	30	---	
009540 KS	HD Korea Shipbuilding	KR	Industrials	6,019	15	2%	1.31	8.9	0.8	81	83	86	79	76	---	
010060 KS	OCI	KR	Materials	1,550	9	2%	1.40	4.0	0.5	70	50	89	48	94	---	
036930 KS	Jusung Eng	KR	Semiconducto	1,195	31	2%	1.89	15.6	3.3	72	92	86	67	44	---	
307950 KS	Hyundai Autoever	KR	Software	3,041	24	2%	1.41	22.1	3.3	60	77	76	57	28	---	
005930 KS	Samsung Electronics	KR	Tech Hardware	325,181	768	2%	1.09	15.2	1.4	69	92	81	57	45	Buy	
009150 KS	SEMCO	KR	Tech Hardware	7,813	37	2%	1.41	14.3	1.3	53	44	65	53	49	Buy	
011070 KS	LG Innotek	KR	Tech Hardware	3,387	28	2%	1.09	5.7	1.3	47	14	45	42	88	Buy	
CIMB MK	CIMB Group	MY	Banks	14,047	18	2%	0.71	9.0	0.9	74	98	72	52	74	Buy	
DBS SP	DBS	SG	Banks	61,730	78	2%	0.79	8.2	1.5	66	83	59	44	78	Neutral	
2891 TT	CTBC Financial	TW	Banks	17,800	32	2%	0.79	9.5	1.3	68	97	43	60	71	Buy	
2330 TT	TSMC	TW	Semiconductor	520,307	504	2%	1.42	16.3	4.7	60	91	65	43	41	Buy	
6239 TT	PowerTech	TW	Semiconducto	3,529	18	2%	0.90	14.6	1.6	59	93	50	43	48	Neutral	
3034 TT	Novatek Micro	TW	Semiconducto	9,935	60	2%	1.23	13.1	5.0	59	80	59	40	55	Buy	
6488 TT	Globalwafers	TW	Semiconducto	8,051	24	2%	1.89	14.3	3.8	59	44	100	41	49	Buy	
2458 TT	Elan Microelectronics	TW	Semiconducto	1,456	15	2%	0.99	18.1	5.3	58	90	60	48	35	---	
2449 TT	King Yuan	TW	Semiconducto	3,282	43	2%	0.87	13.5	2.8	58	94	37	48	53	Buy	
2327 TT	Yageo Corp	TW	Tech Hardware	7,463	34	2%	1.72	10.4	1.8	77	96	94	51	67	Neutral	
3044 TT	Tripod Technology	TW	Tech Hardware	3,149	50	2%	0.91	11.9	2.3	71	95	72	56	61	---	
Portfolio	Average			35,321	74	100%	1.08	10.8	1.9	69	81	73	55	67		
Portfolio	Median			7,982	32	100%	1.07	9.3	1.4	71	89	76	55	73		

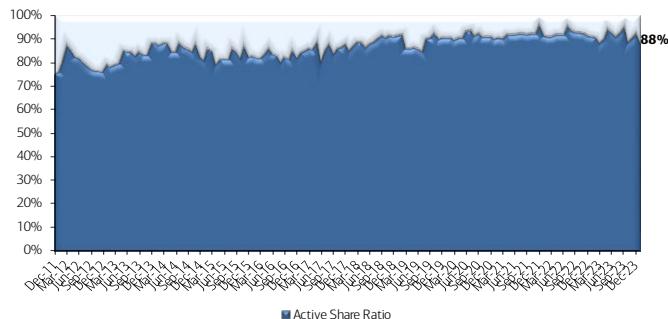
Source : BofA Asia Pac Quantitative Strategy Note: \* ADTV= Average Daily Turnover ^ Forward PE \*\* Trailing PB Stocks BOLD = New to portfolio this month For relegated stocks, please refer to appendix V. BofA Fundamental Analyst Recommendation as at 23 Feb 2024. The BofA Fundamental analysts' stock recommendations are included for informational purposes only and are not used in this Quantitative model.

BofA GLOBAL RESEARCH



### Chart 548: Asia Ex Japan Quant Fifty: Active Share Ratio

The ASR of Asia xJ Quant Fifty is 88%

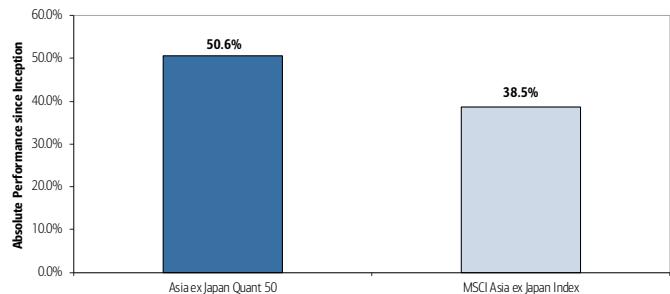


Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

### Chart 549: Asia ex-Japan Quant Fifty: Performance since inception

Asia xJ Quant Fifty has outperformed MSCI Asia xJ index by 12% since inception



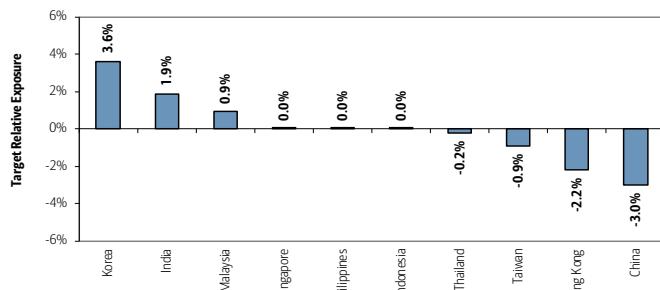
MSCI Asia ex Japan Index

Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

### Chart 550: Target country weights relative to MSCI Asia xJ Index

Asia xJ Quant Fifty is most overweight Korea and India

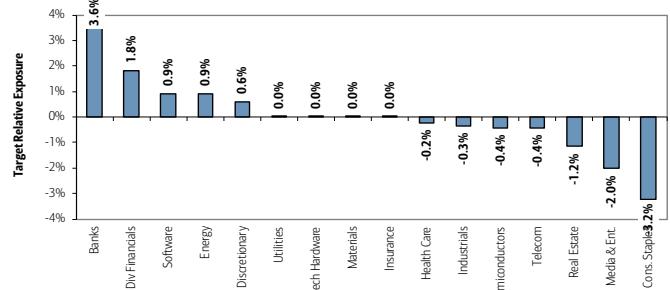


Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

### Chart 551: Target sector weights relative to MSCI Asia xJ Index

Asia xJ Quant Fifty is most overweight Banks and Div Financials sectors

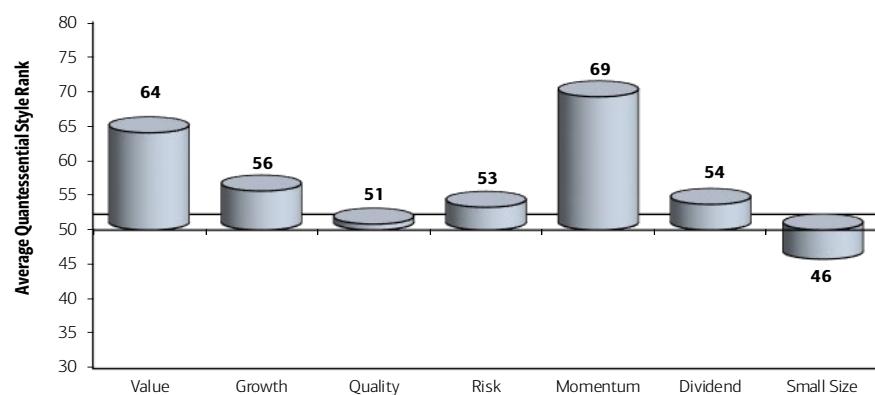


Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

### Chart 552: Style tilts of Asia ex-Japan Quant Strategy Fifty

Asia xJ Quant Fifty is most overweight Momentum and Value



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Bloomberg, S&P

BofA GLOBAL RESEARCH

# Most Important Stocks

Our Most Important Stocks analysis determines which regional-sectors and stocks are the most important to benchmark-aware investors. Index weight is important but so is the extent to which performance differs from index.

The following two charts highlight the thirty most important country-sectors and the thirty most important stocks within Asia Pac ex-Japan region. The following tables highlight the hundred most important country-sectors ranked by importance and the hundred most important stocks also ranked by importance.

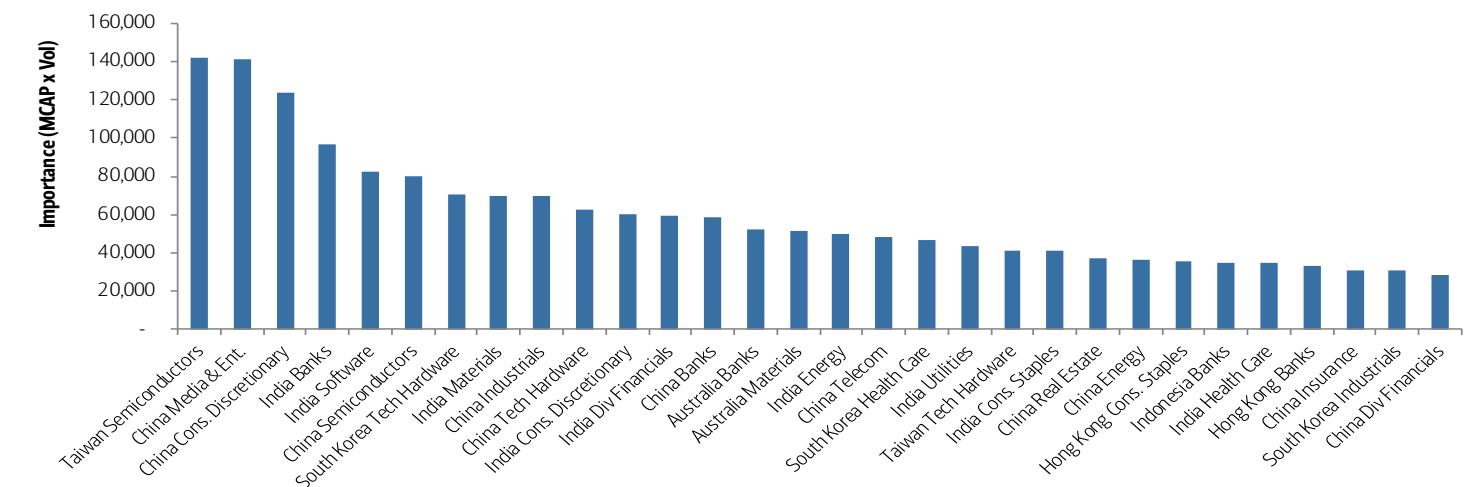
The universe of stocks included in this analysis is selected from the constituents of the MSCI Asia Pacific ex-Japan Index. The universe is determined at the end of each month using month-end data from MSCI databases.

Stocks in the firm's restricted list are not included in this analysis.

Weights are based on the MSCI Asia Pacific ex-Japan Index as of the most recent month-end, while volatility of relative performance is based on ten years of returns as of the most recent month-end. We define Importance as the index weight multiplied by the volatility of relative performance.

## Chart 553: Most Important Country-Sectors (top 30)

The Most Important Country-Sectors are China Media & Entertainment and Taiwan Semiconductors



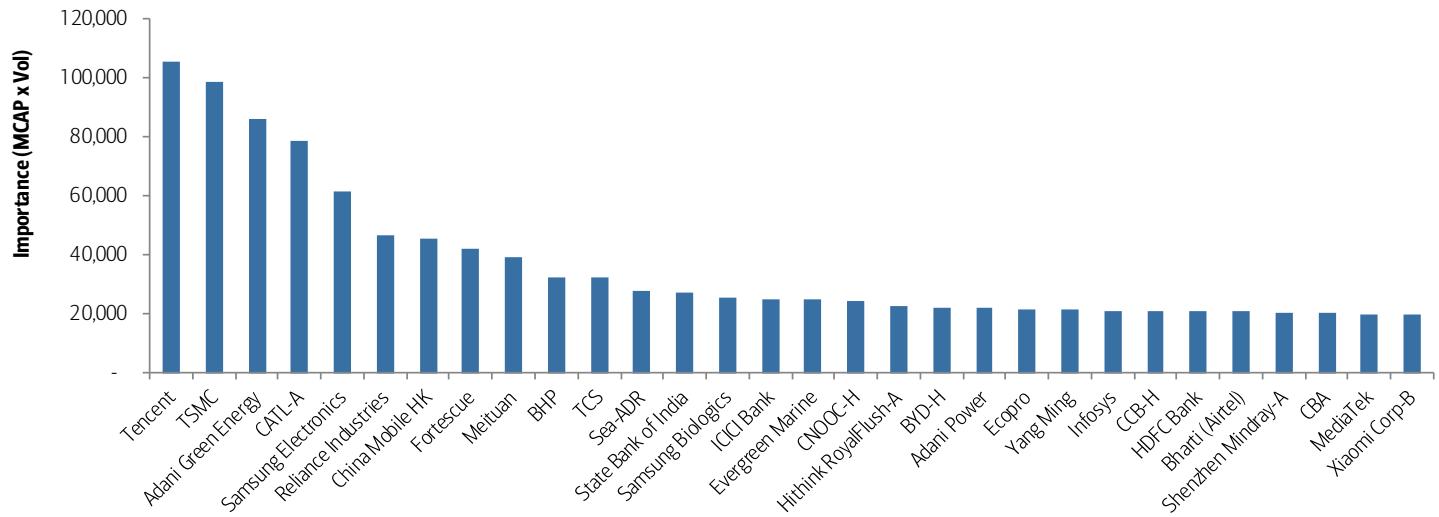
Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH



### Chart 554: Most Important Stocks (top 30)

The Most Important Stocks include Tencent and TSMC

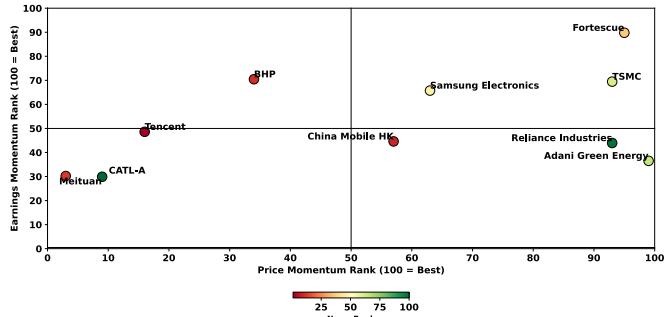


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

### Chart 555: Most Important Stocks (top 10): Earnings Momentum (vertical axis), Price Momentum (horizontal axis), News Momentum (colour)

Triple Momentum is most positive for TSMC

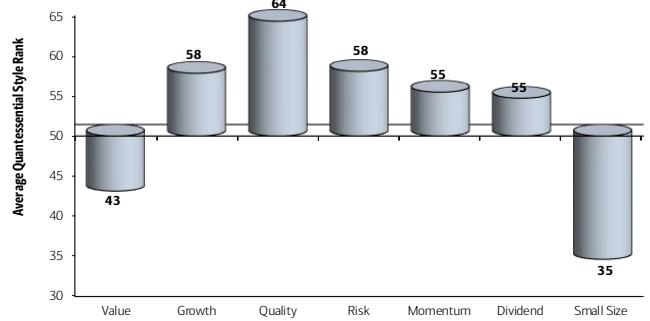


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

### Chart 556: Most Important Stocks (top 10) - Style Characteristics

Most Important Stocks are overweight Risk but underweight Value



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Table 53: Country-Sectors Ranked by Importance (top 100)...Continued**

The most Important Country-Sectors in Asia Pac ex-Japan

Rank	Country-Sector	Total MCAP (\$US m)	Vol
1	Taiwan Semiconductors	707,384	20%
2	China Media & Ent.	503,084	28%
3	China Cons. Discretionary	581,506	21%
4	India Banks	460,443	21%
5	India Software	387,018	21%
6	China Semiconductors	188,137	43%
7	South Korea Tech Hardware	401,440	18%
8	India Materials	269,600	26%
9	China Industrials	486,648	14%
10	China Tech Hardware	262,067	24%
11	India Cons. Discretionary	303,022	20%
12	India Div Financials	222,012	27%
13	China Banks	429,232	14%
14	Australia Banks	314,101	17%
15	Australia Materials	347,670	15%
16	India Energy	351,696	14%
17	China Telecom	207,440	23%
18	South Korea Health Care	103,328	45%
19	India Utilities	156,383	28%
20	Taiwan Tech Hardware	308,802	13%
21	India Cons. Staples	295,306	14%
22	China Real Estate	144,845	26%
23	China Energy	152,547	24%
24	Hong Kong Cons. Staples	195,291	18%
25	Indonesia Banks	182,275	19%
26	India Health Care	149,840	23%
27	Hong Kong Banks	197,864	17%
28	China Insurance	131,349	24%
29	South Korea Industrials	261,952	12%
30	China Div Financials	143,709	20%
31	South Korea Semiconductors	90,240	29%
32	India Telecom	100,766	24%
33	South Korea Media & Ent.	70,975	33%
34	Singapore Banks	141,070	16%
35	South Korea Materials	87,902	25%
36	Hong Kong Cons. Discretionary	95,159	23%
37	Australia Health Care	138,844	15%
38	Taiwan Industrials	71,898	29%
39	China Materials	142,649	15%
40	South Korea Cons. Discretionary	109,939	19%
41	Hong Kong Real Estate	133,128	14%
42	China Software	50,234	36%
43	Australia Energy	82,120	22%
44	Taiwan Banks	111,205	15%
45	Australia Industrials	102,609	16%
46	China Utilities	106,317	15%
47	Taiwan Insurance	58,138	21%
48	Hong Kong Industrials	78,763	16%
49	Australia Real Estate	82,381	15%
50	Malaysia Banks	72,518	17%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Table 54: Country-Sectors Ranked by Importance (top 100)**

We define Importance as Index weight multiply by volatility of relative performance

Rank	Country-Sector	Total MCAP (\$US m)	Vol
51	India Insurance	58,555	20%
52	Singapore Industrials	65,854	18%
53	South Korea Banks	68,502	16%
54	Hong Kong Insurance	89,498	12%
55	Hong Kong Utilities	60,791	17%
56	Australia Cons. Discretionary	90,649	11%
57	Thailand Energy	50,762	20%
58	China Div Financials	143,709	20%
59	Australia Software	41,020	22%
60	Taiwan Materials	65,537	13%
61	Singapore Real Estate	63,857	13%
62	Australia Div Financials	68,066	12%
63	Indonesia Materials	52,679	16%
64	Malaysia Health Care	12,972	62%
65	Thailand Banks	38,867	20%
66	Australia Insurance	48,639	16%
67	Taiwan Telecom	49,787	15%
68	Thailand Industrials	29,453	25%
69	Australia Cons. Staples	60,151	12%
70	Indonesia Telecom	27,737	26%
71	Australia Telecom	30,858	23%
72	Philippines Industrials	45,743	15%
73	Thailand Telecom	30,918	22%
74	Thailand Cons. Staples	34,797	19%
75	Hong Kong Cons. Staples	195,291	18%
76	Australia Media & Ent.	30,283	21%
77	Indonesia Cons. Staples	31,372	20%
78	Malaysia Utilities	33,079	19%
79	Singapore Telecom	29,659	20%
80	Taiwan Cons. Discretionary	46,393	13%
81	Philippines Banks	27,847	21%
82	South Korea Cons. Staples	30,264	19%
83	Indonesia Energy	12,233	47%
84	Thailand Utilities	24,518	23%
85	South Korea Energy	18,818	29%
86	South Korea Div Financials	30,794	16%
87	South Korea Software	18,380	26%
88	Thailand Health Care	19,285	25%
89	Thailand Cons. Discretionary	25,434	18%
90	Malaysia Cons. Staples	30,115	15%
91	South Korea Insurance	26,690	17%
92	Malaysia Materials	19,707	23%
93	Philippines Real Estate	26,625	17%
94	Australia Utilities	20,759	21%
95	Taiwan Energy	22,704	17%
96	Taiwan Div Financials	19,942	19%
97	Malaysia Telecom	26,933	14%
98	Singapore Cons. Staples	25,684	14%
99	New Zealand Health Care	12,913	26%
100	Taiwan Cons. Staples	21,912	15%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH



**Table 55: Stocks Ranked by Importance (top 100)**

The most important stocks within Asia Pac ex-Japan Country-Sectors

Short Name	Country	Sector	Mcap (\$US m)	Vol
CBA	Australia	Banks	130,227	16%
NAB	Australia	Banks	67,430	20%
Westpac	Australia	Banks	56,090	17%
Woodside	Australia	Energy	40,680	27%
CSL	Australia	Health Care	96,342	19%
BHP	Australia	Materials	158,387	21%
Fortescue	Australia	Materials	60,816	69%
Pilbara Minerals	Australia	Materials	7,062	243%
CCB-H	China	Banks	142,702	15%
Alibaba	China	Cons. Discretionary	181,031	20%
BYD-H	China	Cons. Discretionary	24,482	91%
East Buy	China	Cons. Discretionary	2,985	354%
Li Auto	China	Cons. Discretionary	23,949	43%
Meituan	China	Cons. Discretionary	45,126	88%
New Oriental Education	China	Cons. Discretionary	12,587	111%
Futu-ADR	China	Div Financials	4,301	354%
Hithink RoyalFlush-A	China	Div Financials	8,614	263%
CNOOC-H	China	Energy	82,456	29%
Beijing Wantai Biologic	China	Health Care	9,539	394%
Shenzhen Mindray-A	China	Health Care	45,314	46%
CATL-A	China	Industrials	92,844	85%
Ping An Insurance-H	China	Insurance	31,154	30%
Hoshine Silicon-A	China	Materials	7,212	144%
Netease	China	Media & Ent.	62,497	22%
Tencent	China	Media & Ent.	329,807	32%
Trina Solar-A	China	Semiconductors	6,993	139%
Will Semi-A	China	Semiconductors	14,221	113%
Hangzhou Hik-Vision-A	China	Tech Hardware	41,483	44%
Shenzhen Transsion-A	China	Tech Hardware	15,352	105%
Xiaomi Corp-B	China	Tech Hardware	32,231	62%
China Mobile HK	China	Telecom	174,131	26%
Alibaba Health	Hong Kong	Cons. Staples	4,951	316%
HK Exchange	Hong Kong	Div Financials	38,373	24%
Orient Overseas	Hong Kong	Industrials	9,833	94%
AIA	Hong Kong	Insurance	89,498	12%
Axis Bank	India	Banks	39,627	38%
HDFC Bank	India	Banks	133,529	16%
ICICI Bank	India	Banks	86,720	29%
Kotak Mahindra	India	Banks	43,684	22%
State Bank of India	India	Banks	68,834	40%
Maruti Suzuki	India	Cons. Discretionary	37,056	35%
TVS Motor	India	Cons. Discretionary	11,450	104%
Avenue Supermarts	India	Cons. Staples	29,720	34%
Hindustan Unilever	India	Cons. Staples	70,212	20%
ITC	India	Cons. Staples	66,309	28%
Bajaj Finserv	India	Div Financials	31,265	47%
Power Finance	India	Div Financials	17,614	60%
REC	India	Div Financials	15,824	59%
Coal India	India	Energy	30,141	33%
Indian Oil	India	Energy	24,988	37%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Table 56: Stocks Ranked by Importance (top 100)...Continued**

We define Importance as Index weight multiply by volatility of relative performance

Short Name	Country	Sector	Mcap (\$US m)	Vol
ONGC	India	Energy	38,213	34%
Reliance Industries	India	Energy	232,458	20%
Sun Pharma	India	Health Care	40,981	30%
Adani Ent.	India	Industrials	43,132	166%
Adani Ports	India	Industrials	30,719	40%
Bharat Elec	India	Industrials	16,364	57%
CG Power	India	Industrials	8,617	225%
Hindustan Aeronautic	India	Industrials	24,155	47%
Larsen & Toubro	India	Industrials	57,591	31%
JSW Steel	India	Materials	24,107	55%
Tata Steel	India	Materials	20,008	65%
Vedanta	India	Materials	12,258	70%
DLF	India	Real Estate	23,923	39%
HCL Technologies	India	Software	51,382	24%
Infosys	India	Software	83,009	26%
TCS	India	Software	168,137	19%
WIPRO	India	Software	30,067	34%
Bharti (Airtel)	India	Telecom	79,190	26%
Adani Green Energy	India	Utilities	31,844	270%
Adani Power	India	Utilities	26,134	85%
NTPC	India	Utilities	37,073	28%
Tata Power	India	Utilities	14,997	65%
Bank Central Asia	Indonesia	Banks	74,606	19%
Bank Mandiri	Indonesia	Banks	39,332	26%
Bank Rakyat	Indonesia	Banks	54,746	21%
DBS	Singapore	Banks	61,730	18%
Sea-ADR	Singapore	Media & Ent.	19,956	141%
Kia	South Korea	Cons. Discretionary	30,997	40%
Celltrion Inc	South Korea	Health Care	29,660	64%
HLB	South Korea	Health Care	6,553	185%
Samsung Biologics	South Korea	Health Care	44,795	57%
Ecopro BM	South Korea	Industrials	15,645	72%
Ecopro	South Korea	Industrials	10,015	217%
HMM	South Korea	Industrials	7,068	205%
LG Energy Solution	South Korea	Industrials	66,800	27%
POSCO Future M	South Korea	Industrials	14,713	80%
Kum Yang	South Korea	Materials	3,397	295%
LG Chem	South Korea	Materials	22,982	43%
POSCO	South Korea	Materials	26,994	37%
Kakao	South Korea	Media & Ent.	17,484	60%
Naver	South Korea	Media & Ent.	24,645	40%
Samsung Electronics	South Korea	Tech Hardware	325,181	19%
Evergreen Marine	Taiwan	Industrials	10,177	244%
Yang Ming	Taiwan	Industrials	5,339	401%
Alchip Tech	Taiwan	Semiconductors	9,233	133%
MediaTek	Taiwan	Semiconductors	49,366	41%
TSMC	Taiwan	Semiconductors	520,307	19%
United Microelectronics	Taiwan	Semiconductors	19,574	63%
Quanta	Taiwan	Tech Hardware	30,482	49%
Delta Electronics (Thailand)	Thailand	Tech Hardware	27,688	198%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

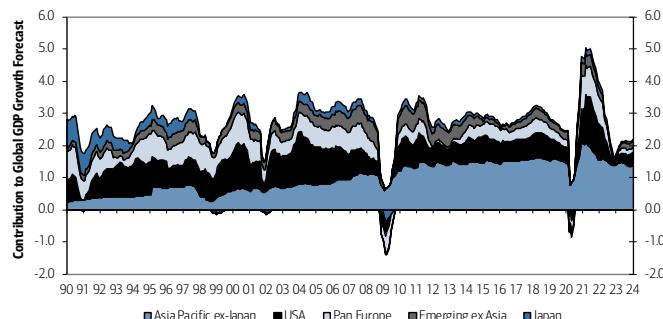
BofA GLOBAL RESEARCH



# Additional Macro Indicators

## Chart 557: Contribution to Global GDP Forecast by Region

Asia Pacific ex-Japan has contributed the most to Global GDP Forecasts

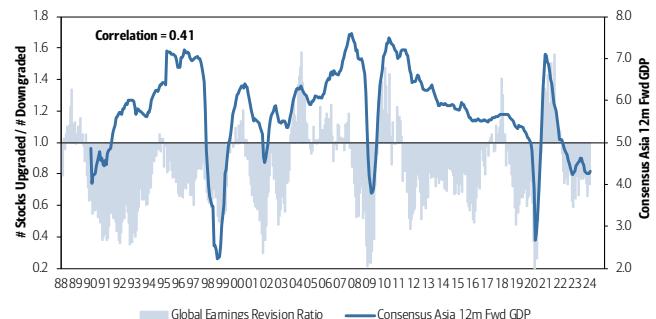


Source : BofA Asia Pac Quantitative Strategy, Haver

BofA GLOBAL RESEARCH

## Chart 558: Asia GDP Growth Forecast and Trends in Global Profit Expectations

The GDP forecast have a correlation of 41% with Global ERR

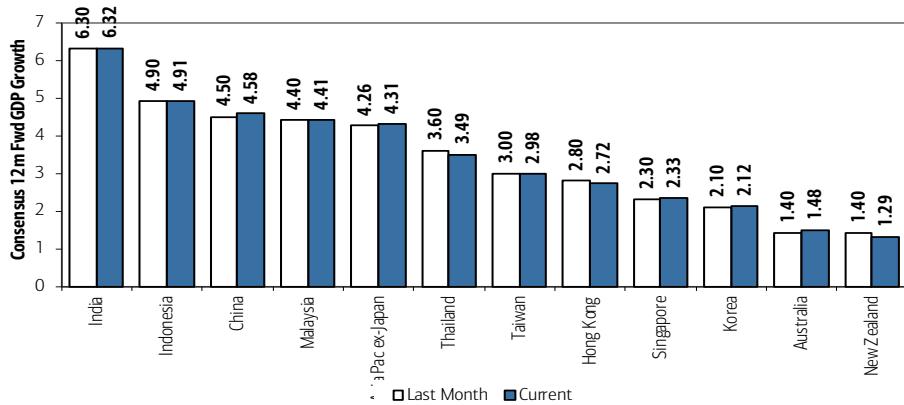


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver

BofA GLOBAL RESEARCH

## Chart 559: GDP growth forecast by Asia Pac ex-Japan country

The GDP Forecasts are highest in India

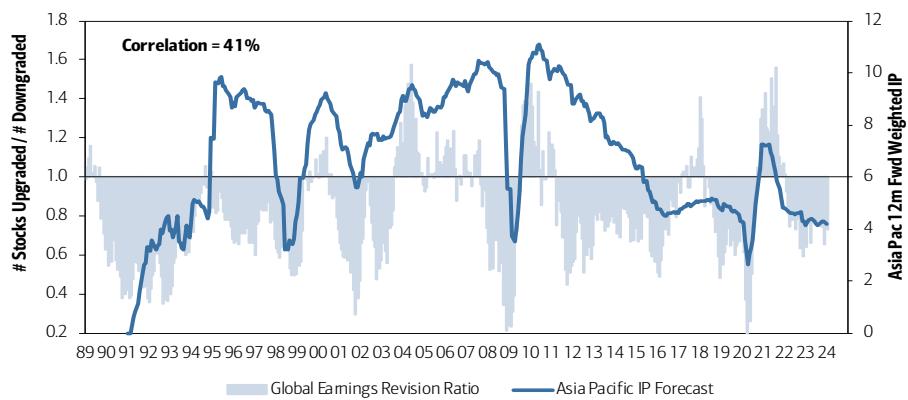


Source : BofA Asia Pac Quantitative Strategy, Haver

BofA GLOBAL RESEARCH

## Chart 560: Asia Pac ex-Japan IP Growth Forecast and Trends in Global Profit Expectations

APxJ IP forecasts and trends in EPS cycle has a 41% correlation



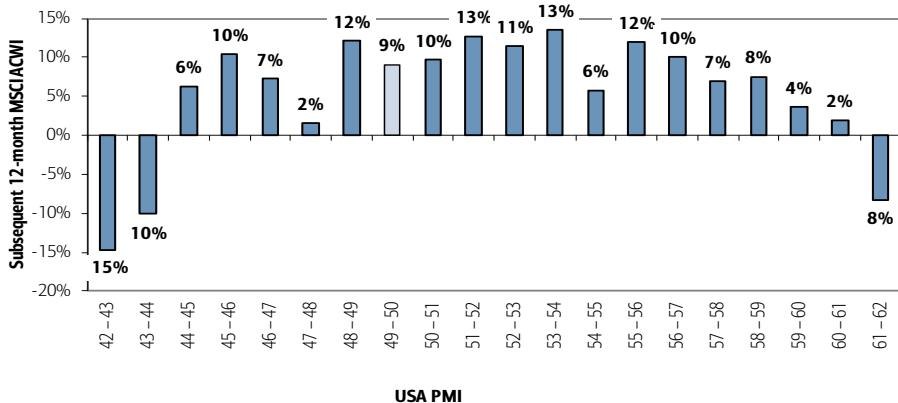
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver

BofA GLOBAL RESEARCH



### Chart 561: USA PMI and MSCI ACWI subsequent 12m returns

MSCI ACWI averages 9% in the subsequent 12m when PMI was at current levels in the past

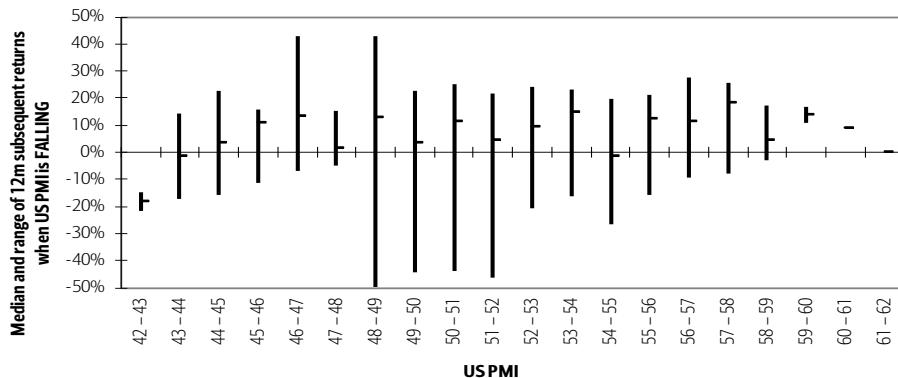


Source : BofA Global Quantitative Strategy, MSCI, IBES, Bloomberg, OECD, IMF

BofA GLOBAL RESEARCH

### Chart 562: Range of subsequent 12m MSCI ACWI return when USA PMI is falling

For current level of PMI & falling, MSCI ACWI returns 3% in the subsequent 12m on average



Source : BofA Global Quantitative Strategy, MSCI, IBES, Bloomberg, OECD, IMF

BofA GLOBAL RESEARCH

### Chart 563: USA PMI and MSCI ACWI YoY Performance

MSCI ACWI has returned 12.7% in the last 12m

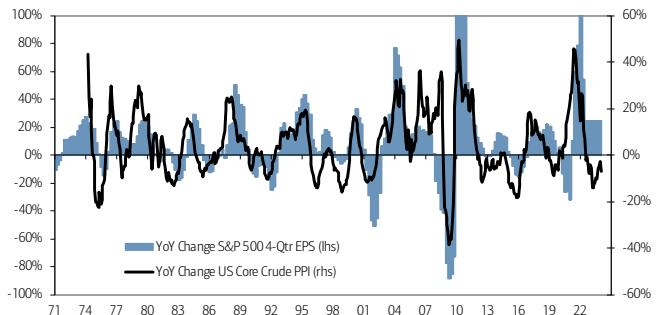


Source : BofA Global Quantitative Strategy, MSCI, IBES, Bloomberg, OECD, IMF

BofA GLOBAL RESEARCH

### Chart 564: US Core Crude PPI and US Reported Profits

US Reported Profits have remained resilient

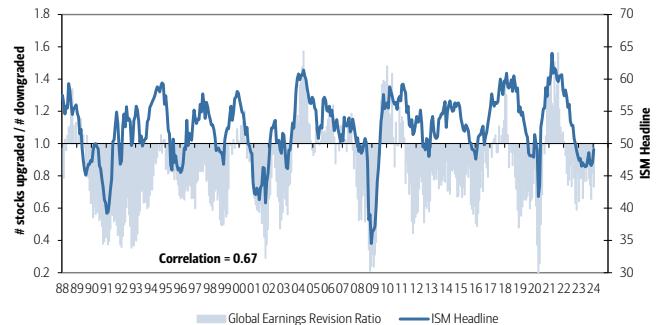


Source : BofA Global Quantitative Strategy, S&P

BofA GLOBAL RESEARCH

### Chart 565: US ISM and Trends in Global Profit Expectations

US ISM and Trends in Global Profit Expectations has a strong correlation

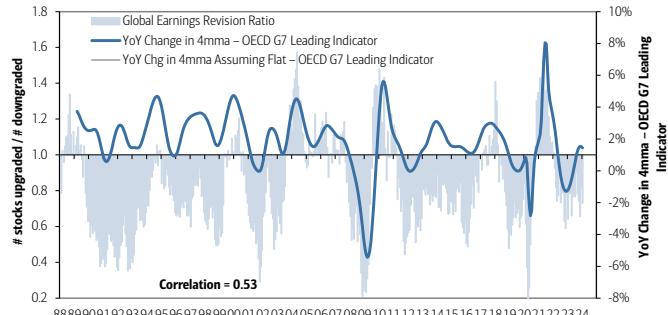


Source : BofA Global Quantitative Strategy, MSCI, IBES, Bloomberg

BofA GLOBAL RESEARCH

### Chart 566: OECD G7 CLI and Trends in Global Profit Expectations

OECD G7 CLI has been trending north

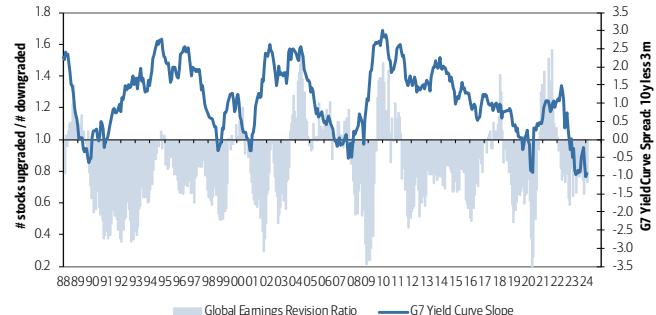


Source : BofA Global Quantitative Strategy, MSCI, IBES, Bloomberg

BofA GLOBAL RESEARCH

### Chart 567: G7 Yield Curve Slope & Trends in Profit Expectations

G7 Yield Curve Slope remains inverted

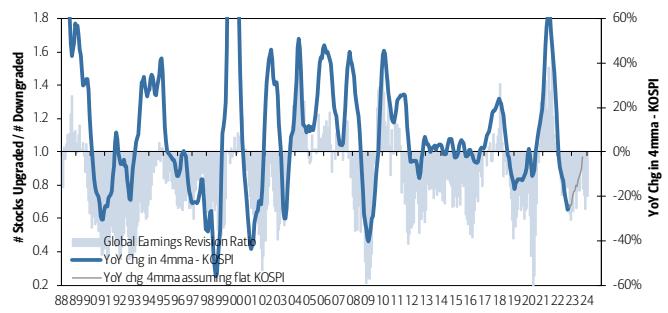


Source : BofA Global Quantitative Strategy, MSCI, IBES, Bloomberg

BofA GLOBAL RESEARCH

### Chart 568: KOSPI and Trends in Global Profit Expectations

KOSPI and Trends in Global Profit Expectations has a 56% correlation

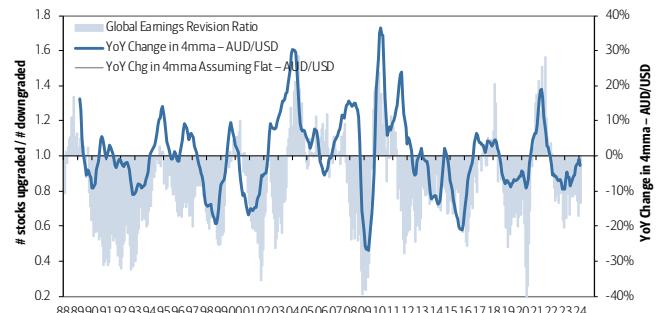


Source : BofA Global Quantitative Strategy, MSCI, IBES, Bloomberg

BofA GLOBAL RESEARCH

### Chart 569: AUD and Trends in Global Profit Expectations

AUD has appreciated vs USD in recent months



Source : BofA Global Quantitative Strategy, MSCI, IBES, Bloomberg

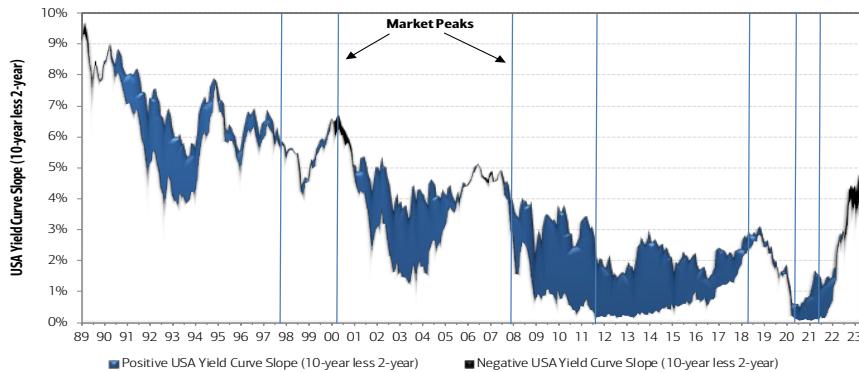
BofA GLOBAL RESEARCH



# USA Yield Curve Slope and Asia Pac Equity Performance

## Chart 570: USA Yield Curve (10 vs. 2-year) and MSCI APxJ peaks

USA Yield Curve (10-year less 2-year) remains inverted

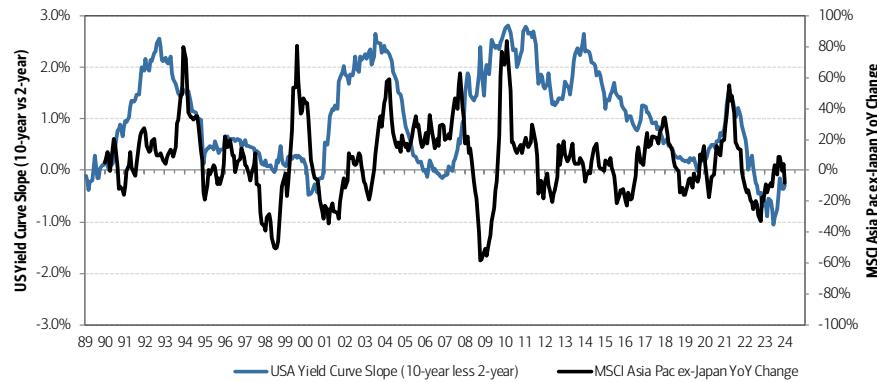


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

## Chart 571: USA Yield Curve vs. MSCI Asia Pac ex-Japan YoY Change

MSCI APxJ returns have been negative in the last 12-months

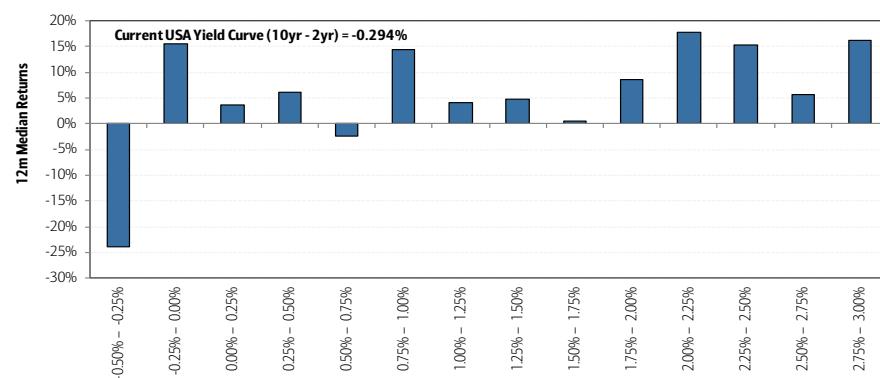


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

## Chart 572: Subsequent MSCI APxJ returns and USA Yield Curve slope

MSCI APxJ returns -23.9% in the subsequent 12m when the USA yield curve is in current range

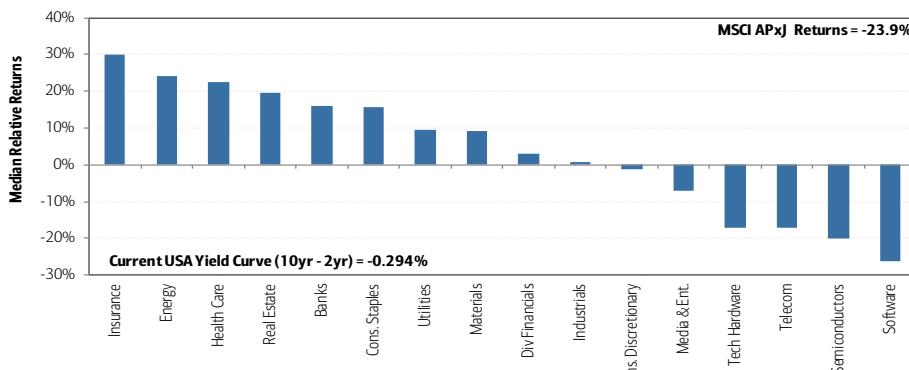


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

### Chart 573: Subsequent APxJ sector relative returns (median 12m) for current Yield Curve slope

Insurance and Energy sectors outperform the most in 12m, when yield curve inverts, on avg



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

Table 57: Subsequent Asia Pac sector relative returns (median 12m) for various USA Yield Curve slope (10-year vs. 2-year) ranges

Median Sector Returns across various USA Yield Curve Slope ranges

APxJ Sector	-0.50% - -0.25%	-0.25% - 0.00%	0.00% - 0.25%	0.25% - 0.50%	0.50% - 0.75%	0.75% - 1.00%	1.00% - 1.25%	1.25% - 1.50%	1.50% - 1.75%	1.75% - 2.00%	2.00% - 2.25%	2.25% - 2.50%	2.50% - 2.75%	2.75% - 3.00%
Insurance	30.0%	8.6%	-4.5%	10.4%	-1.7%	3.7%	1.3%	1.4%	4.2%	-2.9%	4.9%	0.4%	-5.0%	-19.3%
Energy	24.2%	7.4%	-9.7%	-1.8%	6.9%	-0.3%	3.7%	-3.8%	-7.7%	-2.6%	-9.0%	-4.5%	-8.2%	-6.7%
Health Care	22.5%	2.4%	6.4%	-3.0%	8.8%	-10.3%	-6.1%	-1.9%	12.4%	4.8%	13.3%	11.6%	7.3%	0.9%
Real Estate	19.6%	-3.0%	-2.7%	-6.6%	-4.0%	-4.0%	-3.9%	-1.0%	0.3%	-5.1%	-4.2%	-3.6%	-2.2%	-5.9%
Banks	15.9%	-3.2%	-3.7%	-1.8%	2.4%	0.0%	2.9%	1.7%	0.7%	1.4%	-2.6%	-3.0%	0.7%	-10.2%
Cons. Staples	15.8%	-1.8%	-3.4%	3.1%	6.5%	-2.5%	-2.1%	0.6%	4.5%	1.5%	-6.6%	-0.1%	7.9%	0.2%
Utilities	9.5%	-3.2%	-1.7%	-6.2%	0.1%	0.2%	-5.1%	5.2%	2.5%	3.2%	0.7%	-2.2%	4.9%	-19.4%
Materials	9.0%	11.6%	-3.5%	-2.0%	1.0%	3.7%	-0.6%	-5.2%	-0.5%	6.4%	-5.5%	-0.5%	-13.3%	-0.6%
Div Financials	3.1%	11.3%	5.6%	1.7%	-0.3%	-6.5%	-2.3%	2.2%	-0.4%	-1.7%	-1.0%	1.1%	-8.7%	-5.3%
Industrials	0.7%	4.1%	-7.9%	-7.7%	-2.4%	-7.8%	-8.6%	-3.2%	0.2%	-6.4%	-7.4%	-2.1%	-8.9%	1.8%
Cons. Discretionary	-1.3%	-10.2%	5.2%	-2.0%	-5.1%	-2.2%	-2.1%	1.0%	-0.2%	1.9%	0.0%	2.1%	5.0%	6.0%
Media & Ent.	-7.1%	-22.4%	0.5%	5.5%	-6.3%	-15.4%	-18.7%	-7.8%	-4.3%	-4.0%	-6.5%	-6.0%	-1.6%	-18.4%
Tech Hardware	-17.0%	-18.2%	3.0%	-2.4%	8.0%	-8.3%	-0.4%	-0.1%	-0.9%	-0.6%	0.8%	-0.1%	0.8%	-4.2%
Telecom	-17.2%	16.7%	3.0%	-2.4%	-4.1%	-4.6%	-5.1%	-1.9%	0.5%	-6.1%	4.7%	-1.4%	11.2%	-12.6%
Semiconductors	-20.0%	-23.2%	2.3%	4.2%	28.0%	9.1%	9.3%	8.0%	11.1%	4.8%	1.8%	-4.4%	9.4%	2.5%
Software	-26.2%	-24.8%	6.6%	13.1%	-1.2%	11.2%	2.2%	11.7%	13.9%	7.6%	12.6%	17.4%	1.8%	-0.4%
Asia Pac ex-Japan	-23.9%	15.5%	3.7%	6.2%	-2.5%	14.4%	4.2%	4.9%	0.4%	8.5%	17.8%	15.4%	5.7%	16.2%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

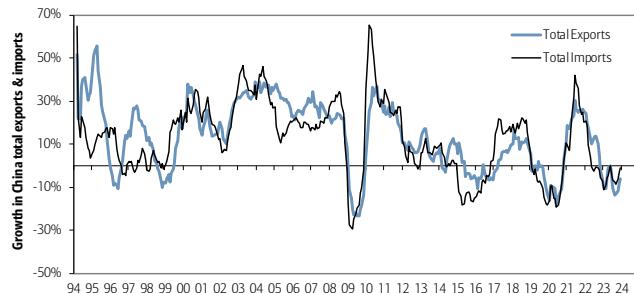
BofA GLOBAL RESEARCH



## China Trade

### Chart 574: Growth in China imports and exports

Growth in China imports and exports remain negative

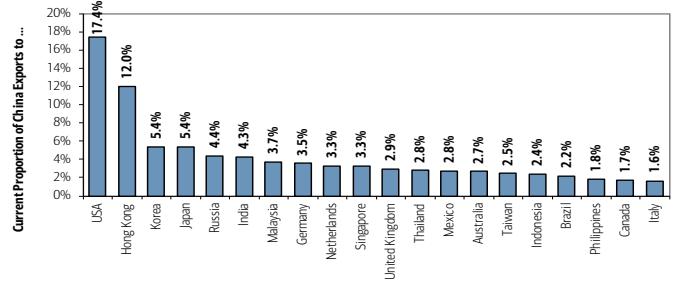


Source : BofA Asia Pac Quantitative Strategy, Haver

BofA GLOBAL RESEARCH

### Chart 575: Percent of China exports by country

Percent of China exports by country is highest in the USA

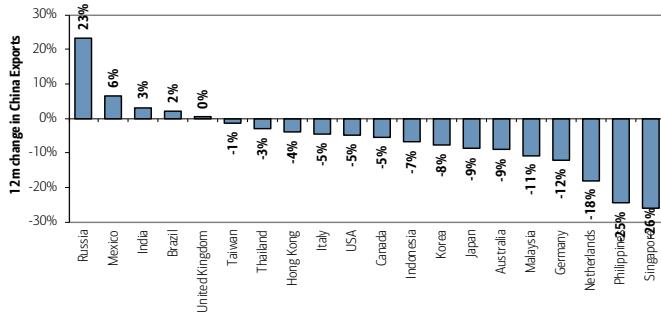


Source : BofA Asia Pac Quantitative Strategy, Haver

BofA GLOBAL RESEARCH

### Chart 576: Growth in China exports by country

Growth in China exports by country has been highest in Russia

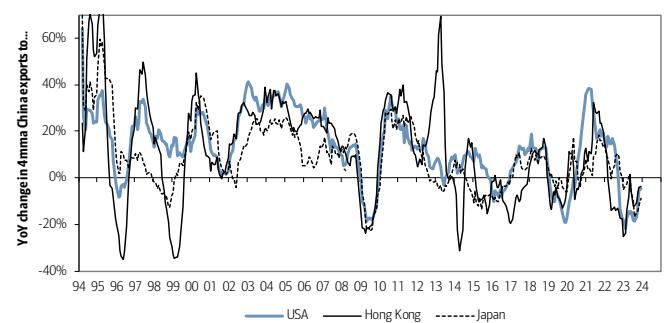


Source : BofA Asia Pac Quantitative Strategy, Haver

BofA GLOBAL RESEARCH

### Chart 577: YoY growth in China exports

YoY growth in China exports has improved across all three countries

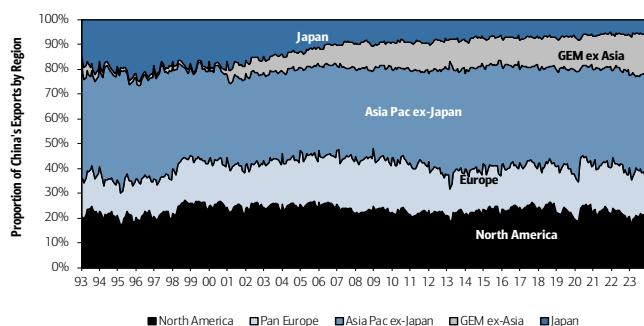


Source : BofA Asia Pac Quantitative Strategy, Haver

BofA GLOBAL RESEARCH

### Chart 578: Proportion of China's exports by region

China's exports are highest in Asia Pac ex-Japan

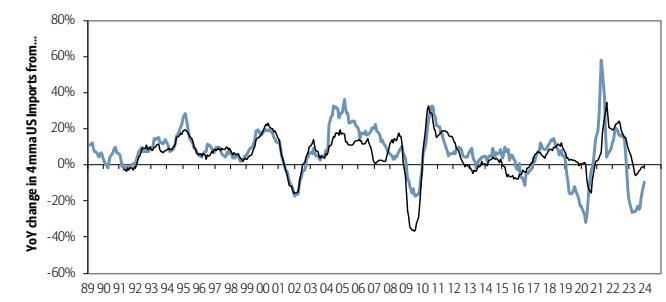


Source : BofA Asia Pac Quantitative Strategy, Haver

BofA GLOBAL RESEARCH

### Chart 579: Growth in US IMPORTS from China and non-China countries

Growth in US Imports from China has diminished over the last 12m



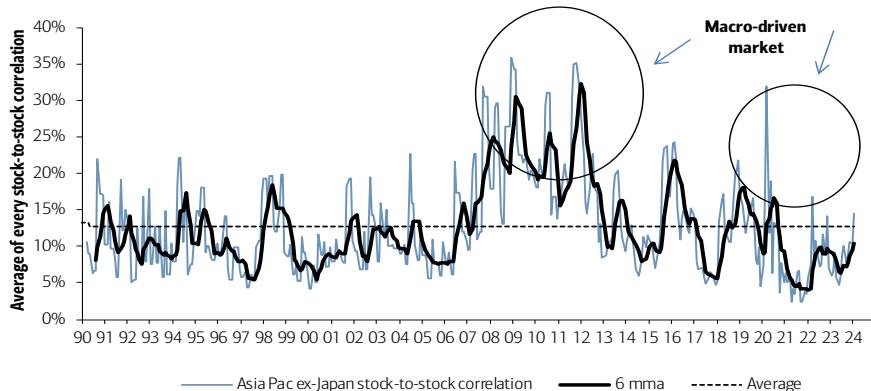
Source : BofA Global Quantitative Strategy, EcoWin

BofA GLOBAL RESEARCH

## Asia Pac ex-Japan stock-to-stock correlations

**Chart 580: Asia Pac ex-Japan Stock-to-stock correlations**

Asia Pac ex-Japan Stock-to-stock correlations remain low

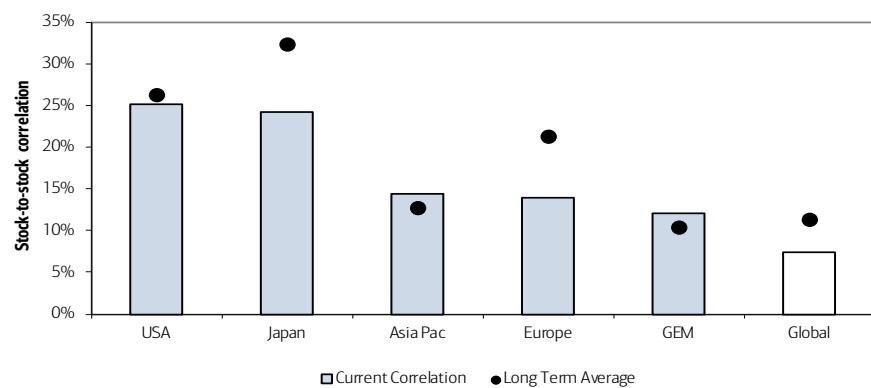


Source : BofA Asia Pac Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

**Chart 581: Stock-to-stock correlations by region**

Stock-to-stock correlations are below average in most regions

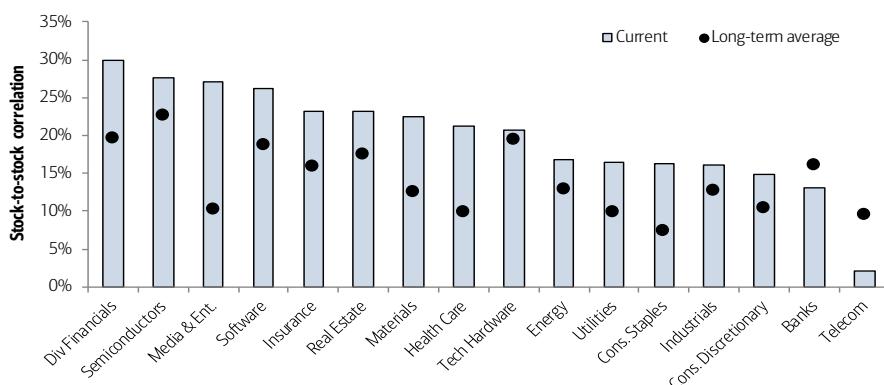


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

**Chart 582: Asia Pac ex-Japan Sector stock-to-stock correlation: Current vs Long-term**

Stock-to-stock correlations are lowest in Telecom, Banks and Cons. Discretionary



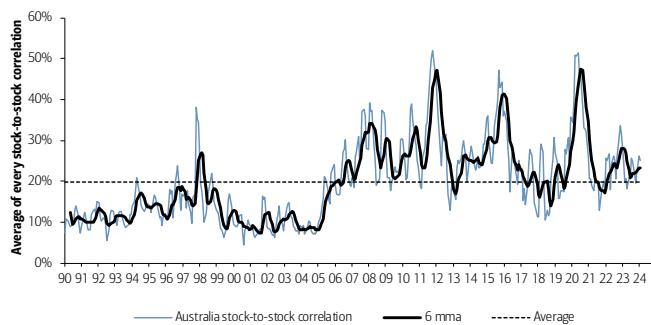
Source : BofA Asia Pac Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH



**Chart 583: Stock-to-Stock correlations: Australia**

Stock-to-Stock correlations have ticked up in Australia

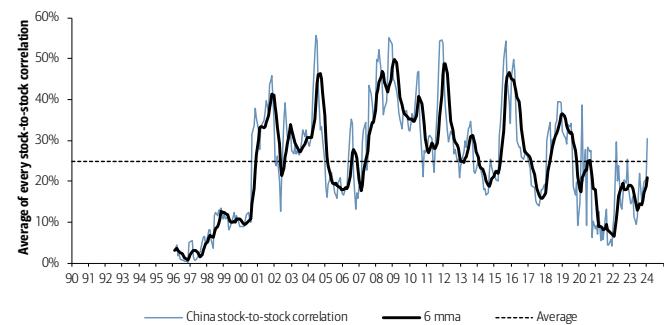


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Chart 584: Stock-to-Stock correlations: China**

Stock-to-Stock correlations have improved in China

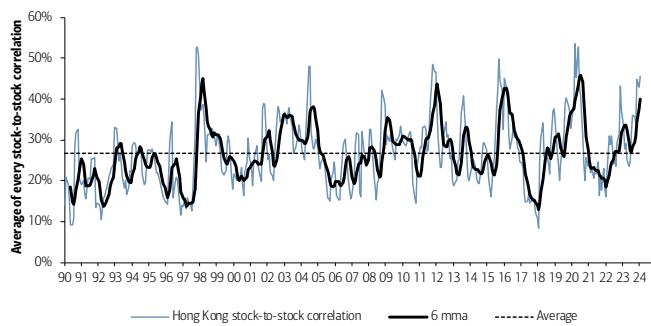


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Chart 585: Stock-to-Stock correlations: Hong Kong**

Stock-to-Stock correlations have been rising in Hong Kong

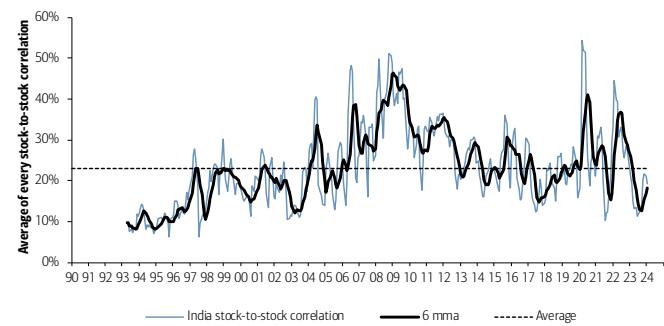


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Chart 586: Stock-to-Stock correlations: India**

Stock-to-Stock correlations are below long-term average in India

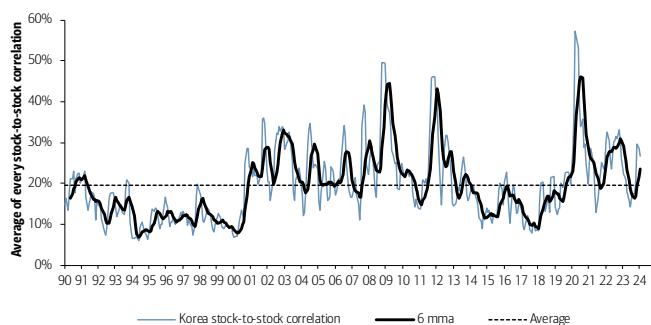


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Chart 587: Stock-to-Stock correlations: Korea**

Stock-to-Stock correlations have jumped in Korea

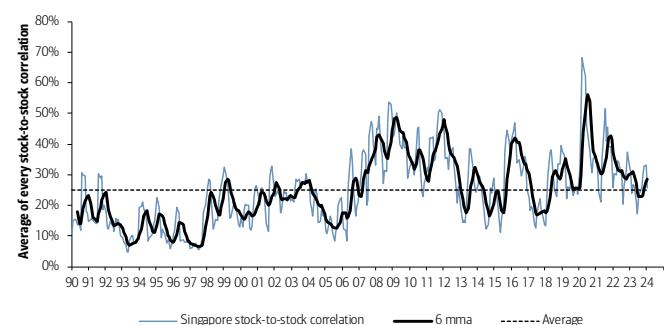


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Chart 588: Stock-to-Stock correlations: Singapore**

Stock-to-Stock correlations have ticked above long-term average in Singapore



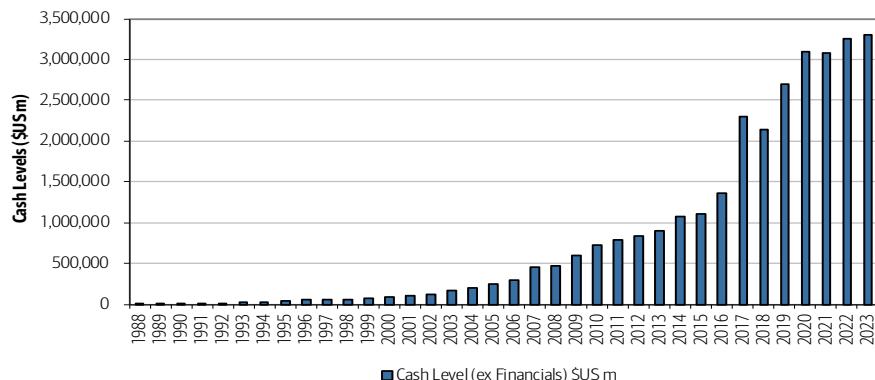
Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

# Cash - Over \$3 trillion

## Chart 589: Total cash and cash equivalents

Total cash and cash equivalents are above \$3 trillion for Asia corporates

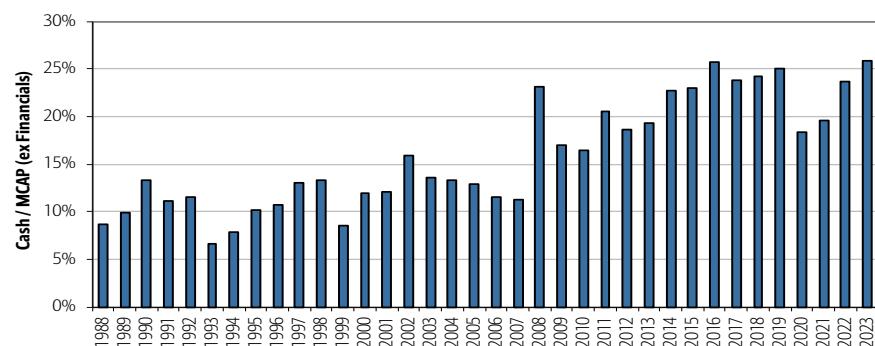


Source : BofA Asia Pac Quantitative Strategy, MSCI, Worldscope, FactSet

BofA GLOBAL RESEARCH

## Chart 590: Cash-to-Market Cap: Asia Pac ex-Japan (ex-Financials)

Ratio of Cash-to-Market Cap in APxJ is approximately at 26%

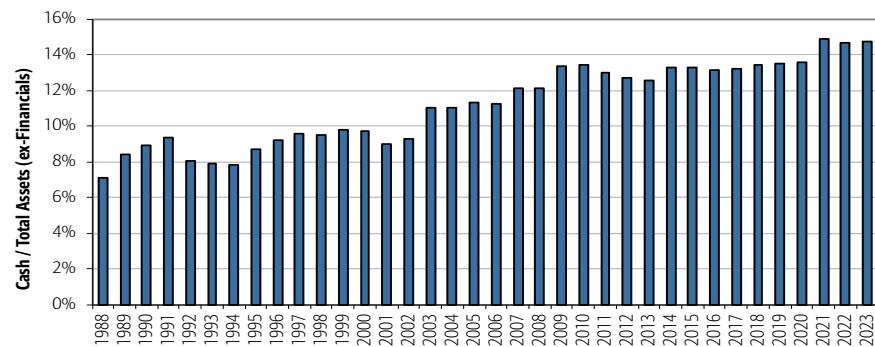


Source : BofA Asia Pac Quantitative Strategy, MSCI, Worldscope, FactSet

BofA GLOBAL RESEARCH

## Chart 591: Cash-to-Total Assets: Asia Pac ex-Japan (ex-Financials)

Ratio of Cash-to-Total Assets in APxJ is at 15%



Source : BofA Asia Pac Quantitative Strategy, MSCI, Worldscope, FactSet

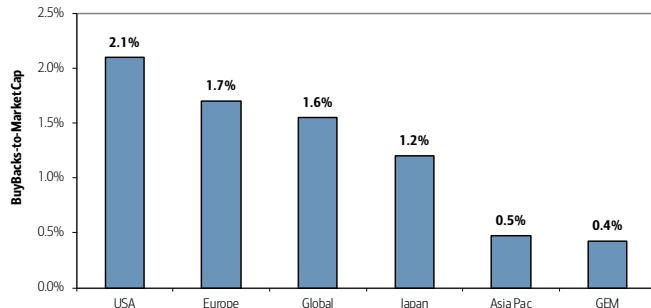
BofA GLOBAL RESEARCH



## Buy-Backs

**Chart 592: Buy-Backs (last 12 months) relative to Market Cap by Region**

Buy-Backs are highest in the USA

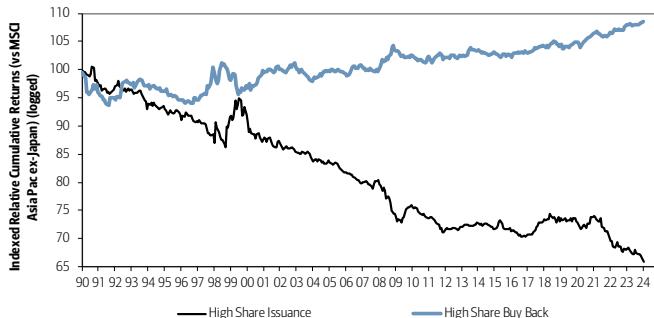


Source : BofA Global Quantitative Strategy, MSCI, Exshare, Worldscope

BofA GLOBAL RESEARCH

**Chart 594: High Share Buy-Backs and High Share Issuance Relative Cumulative Performance**

High Share Buy-Backs have outperformed long-term

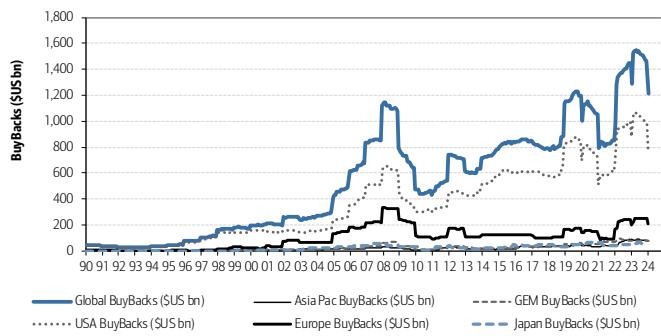


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Worldscope

BofA GLOBAL RESEARCH

**Chart 596: Buy-Backs Dollar Value (\$US bn) by Regions**

Buy-Backs have slowed in the USA



Source : BofA Global Quantitative Strategy, MSCI, Exshare, Worldscope

BofA GLOBAL RESEARCH

**Chart 593: % Asia Pac ex-Japan stocks buying back shares**

% Asia Pac ex-Japan stocks buying back shares have increased

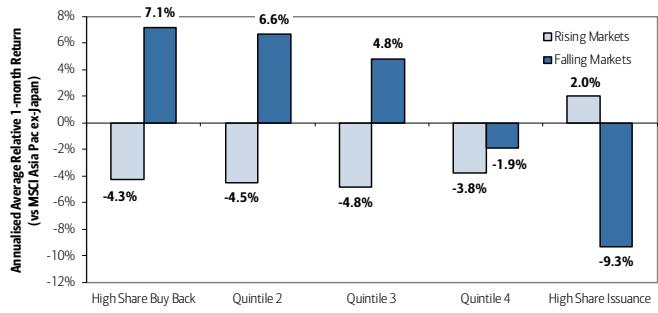


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Worldscope

BofA GLOBAL RESEARCH

**Chart 595: Share Buy-Backs (by Quintile) Performance in Rising and Falling Markets**

High Share Buy-Backs outperforms in falling markets, on average

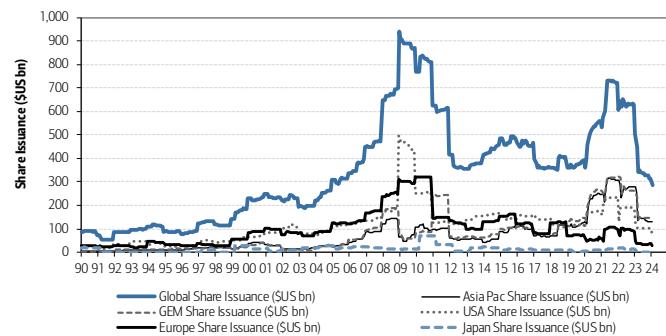


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Worldscope

BofA GLOBAL RESEARCH

**Chart 597: Share Issuance Dollar Value (\$US bn) by Regions**

Share Issuance have fallen across all the regions



Source : BofA Global Quantitative Strategy, MSCI, Exshare, Worldscope

BofA GLOBAL RESEARCH

**Table 58: Asia Pac ex-Japan Buy-Backs to Market Cap (top thirty)**

Top thirty stocks with the highest proportion of Buy-Backs as a percent of market cap

<b>Company Name</b>	<b>BBG Code</b>	<b>Country</b>	<b>Sector</b>	<b>Total MCAP (\$US m)</b>	<b>Avg Daily TO (6m \$US m)</b>
Qantas	QAN AU	Australia	Industrials	6,338	36.4
PSBC-H	1658 HK	China	Banks	9,525	21.1
Alibaba	9988 HK	China	Cons. Discretionary	181,031	433.3
Haier Smart Home-H	6690 HK	China	Cons. Discretionary	8,063	23.8
Vipshop-ADR	VIPS US	China	Cons. Discretionary	7,372	50.0
Futu-ADR	FUTU US	China	Div Financials	4,301	105.9
China Sinopec-H	386 HK	China	Energy	12,853	48.3
3SBio	1530 HK	China	Health Care	1,831	6.5
WuXi AppTec-H	2359 HK	China	Health Care	2,781	40.3
WuXi Biologics	2269 HK	China	Health Care	11,149	135.5
China Nat'l Building-H	3323 HK	China	Materials	1,603	7.0
CMOC-H	3993 HK	China	Materials	2,154	9.3
JOYY-ADR	YY US	China	Media & Ent.	1,400	18.7
China Vanke-H	2202 HK	China	Real Estate	1,730	21.8
Longfor	960 HK	China	Real Estate	7,260	34.8
Dago New Energy-ADR	DQ US	China	Semiconductors	1,395	27.5
Huaneng Power-H	902 HK	China	Utilities	2,652	15.7
AIA	1299 HK	Hong Kong	Insurance	89,498	236.7
ESR	1821 HK	Hong Kong	Real Estate	5,562	7.3
HK Land	HKL SP	Hong Kong	Real Estate	6,910	5.9
Swire Pacific	19 HK	Hong Kong	Real Estate	6,631	8.9
Chinasoft Int'l	354 HK	Hong Kong	Software	1,680	13.8
UPL	UPLL IN	India	Materials	4,860	18.4
United Tractors	UNTR JI	Indonesia	Energy	5,425	7.4
Meritz Financial	138040 KS	South Korea	Div Financials	10,687	17.1
Kumho Petrochem	0111780 KS	South Korea	Materials	2,741	7.4
SKC Co	0111790 KS	South Korea	Materials	2,179	17.3
Evergreen Marine	2603 TT	Taiwan	Industrials	10,177	99.3
Catcher Tech	2474 TT	Taiwan	Tech Hardware	4,228	14.2
Innolux	3481 TT	Taiwan	Tech Hardware	4,742	29.7

Source : BofA Global Quantitative Strategy, MSCI, Exshare, Worldscope

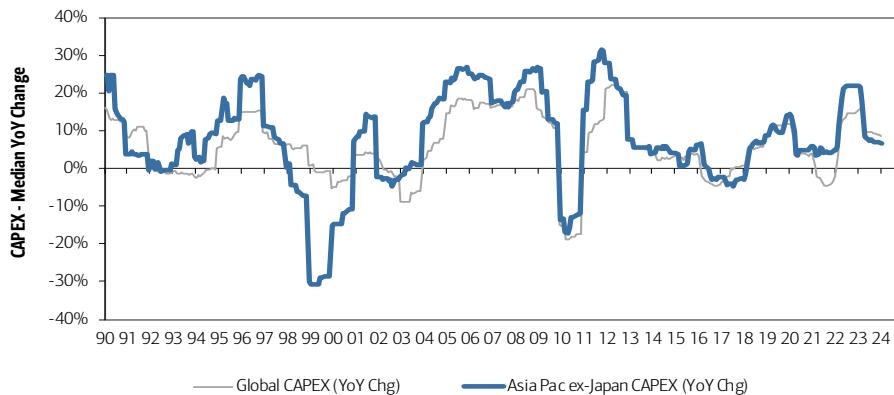
BofA GLOBAL RESEARCH



## Capex

### Chart 598: Asia Pac ex-Japan and Global Capex Cycle

CAPEX spending in APxJ has been declining in recent months

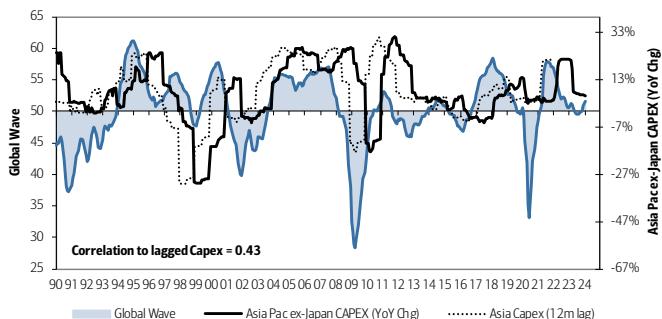


Source : BofA Asia Pac Quantitative Strategy, MSCI, Worldscope

BofA GLOBAL RESEARCH

### Chart 599: APxJ Capex Cycle and the Global Wave

Asia Pac ex-Japan Capex spending has been falling

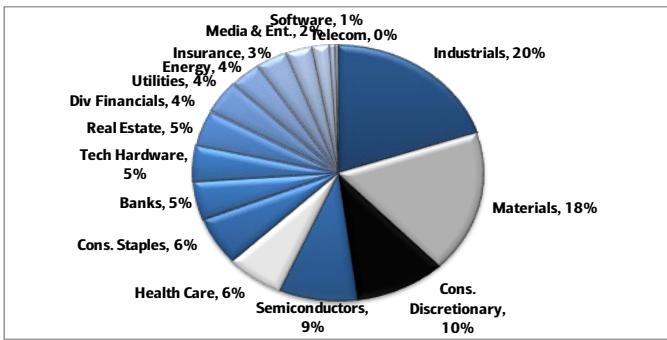


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Haver, Bloomberg, OECD, IMF, ICE Bond Indices, National Statistics Database, Worldscope

BofA GLOBAL RESEARCH

### Chart 601: Sector Tilts of Top Quintile by Capex Growth

Sector with the highest CAPEX in Asia is Industrials

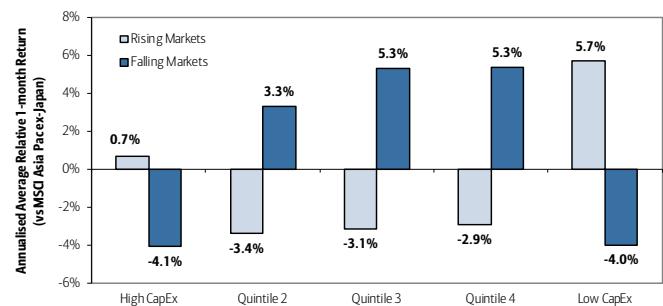


Source : BofA Global Quantitative Strategy, MSCI, Worldscope

BofA GLOBAL RESEARCH

### Chart 600: Capex (by Quintile) Perf. in Rising and Falling Markets

Lower CAPEX stocks tend to perform well in rising markets

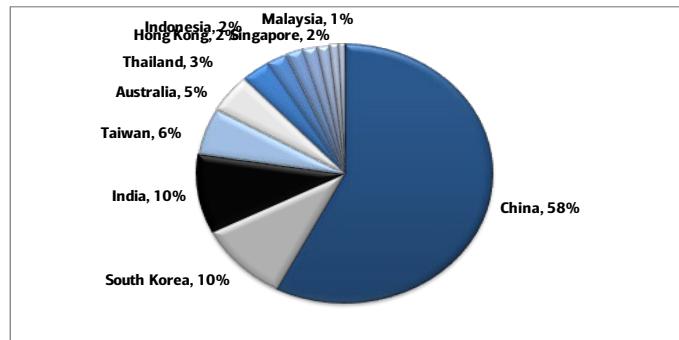


Source : BofA Global Quantitative Strategy, MSCI, Worldscope

BofA GLOBAL RESEARCH

### Chart 602: Country Tilts of Top Quintile by Capex Growth

Country with highest level of CAPEX in Asia is China



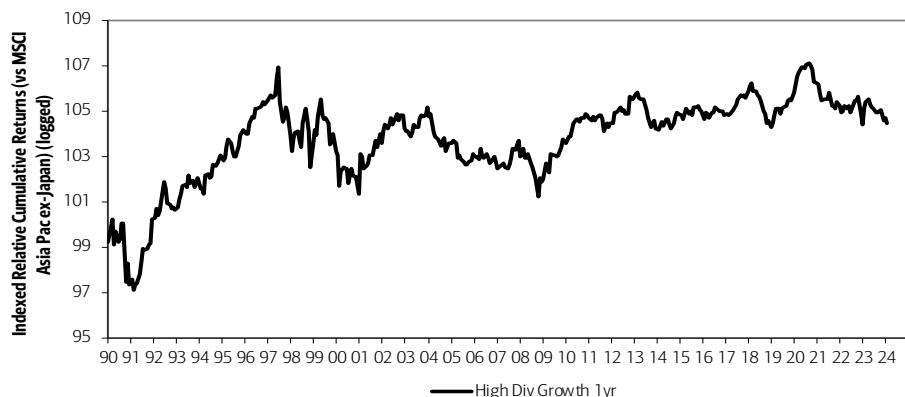
Source : BofA Global Quantitative Strategy, MSCI, Worldscope

BofA GLOBAL RESEARCH

## Dividend Growth

### Chart 603: High Dividend Growth (1-year) Relative Cumulative Performance

High Div Growth stocks have returned -14.8% in last 6m

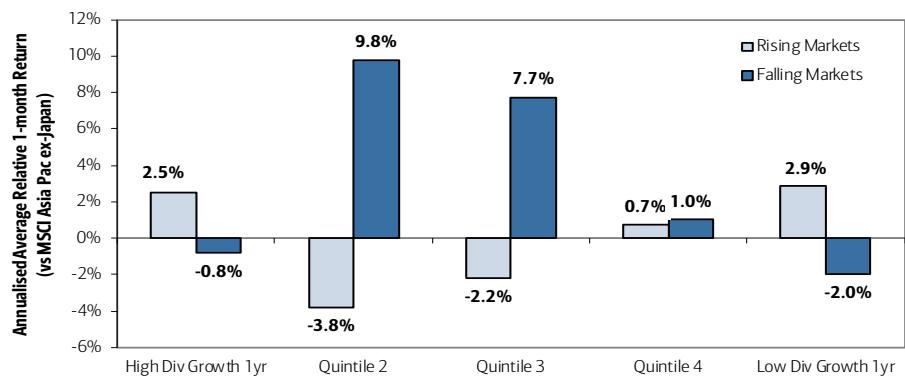


Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Worldscope, Exshare

BofA GLOBAL RESEARCH

### Chart 604: High Dividend Growth (1-year) Performance in Rising and Falling Markets

High Div Growth 1yr returns 2.5% in rising markets



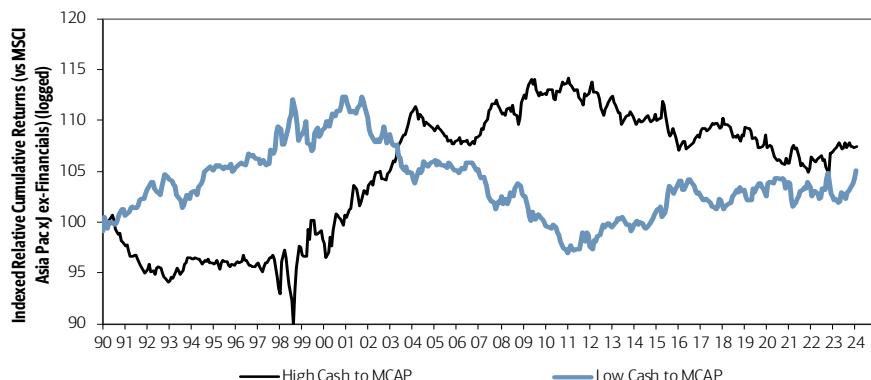
Source : BofA Asia Pac Quantitative Strategy, MSCI, Bloomberg, Worldscope, Exshare

BofA GLOBAL RESEARCH

## Cash-to-Market-Cap

### Chart 605: High and Low Cash-to-Mcap Relative Cumulative Performance

Since 2003, stocks with High Cash-to-MCAP have fared better

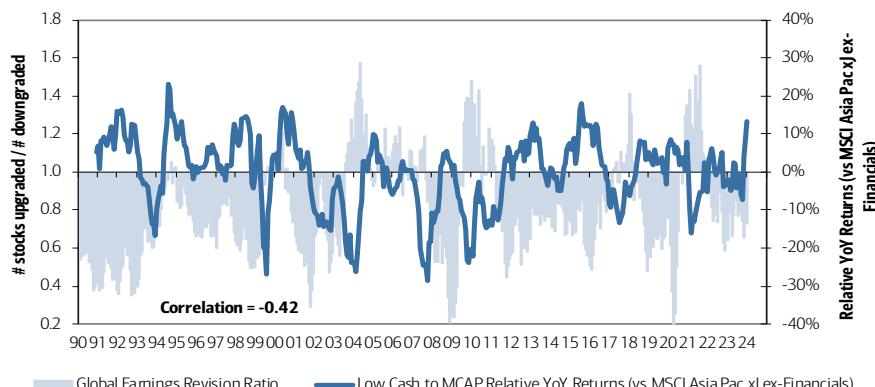


Source : BofA Asia Pac Quantitative Strategy, MSCI, Worldscope

BofA GLOBAL RESEARCH

### Chart 606: Low Cash-to-Mcap (top quintile) YoY Performance vs Global Profit Expectations

Rotation between Low vs High Cash-to-MCAP has negative relationship with ERR

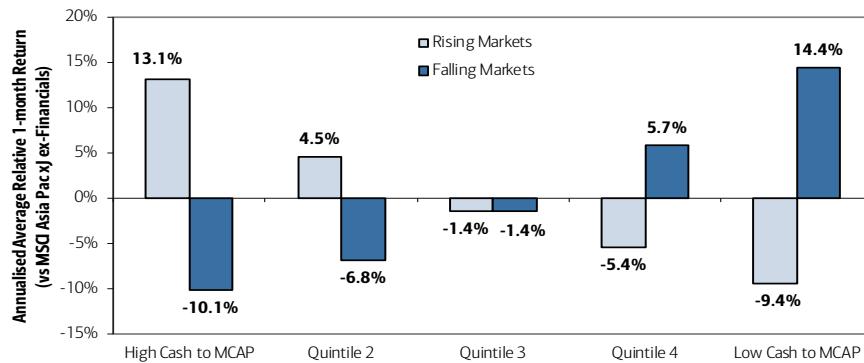


Source : BofA Asia Pac Quantitative Strategy, MSCI, Worldscope

BofA GLOBAL RESEARCH

### Chart 607: Low Cash-to-Mcap Performance in Rising and Falling Markets

High Cash to MCAP tends to outperform in an upturn, on average



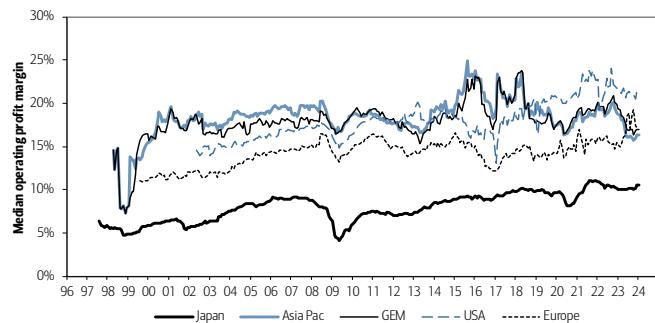
Source : BofA Asia Pac Quantitative Strategy, MSCI, Worldscope

BofA GLOBAL RESEARCH

# Margins

## Chart 608: Changes in Forecast Operating Profit Margin by Region

Operating Margins have improved the most in Europe in last 3m

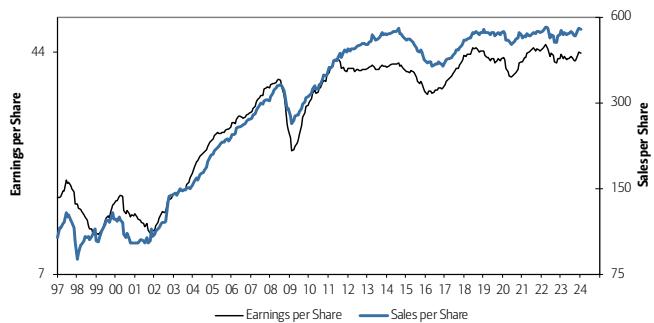


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 609: Asia Pac ex-Japan – Trends in EPS and Sales Forecasts

The Net Profit of Asia is currently 9.4%

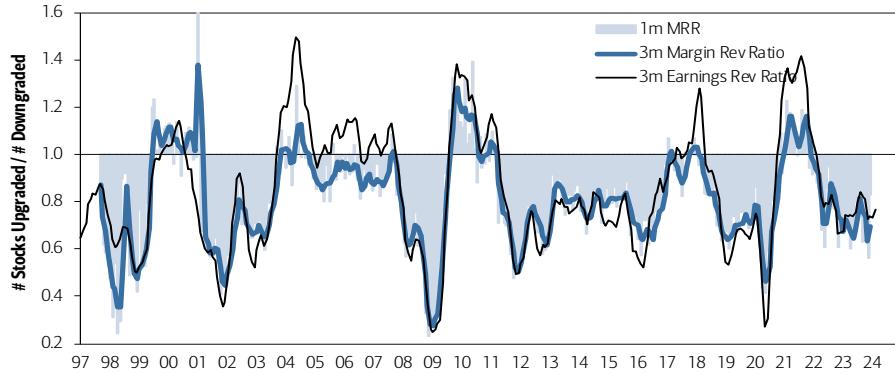


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 610: Global Margin Revision Ratio and Global Earnings Revision Ratio

The Margin Revision Ratio has been falling in Asia Pac ex-Japan

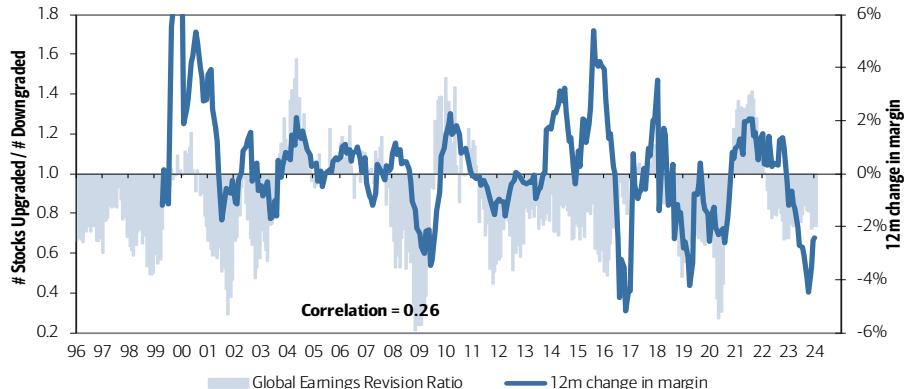


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 611: Twelve-month change in forecast margins vs Global Earnings Revision Ratio

Operating Margins trend positive with earnings cycle in Asia



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



This table below shows the 3-month change in forecast operating margins for each of 15 sectors in each Asia Pac ex-Japan country.

**Table 59: Asia Pac ex-Japan Forecast Operating Margins - change in the last three months**

100% of countries within Software had a rise in operating margins in last 3m

	Energy	Materials	Industrials	Cons. Staples	Health Care	Telecom	Utilities	Media & Ent.	Semiconductors	Cons. Discretionary	Banks	Insurance	Div Financials	Real Estate	Software	Tech Hardware	Country
Australia	0.0%	-0.3%	<b>0.0%</b>	0.1%	0.1%	0.4%	-	0.2%	-	-0.2%	-0.4%	-	-3.1%	-0.3%	0.5%	-	0.0%
China	-0.4%	-0.4%	0.0%	0.1%	0.0%	0.1%	0.3%	0.4%	-0.6%	0.1%	0.3%	-0.5%	-0.2%	<b>0.3%</b>	0.1%	0.3%	0.0%
Hong Kong	-	-	<b>0.9%</b>	<b>0.9%</b>	-	-	-	-	-	0.2%	-	<b>0.4%</b>	-	-0.1%	-	-	0.4%
India	<b>0.0%</b>	<b>0.5%</b>	<b>2.2%</b>	-0.5%	-0.4%	-	<b>0.0%</b>	-	-	-0.2%	<b>1.3%</b>	-0.4%	-24.8%	-21.1%	<b>3.0%</b>	-	0.0%
Indonesia	-	-	-	-35.6%	#####	-453.3%	-	-	-	-	<b>19.2%</b>	-	-	-	-	-	<b>0.6%</b>
Japan	<b>0.1%</b>	<b>0.2%</b>	<b>0.2%</b>	<b>0.1%</b>	-0.1%	<b>0.0%</b>	0.0%	0.0%	-0.7%	<b>0.2%</b>	<b>1.4%</b>	<b>0.3%</b>	<b>0.6%</b>	<b>0.1%</b>	0.3%	0.1%	0.1%
Korea	-	-0.3%	-	-	-	-	-	-	-	-	-0.3%	-1.3%	<b>0.3%</b>	-	-	-	0.0%
New Zealand	-	-	<b>0.3%</b>	-	-0.6%	-0.1%	<b>0.4%</b>	-	-	-	-	-	-	-	-	-	<b>0.2%</b>
Singapore	-	-	<b>0.2%</b>	-	-	-1.1%	-	-	-	-	-0.3%	-	-	<b>1.0%</b>	-	-	<b>0.2%</b>
Taiwan	-	<b>0.0%</b>	-	-	-	-	-	-	-	-	-	-88.5%	-	-	-	0.0%	0.0%
Thailand	-	<b>0.0%</b>	-	-	0.0%	-	-1.0%	-	-	-	-1.2%	-	-9.2%	-	-	-	-1.0%
ASIA PAC	-0.1%	-0.3%	<b>0.0%</b>	<b>0.1%</b>	<b>0.0%</b>	0.0%	<b>0.2%</b>	<b>0.4%</b>	-0.4%	<b>0.1%</b>	<b>0.2%</b>	-0.5%	-0.2%	<b>0.2%</b>	0.3%	<b>0.3%</b>	<b>0.0%</b>

Key :

- = operating margins have increased by more than 0.5% in the last 3 months
- = operating margins have increased by less than 0.5% in the last 3 months
- = operating margins have fallen by less than 0.5% in the last 3 months
- = operating margins have fallen by more than 0.5% in the last 3 months

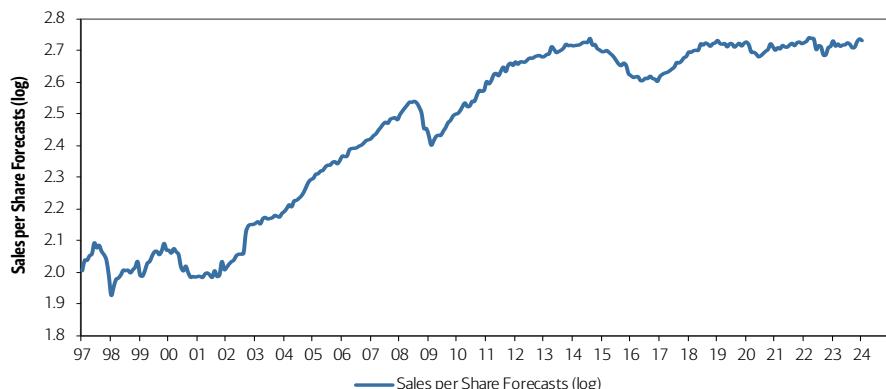
Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

# Sales Growth

## Chart 612: Asia Pac ex-Japan trend in Sales Forecasts

Sales per share in Asia has risen by 4.9% in last 3m

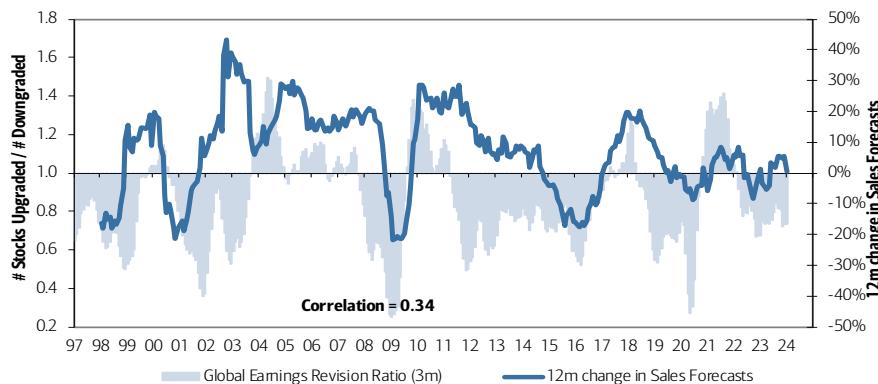


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 613: Twelve-month change in Sales Forecast and Earnings Revision Ratio

Sales growth forecasts in Asia have remained subdued over the last 12 months

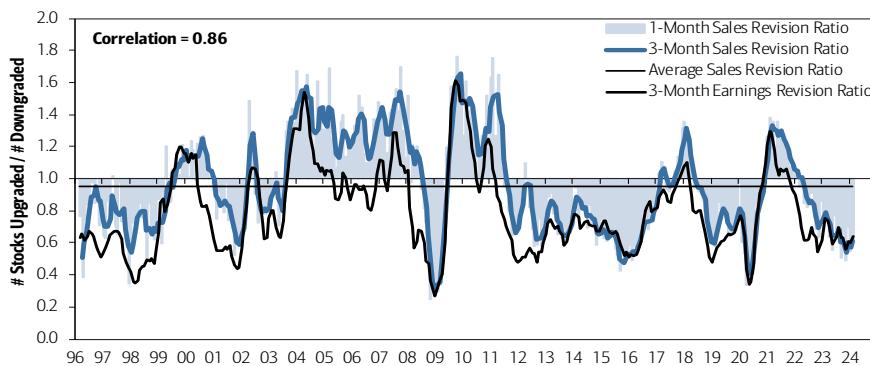


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 614: Sales Revision Ratio - Asia Pac ex-Japan

Sales revisions improved in Asia Pac ex-Japan last month but remains below long term average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



This table below shows the 3-month change in sales forecasts for each of 15 sectors in each of the 12 countries in Asia Pac ex-Japan

**Table 60: Asia Pac ex-Japan Sales Forecasts - change in the last three months**

100% of countries within Industrials had a rise in Sales forecasts in last 3m

	Banks	Cons. Discretionary	Cons. Staples	Div Financials	Energy	Health Care	Industrials	Insurance	Materials	Media & Ent.	Real Estate	Semiconductors	Software	Tech Hardware	Telecom	Utilities	Country
Australia	4.1%	5.9%	4.0%	-0.1%	1.7%	4.5%	3.0%	6.6%	3.2%	-	-38.7%	-	6.0%	-	4.5%	4.6%	2.5%
China	-4.0%	-4.6%	-3.5%	-3.6%	-5.5%	-12.1%	3.0%	-2.1%	2.8%	-	-5.0%	-12.6%	-5.5%	-2.3%	7.2%	-7.3%	-4.3%
Hong Kong	1.1%	2.5%	5.3%	1.6%	-	-	4.4%	1.2%	-	-	-6.5%	-	-	-	1.5%	-1.4%	-1.6%
India	5.1%	40.9%	2.7%	8.7%	-1.2%	3.0%	0.5%	2.3%	1.8%	-	-	-	2.5%	-	7.6%	-1.3%	5.4%
Indonesia	2.2%	-3.6%	-0.5%	-	-1.3%	0.7%	1.1%	-	10.3%	-	-	-	-	-	1.8%	-	1.9%
Japan	0.9%	7.9%	3.2%	9.8%	7.7%	6.1%	3.6%	5.9%	5.5%	-	2.0%	5.1%	5.8%	4.3%	5.2%	2.9%	5.1%
Korea	1.1%	3.4%	-5.7%	-3.4%	3.0%	-8.8%	1.3%	-16.5%	-3.7%	-	-	25.9%	2.9%	5.5%	-22.1%	5.7%	2.6%
New Zealand	-	-	-	-	-	2.5%	9.7%	-	-	-	-	-	-	-	8.1%	7.9%	4.5%
Philippines	1.5%	3.0%	1.7%	-	-	-	2.7%	-	-	-	3.0%	-	-	-	1.9%	0.0%	2.2%
Singapore	4.1%	7.6%	-0.1%	3.0%	-	-	4.0%	-	-	-	2.7%	-	-	-	2.6%	4.5%	1.9%
Taiwan	4.2%	3.1%	8.8%	2.9%	2.8%	-5.1%	7.9%	3.3%	1.9%	-	-	8.7%	-	4.3%	5.0%	-	5.5%
Thailand	2.6%	4.3%	1.5%	3.0%	1.3%	3.5%	1.0%	-	1.5%	-	-0.1%	-	-	8.5%	1.0%	-21.6%	2.3%
ASIA PAC	1.8%	-	6.3%	-	-3.7%	12.0%	8.9%	3.6%	10.6%	-	-	-	6.5%	6.2%	-	0.7%	4.9%

Key:

- = sales forecasts have increased by more than +1 Standard Deviation of 3 month change across country-sectors
- = sales forecasts have increased by less than +1 Standard Deviation of 3 month change across country-sectors
- = sales forecasts have fallen by less than +1 Standard Deviation of 3 month change across country-sectors
- = sales forecasts have fallen by more than +1 Standard Deviation of 3 month change across country-sectors

Source : BofA Global Quantitative Strategy, MSCI, IBES

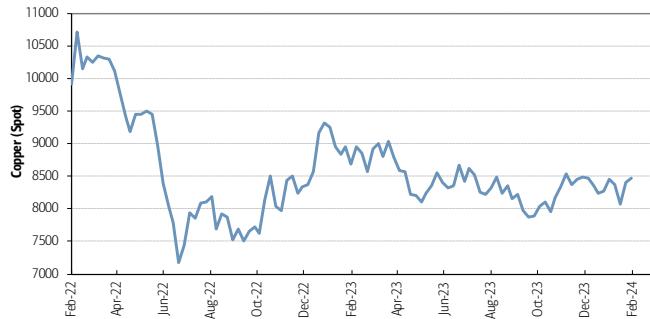
BofA GLOBAL RESEARCH

# Tactical View

## Short Term Momentum Indicators - as of 23 Feb 2024

**Chart 615: Copper (Spot), weekly last 2 years**

Copper price increased (+0.8%)



Source : BofA Asia Pac Quantitative Strategy, Bloomberg

BofA GLOBAL RESEARCH

**Chart 616: AUD-USD cross rate, weekly last 2 years**

AUD appreciated (+0.5%)

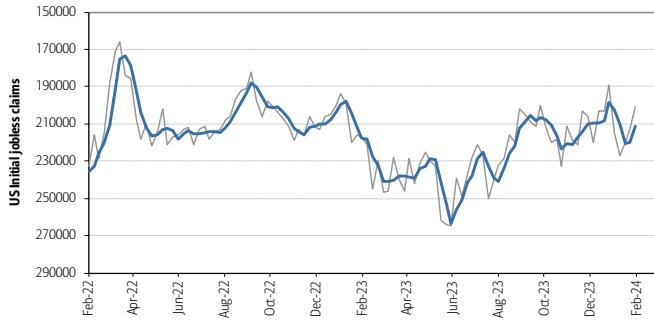


Source : BofA Asia Pac Quantitative Strategy, Bloomberg

BofA GLOBAL RESEARCH

**Chart 617: US Initial jobless claims, weekly last 2 years**

US initial jobless claims fell by -12,000 to 201,000

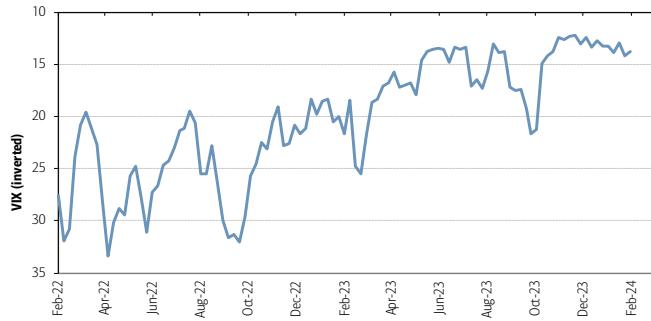


Source : BofA Asia Pac Quantitative Strategy, Bloomberg

BofA GLOBAL RESEARCH

**Chart 618: VIX, weekly last 2 years**

VIX moved from 14.2 to 13.8

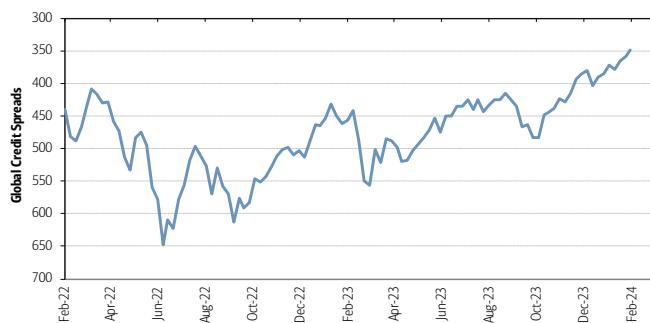


Source : BofA Asia Pac Quantitative Strategy, Bloomberg

BofA GLOBAL RESEARCH

**Chart 619: Global Credit Spreads, weekly 2 years**

Global credit spreads narrowed (-10 bps)

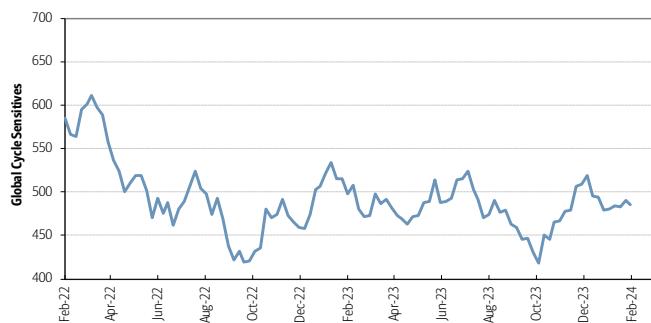


Source : BofA Asia Pac Quantitative Strategy, Bloomberg

BofA GLOBAL RESEARCH

**Chart 620: Global Cycle Sensitives, weekly returns 2 year**

Global Cycle Sensitives underperformed (-0.9%)



Source : BofA Asia Pac Quantitative Strategy, Bloomberg

BofA GLOBAL RESEARCH



## Cycle Sensitives

The Asia Pacific Cycle Sensitives are stocks that our analysis shows have tended to outperform as the cycle improves, and underperform as the cycle deteriorates. The back-testing for this analysis is from Jan-93 to Aug-05 and we introduced the current version of the analysis in Sep-05.

This analysis includes all stocks in the MSCI Asia Pacific ex-Japan Index as at each month-end with 1) market cap > US\$500m, 2) median daily turnover in the preceding 6 months > US\$1m, and 3) number of broker estimates is greater than two. We define cycle sensitivity as the regression coefficient from regressing 60 months of three-month price returns against the three-month change in the Global Earnings Revision Ratio. The Cycle Sensitives are the 30-stocks with the highest cycle sensitivity and the list is sector-neutralised (approximately) to the MSCI Asia Pac ex-Japan Index. The screens are determined at the end of each month using month-end data from MSCI.

The Cycle Sensitives acts as a stock screen and not as a recommended stock portfolio. The screens are not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

### Performance Calculation Methodology

Refer to appendix "[Cycle Sensitives Performance](#)" for detailed performance data and advance decline statistics.

Rebalancing and performance calculations are conducted each month, using data and closing prices corresponding to the market's close on the last business day of each month. Performance is computed on the basis of price return. The performance is presented relative to the market capitalization-weighted MSCI Asia Pacific ex-Japan Index.

The performance results do not reflect transaction costs, tax withholdings or any investment advisory fees. The quantitative factors followed here may differ from the MSCI Asia Pacific ex-Japan Index in that they are significantly less diversified, and, as such, the performance is more exposed to specific stock or sector results. Therefore investors following these factors may experience greater volatility in their returns.

The performance results of individuals following the factors presented here will differ from the performance contained in this report for a variety of reasons, including differences related to incurring transaction costs and/or investment advisory fees, as well as differences in the time and price that securities were acquired and disposed of, and differences in the weighting of such securities. The performance results of individuals following these factors will also differ based on differences in treatment of dividends received, including the amount received and whether and when such dividends were reinvested.

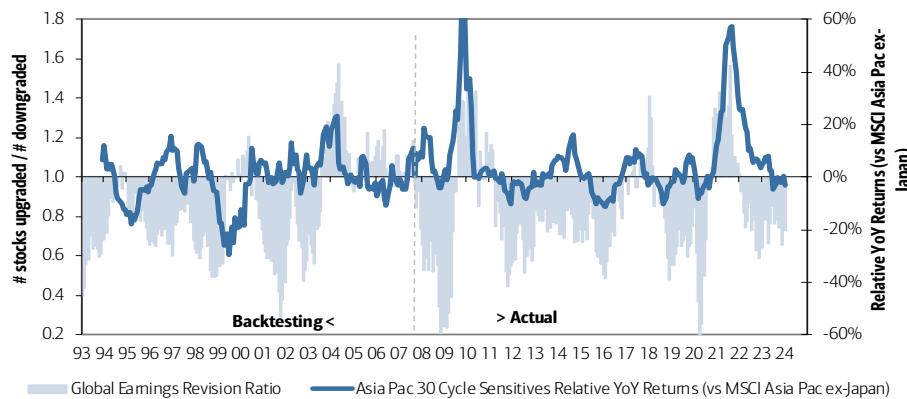
This report includes factors for informational or descriptive purposes, and inclusion here is not equivalent to a recommendation of the factor or portfolio.

Past performance is no guarantee of future results.

A complete performance record is available upon request.

## Chart 621: Asia Pac ex-Japan Cycle Sensitives versus Trends in Global Earnings Expectations

APxJ Cycle Sensitives have 59% correlation with earnings cycle



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

Back-tested results are from Jan-93 to Aug-05. Actual performance is from Sep-05. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

## Table 61: Asia Pac ex-Japan Cycle Sensitives

30-stocks sector-neutral screen of stocks with the highest price-sensitivity to changes in Global ERR

<b>Bloomberg</b>		<b>Country</b>	<b>Sector</b>	<b>Free Market Cap (US\$m)</b>	<b>Avg Daily TO (6m \$US mn)</b>
<b>Code</b>	<b>Company Name</b>				
SGPAU	Stockland	Australia	Real Estate	7,196	23.9
1211HK	BYD-H	China	Cons. Discretionary	23,258	217.1
2333HK	Great Wall Motor-H	China	Cons. Discretionary	2,281	32.4
DQ US	Daqo New Energy-ADR	China	Semiconductors	1,046	27.5
6865HK	Flat Glass-H	China	Semiconductors	644	10.4
3800HK	GCL Tech	China	Semiconductors	2,486	14.3
285HK	BYD Electronic	China	Tech Hardware	2,699	26.4
1810HK	Xiaomi Corp-B	China	Tech Hardware	24,173	175.7
3606HK	Fuyao Glass-H	Hong Kong	Cons. Discretionary	2,740	8.7
1585HK	Yadea Group	Hong Kong	Cons. Discretionary	1,674	9.3
AXSB IN	Axis Bank	India	Banks	29,324	115.5
ICICIBC IN	ICICI Bank	India	Banks	64,173	184.4
IDFCFB IN	IDFC First Bank	India	Banks	3,511	48.1
IIB IN	IndusInd Bank	India	Banks	5,311	61.8
SBIN IN	State Bank of India	India	Banks	13,767	118.1
TATACONS IN	Tata Consumer Product	India	Cons. Staples	7,697	17.4
CIFC IN	Cholamandalam Investr	India	Div Financials	5,985	27.0
APHS IN	Apollo Hospitals	India	Health Care	7,700	27.4
CGPOWER IN	CG Power	India	Industrials	3,447	12.9
APAT IN	APL Apollo Tubes	India	Materials	3,012	21.5
PSYS IN	Persistent Systems	India	Software	5,029	34.5
TCOM IN	Tata Comm.	India	Telecom	2,385	22.8
TPWR IN	Tata Power	India	Utilities	6,749	61.3
SE US	Sea-ADR	Singapore	Media & Ent	13,969	349.9
034020 KS	Doosan Enerbility	South Korea	Industrials	5,187	37.0
032830 KS	Samsung Life	South Korea	Insurance	4,154	11.1
009830 KS	Hanwha Solutions	South Korea	Materials	2,792	30.3
035900 KS	JYP Entertainment	South Korea	Media & Ent	1,602	42.0
BANPU TB	Banpu Public	Thailand	Energy	1,576	21.1
DELTA TB	Delta Electronics (Thai)	Thailand	Tech Hardware	6,922	38.9

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

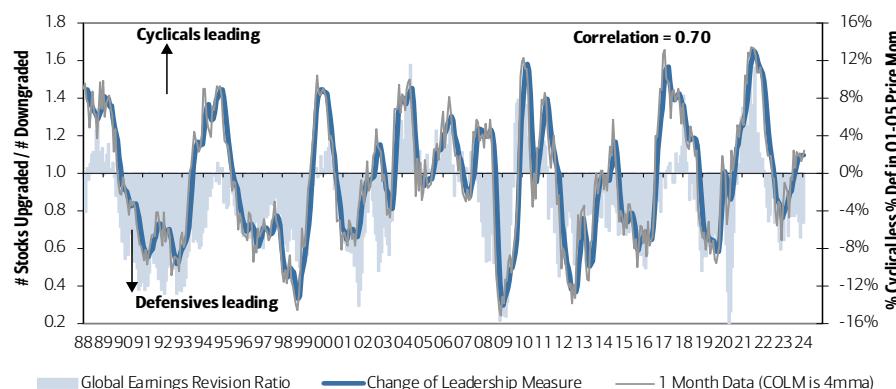


## Change of Leadership Measure

The Change of Leadership Measure captures whether cyclicals or defensive are leading performance. We first calculate the “top quintile by price momentum” as the top 20% of stocks in the MSCI AC World Index by price return over the last 12 months and the “bottom quintile by price momentum” as the bottom 20% of stocks by this measure. We calculate the proportion of stocks in the top quintile by price momentum that are from cyclical sectors (Energy, Materials, Industrials) less the proportion of stocks that are from defensives sectors (Consumer Staples, Utilities, Insurance). We then calculate the same for the bottom quintile by price momentum and take the difference between the results for the two quintiles. The Change of Leadership Measure is four-month-moving-average of this time series.

### Chart 622: Change of Leadership Measure and trends in global profit expectations

Change of Leadership Measure has a 70% correlation with trends in earnings cycle

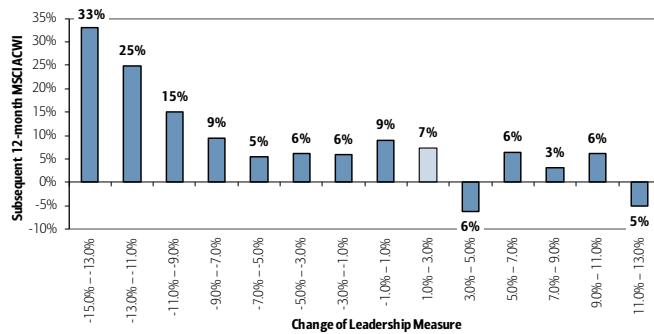


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

### Chart 623: Change of Leadership Measure & subsequent 12-month Performance of MSCI ACWI

For current level of COLM, MSCI ACWI averages 7.4% in the subsequent 12m

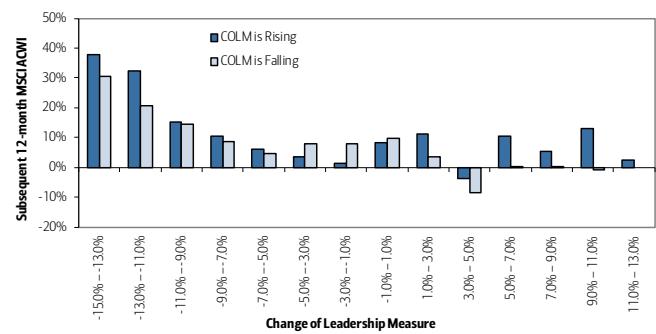


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

### Chart 624: Rising/Falling Change of Leadership Measure & subsequent 12-month Performance of MSCI ACWI

When COLM is at current level and rising, MSCI ACWI averages 11.4% in the subsequent 12m

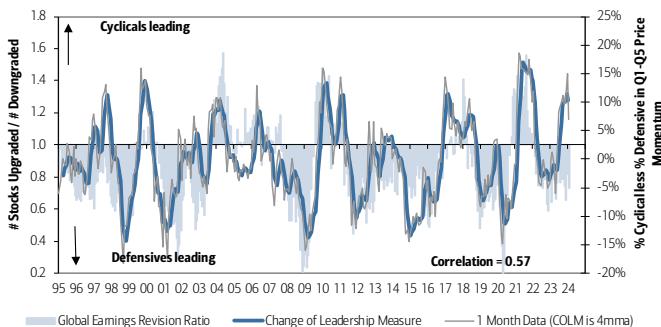


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

### Chart 625: USA Change of Leadership Measure and trends in global profit expectations

Cyclical sectors outperform on average during an improving earnings cycle

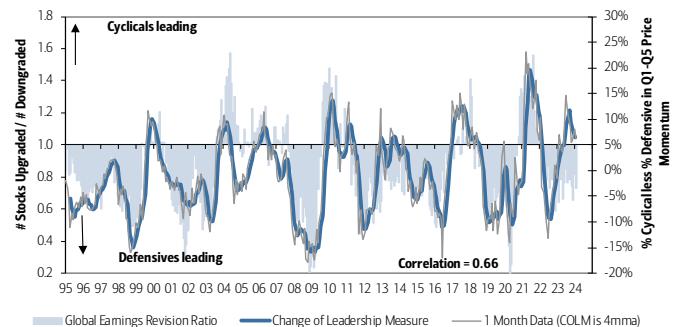


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

### Chart 626: Europe Change of Leadership Measure and trends in global profit expectations

Europe Change of Leadership Measure has a 66% correlation with trends in earnings cycle

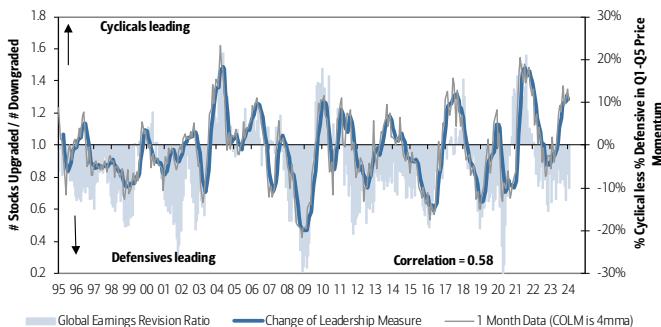


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

### Chart 627: Japan Change of Leadership Measure and trends in global profit expectations

Japan Change of Leadership Measure has a 58% correlation with trends in earnings cycle

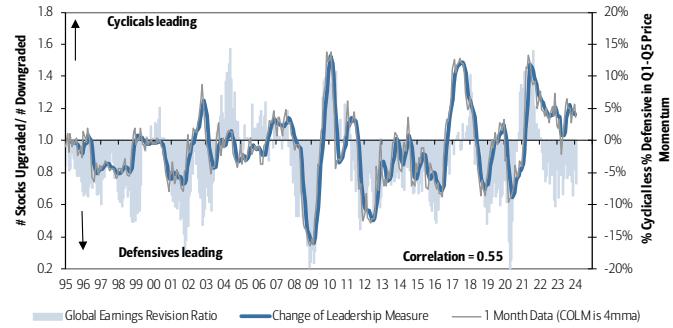


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

### Chart 628: Asia Pac ex-Japan Change of Leadership Measure and trends in global profit expectations

Cyclical sectors are leading performance in Asia Pac ex-Japan

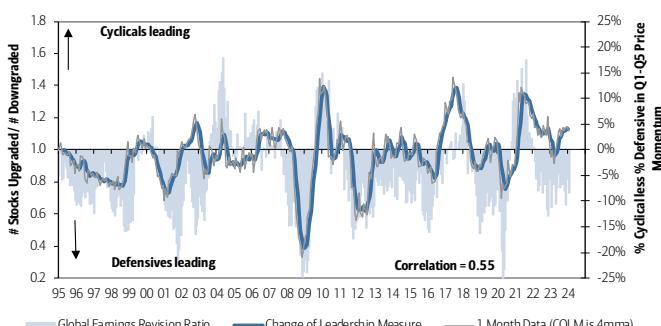


Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

### Chart 629: Emerging Markets Change of Leadership Measure and trends in global profit expectations

Cyclical sectors outperform, on average, when profits cycle is accelerating



Source : BofA Global Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH



# Interest Rate Sensitivity

## Construction Methodology

Our interest rate sensitivity analysis determines the extent to which share prices move as interest rates change. The back-testing in this analysis is from Jan-89 to May-04 and we introduced the current version of the analysis in Jun-04.

This analysis includes all stocks in the MSCI AC World Index as at each month-end. We define Interest Rates Sensitivity for each stock as the regression coefficient from regressing 60 months of monthly price returns against the 3-month change in the US ten-year bond yield. The screens are determined at the end of each month using month-end data from MSCI and Bloomberg databases. We divide all the stocks in the analysis into five quintiles by interest rate sensitivity. We name the top quintile "Bearish on Bonds" and the bottom quintile "Bullish on Bonds".

Interest Rate Sensitivity acts as a stock screen and not as a recommended stock portfolio. The screens are not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

### Performance Calculation Methodology

Refer to appendix "[Interest Rate Sensitivity Performance](#)" for detailed performance data and advance decline statistics.

Rebalancing and performance calculations are conducted each month, using data and closing prices corresponding to the market's close on the last business day of each month. Performance is computed on the basis of price return. The performance is presented relative to the market capitalization-weighted MSCI AC World Index.

The performance results do not reflect transaction costs, tax withholdings or any investment advisory fees. The quantitative factors followed here may differ from the MSCI AC World Index in that they are significantly less diversified, and, as such, the performance is more exposed to specific stock or sector results. Therefore investors following these factors may experience greater volatility in their returns.

The performance results of individuals following the factors presented here will differ from the performance contained in this report for a variety of reasons, including differences related to incurring transaction costs and/or investment advisory fees, as well as differences in the time and price that securities were acquired and disposed of, and differences in the weighting of such securities. The performance results of individuals following these factors will also differ based on differences in treatment of dividends received, including the amount received and whether and when such dividends were reinvested.

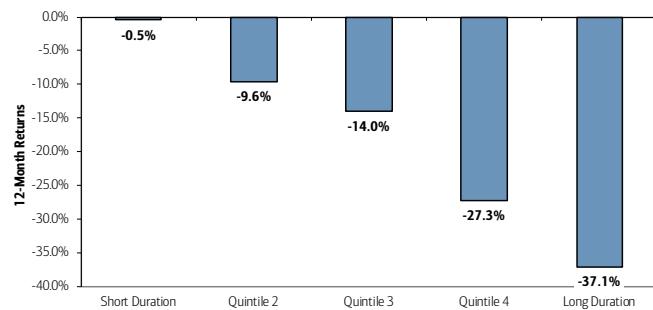
This report includes factors for informational or descriptive purposes, and inclusion here is not equivalent to a recommendation of the factor or portfolio.

Past performance is no guarantee of future results.

A complete performance record is available upon request.

### Chart 630: YoY Performance of Asia Pac ex-Japan Stocks by Interest Rate Sensitivity Quintile

Short Duration outperformed Long Duration in the last 12-months

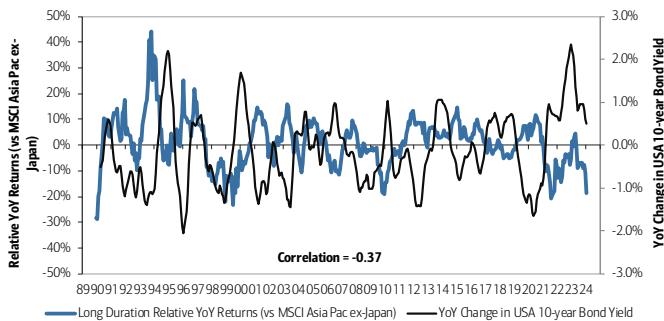


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 632: Long Duration stocks YoY Performance vs. YoY change in US Long Bond Yield

Short Duration outperforms on avg during rising bond yields

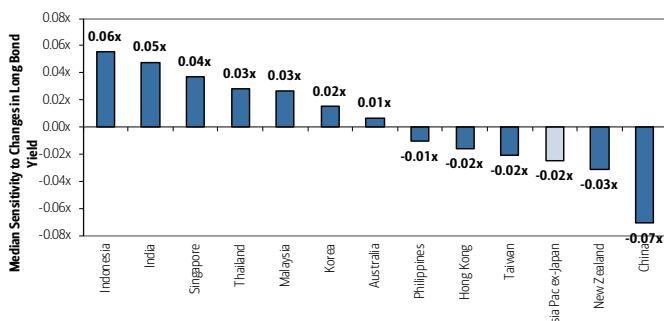


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 634: Share Price Sensitivity to Changes in the US Long Bond Yield by Asia Pac ex-Japan Country

China is most negatively sensitive to US Long Bond Yield

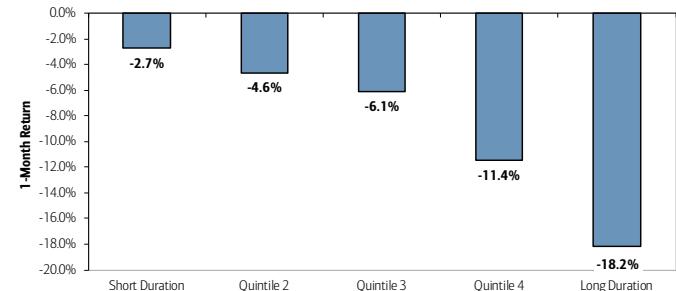


Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH

### Chart 631: Last Month's Performance of Asia Pac ex-Japan Stocks by Interest Rate Sensitivity Quintile

Short Duration outperformed Long Duration by 15.5% last month

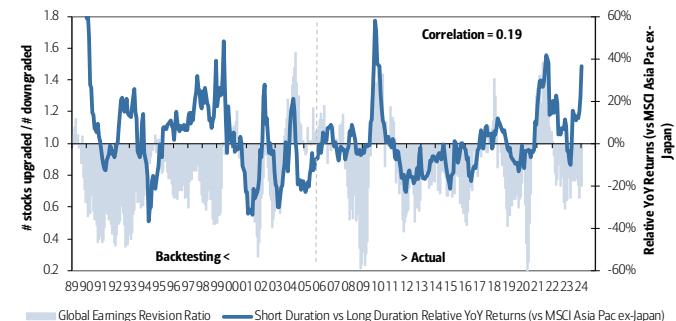


Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 633: YoY performance of Long and Short Duration stocks vs Global earnings expectations

Short Duration have outperformed by 36.6% in the last 12m



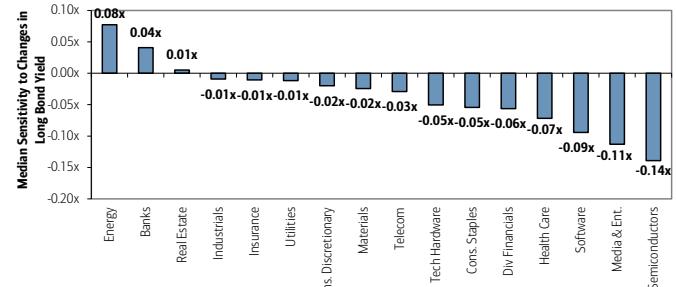
Source : BofA Global Quantitative Strategy, MSCI, IBES

Back-tested results are from Jan-89 to May-04. Actual performance is from Jun-04. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 635: Share Price Sensitivity to Changes in the US Long Bond Yield by Asia Pac ex-Japan Sector

Share Price Sensitivity to Changes in the US Long Bond Yield is highest in Energy



Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare, Bloomberg

BofA GLOBAL RESEARCH



## Twenty-Five Short Duration Stocks

These Twenty-Five Asia Pac ex-Japan Short Duration Stocks includes stocks with the highest sensitivity to changes in the US 10-year bond yields that meet the region and sector distribution of the MSCI Asia Pac ex-Japan Index (subject to rounding).

For a stock to be included in this screen it must be in the largest 75% of stocks of the MSCI Asia Pacific ex-Japan Index by market cap, the largest 75% by average daily turnover in the last 6 months and last 20 days, and it must have a minimum of three consensus earnings estimates.

**Table 62: Asia Pac ex-Japan Short Duration**

Benchmark-aware twenty five stocks screen with the highest sensitivity to changes in the US 10-year bond yields

Company Name	BBG Code	Country	Sector	MCAP (Total \$US m)
NAB	NAB AU	Australia	Banks	67,430
IDP Education	IEL AU	Australia	Cons. Discretionary	3,634
Cochlear	COH AU	Australia	Health Care	13,190
Pilbara Minerals	PLS AU	Australia	Materials	7,062
China Citic Bank-H	998 HK	China	Banks	7,368
East Buy	1797 HK	China	Cons. Discretionary	2,985
Tal Education-ADR	TAL US	China	Cons. Discretionary	5,208
China Mengniu	2319 HK	China	Cons. Staples	8,673
COSCO Shipping-H	1919 HK	China	Industrials	3,523
JOYY-ADR	YY US	China	Media & Ent.	1,400
AIA	1299 HK	Hong Kong	Insurance	89,498
IDFC First Bank	IDFCFB IN	India	Banks	7,166
TVS Motor	TVSL IN	India	Cons. Discretionary	11,450
Coal India	COAL IN	India	Energy	30,141
Tata Elxsi	TELX IN	India	Software	5,703
Bank Negara	BBNI IJ	Indonesia	Banks	13,591
DBS	DBS SP	Singapore	Banks	61,730
Hankook Tire & Tech	161390 KS	South Korea	Cons. Discretionary	4,761
Posco International	047050 KS	South Korea	Industrials	6,933
LG Display	034220 KS	South Korea	Tech Hardware	4,116
SinoPac Financial	2890 TT	Taiwan	Banks	7,592
ASE Tech	3711 TT	Taiwan	Semiconductors	19,016
Novatek Micro	3034 TT	Taiwan	Semiconductors	9,935
AUO Corp	2409 TT	Taiwan	Tech Hardware	4,526
Banpu Public	BANPU TB	Thailand	Energy	1,751

Source : BofA Asia Pac Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

## Twenty-Five Long Duration Stocks

These Twenty-Five Asia Pac ex-Japan Long Duration Stocks includes stocks with the lowest sensitivity to changes in the US 10-year bond yields that meet the region and sector distribution of the MSCI Asia Pac ex-Japan Index (subject to rounding).

For a stock to be included in this screen it must be in the largest 75% of stocks of the MSCI Asia Pacific ex-Japan Index by market cap, the largest 75% by average daily turnover in the last 6 months and last 20 days, and it must have a minimum of three consensus earnings estimates.

**Table 63: Asia Pac ex-Japan Long Duration**

Benchmark-aware twenty five stocks screen with the lowest sensitivity to changes in the US 10-year bond yields

Company Name	BBG Code	Country	Sector	MCAP (Total \$US m)
CBA	CBA AU	Australia	Banks	130,227
The Lottery	TLC AU	Australia	Cons. Discretionary	7,445
CSL	CSL AU	Australia	Health Care	96,342
Northern Star Res.	NST AU	Australia	Materials	9,990
China Merchants Bank-H	3968 HK	China	Banks	16,767
Li Auto	2015 HK	China	Cons. Discretionary	23,949
Li Ning	2331 HK	China	Cons. Discretionary	5,598
Ping An Health	1833 HK	China	Cons. Staples	1,600
Weichai Power-H	2338 HK	China	Industrials	3,430
Bilibili-Class Z	9626 HK	China	Media & Ent.	2,867
AIA	1299 HK	Hong Kong	Insurance	89,498
Kotak Mahindra	KMB IN	India	Banks	43,684
Sona Blw Precision Forgings	SONACOMS IN	India	Cons. Discretionary	4,358
Hindustan Petroleum	HPCL IN	India	Energy	7,913
WIPRO	WPRO IN	India	Software	30,067
Bank Central Asia	BBCA IJ	Indonesia	Banks	74,606
UOB	UOB SP	Singapore	Banks	35,791
Kia	000270 KS	South Korea	Cons. Discretionary	30,997
Ecopro BM	247540 KS	South Korea	Industrials	15,645
SEMCO	009150 KS	South Korea	Tech Hardware	7,813
Taishin Financial	2887 TT	Taiwan	Banks	6,837
Parade Technolog	4966 TT	Taiwan	Semiconductors	2,891
Silergy Corp	6415 TT	Taiwan	Semiconductors	4,723
Unimicron Tech	3037 TT	Taiwan	Tech Hardware	8,576
PTT	PTT TB	Thailand	Energy	27,172

Source : BofA Asia Pac Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH



# FX Sensitivity

## Construction Methodology

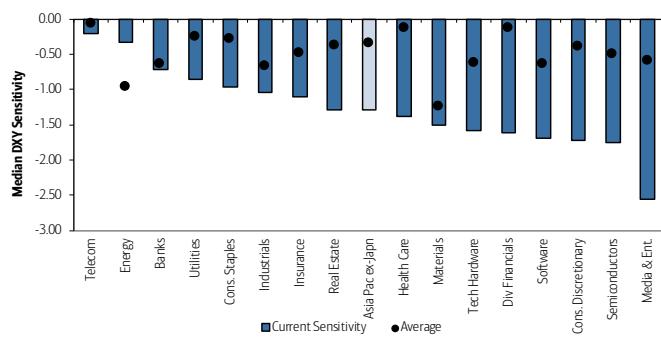
Our USD sensitivity analysis determines the extent to which share prices move as USD change. The back-testing in this analysis is from Jan-93 to Oct-10 and we introduced the current version of the analysis in Nov-10.

This analysis includes all stocks in the MSCI Asia Pacific ex-Japan Index as at each month-end. We define USD Sensitivity for each stock as the regression coefficient from regressing 60 months of monthly price returns against the 3-month change in the DXY Index. The screens are determined at the end of each month using month-end data from MSCI and Bloomberg databases. We divide all the stocks in the analysis into five quintiles by USD sensitivity. We name the top quintile "Positive Sensitivity" and the bottom quintile "Negative Sensitivity".

USD Sensitivity acts as a stock screen and not as a recommended stock portfolio. The screens are not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

**Chart 636: Median Sensitivity to DXY: Asia Pac ex Japan Sectors**

Media & Entertainment and Semiconductors sectors are the most negatively sensitive to DXY

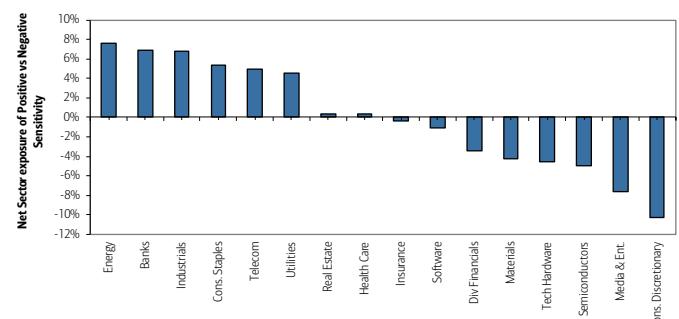


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Chart 637: Net Exposure of Positive vs Negative DXY Sensitivity: Asia Pac ex-Japan Sectors**

Energy and Banks sectors have the most stocks with positive sensitivity to DXY

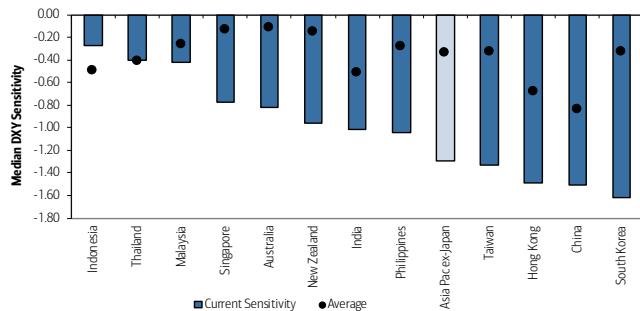


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 638: Median Sensitivity to DXY: Asia Pac ex Japan Countries

China, Korea and Hong Kong are the most negatively sensitive to DXY

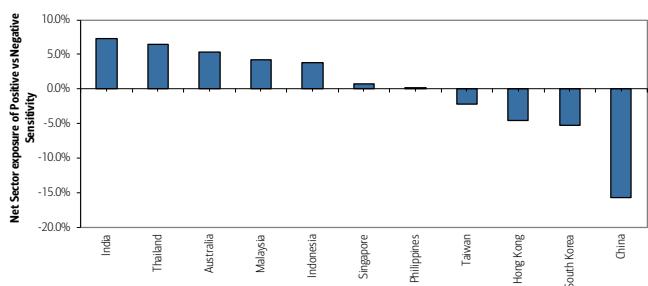


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 639: Net Exposure of Positive vs Negative DXY Sensitivity: Asia Pac ex-Japan Countries

India and Australia have the most stocks with positive sensitivity to DXY

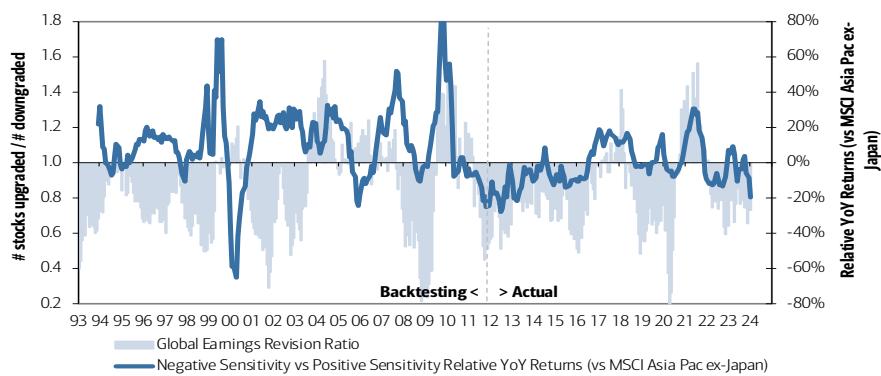


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 640: Negative vs Positive DXY Sensitivity YoY performance vs trends in earnings expectations

Negative vs Positive DXY Sensitivity YoY performance has a 21% correlation with trends in earnings



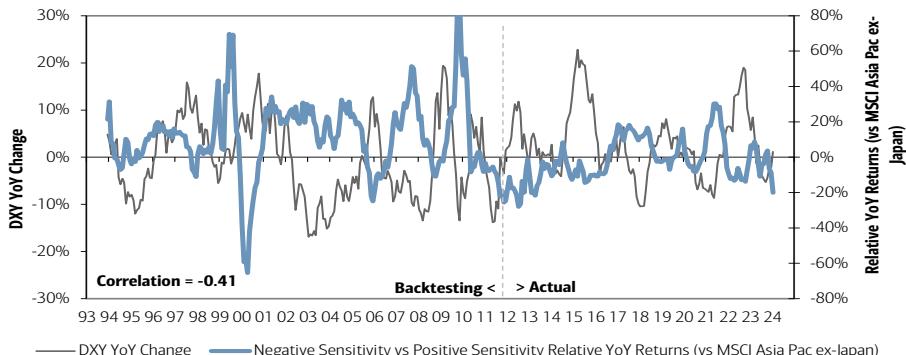
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

Back-tested results are from Jan-93 to Oct-10. Actual performance is from Nov-10. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 641: Negative vs Positive DXY Sensitivity YoY performance vs DXY YoY Change

Negatively sensitive stocks underperform positively sensitive stocks when the USD is strengthening



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

Back-tested results are from Jan-93 to Oct-10. Actual performance is from Nov-10. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH



**Table 64: Asia Pac ex-Japan Stocks with Positive Sensitivity to DXY**

40-stocks APxJ screen with positive USD sensitivity (DXY)

Bloomberg	Company Name	Country	Sector
ADANI IN	Adani Power	India	Utilities
AMRT IJ	Sumber Alfaria	Indonesia	Cons. Staples
1138 HK	COSCO Shipping Energy-H	China	Energy
ADRO IJ	Adaro Energy Indonesia	Indonesia	Energy
1171 HK	Yanzhou Energy-H	China	Energy
BH TB	Bumrungrad Hospital	Thailand	Health Care
001570 KS	Kum Yang	South Korea	Materials
900948 CH	Inner Mongolia Yitai	China	Energy
JCNC SP	Jardine C&C	Singapore	Industrials
8069 TT	E Ink	Taiwan	Tech Hardware
DMART IN	Avenue Supermarts	India	Cons. Staples
COAL IN	Coal India	India	Energy
010130 KS	Korea Zinc	South Korea	Materials
TLKM IJ	Telkom Indonesia Persero	Indonesia	Telecom
047810 KS	Korea Aerospace	South Korea	Industrials
2328 HK	PICC-H	China	Insurance
IGO AU	IGO	Australia	Materials
UNVR IJ	Unilever Indonesia	Indonesia	Cons. Staples
ITC IN	ITC	India	Cons. Staples
1898 HK	China Coal-H	China	Energy
PAG IN	Page Industries	India	Cons. Discretionary
PIDI IN	Pidilite Indus	India	Materials
KTB TB	Krung Thai	Thailand	Banks
ACEM IN	Ambuja Cements	India	Materials
GAM MK	Gamuda	Malaysia	Industrials
4904 TT	Far EasTone	Taiwan	Telecom
AOT TB	Airports of Thai	Thailand	Industrials
IH IN	Indian Hotels	India	Cons. Discretionary
UNTR IJ	United Tractors	Indonesia	Energy
GULF TB	Gulf Energy Dev	Thailand	Utilities
TWE AU	Treasury Wine (TWE)	Australia	Cons. Staples
IAG AU	IAG	Australia	Insurance
HUVR IN	Hindustan Unilever	India	Cons. Staples
030200 KS	KT Corp	South Korea	Telecom
BDMS TB	Bangkok Dusit	Thailand	Health Care
2834 TT	Taiwan Business Bank	Taiwan	Banks
AMM MK	AMMB	Malaysia	Banks
WDS AU	Woodside	Australia	Energy
NTPC IN	NTPC	India	Utilities
2474 TT	Catcher Tech	Taiwan	Tech Hardware

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Table 65: Asia Pac ex-Japan Stocks with Negative Sensitivity to DXY**

40-stocks APxJ screen with negative USD sensitivity (DXY)

Bloomberg	Company Name	Country	Sector
2333 HK	Great Wall Motor-H	China	Cons. Discretionary
PDD US	PDD Hldgs	China	Cons. Discretionary
2313 HK	Shenzhou Intl	China	Cons. Discretionary
VIPS US	Vipshop-ADR	China	Cons. Discretionary
1919 HK	COSCO Shipping-H	China	Industrials
3808 HK	Sinotruk Hong Kong	China	Industrials
6060 HK	ZhongAn Insurance-H	China	Insurance
2600 HK	CHALCO-H	China	Materials
3993 HK	CMOC-H	China	Materials
1772 HK	Ganfeng Lithium-H	China	Materials
2899 HK	Zijin Mining-H	China	Materials
772 HK	China Literature	China	Media & Ent.
136 HK	China Ruyi	China	Media & Ent.
6098 HK	Country Garden Serv	China	Real Estate
960 HK	Longfor	China	Real Estate
6865 HK	Flat Glass-H	China	Semiconductors
3800 HK	GCL Tech	China	Semiconductors
2018 HK	AAC Tech	China	Tech Hardware
1810 HK	Xiaomi Corp-B	China	Tech Hardware
1585 HK	Yadea Group	Hong Kong	Cons. Discretionary
241 HK	Alibaba Health	Hong Kong	Cons. Staples
868 HK	Xinyi Glass	Hong Kong	Industrials
1347 HK	Hua Hong	Hong Kong	Semiconductors
968 HK	Xinyi Solar	Hong Kong	Semiconductors
CGPOWER IN	CG Power	India	Industrials
PSYS IN	Persistent Systems	India	Software
SE US	Sea-ADR	Singapore	Media & Ent.
068760 KS	Celltrion Pharm	South Korea	Health Care
034020 KS	Doosan Enerbility	South Korea	Industrials
011200 KS	HMM	South Korea	Industrials
035720 KS	Kakao	South Korea	Media & Ent.
251270 KS	Netmarble	South Korea	Media & Ent.
042700 KS	Hanmi Semiconductor	South Korea	Semiconductors
2603 TT	Evergreen Marine	Taiwan	Industrials
2609 TT	Yang Ming	Taiwan	Industrials
6488 TT	Globalwafers	Taiwan	Semiconductors
3034 TT	Novatek Micro	Taiwan	Semiconductors
4966 TT	Parade Technolog	Taiwan	Semiconductors
6415 TT	Silergy Corp	Taiwan	Semiconductors
DELTA TB	Delta Electronics (Thai)	Thailand	Tech Hardware

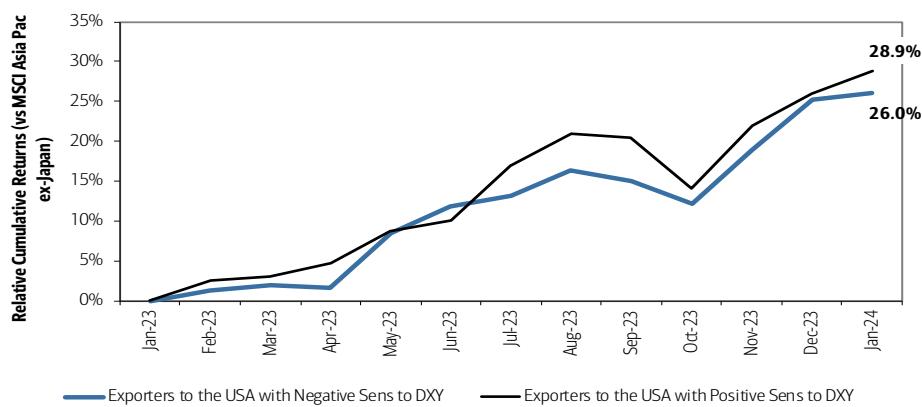
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



### Chart 642: Performance: APxJ stocks with revenue exposure to the US with sensitivity to DXY

Exporters to the USA have outperformed significantly in the last 12m



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Table 66: Asia Pac ex-Japan stocks with revenue exposure to the US and positive sensitivity to DXY

Screen of Asia Pac ex-Japan stocks with revenue exposure to the US and positive sensitivity to USD (DXY)

Company Name	BBG Code	Country	Sector	MCAP (Total \$US m)	Avg Daily TO (6m \$US m)	Revenue Exposure	Sensitivity to DXY
Tong Yang	1319 TT	Taiwan	Cons. Discretionary	1,612	22.3	40%	1.3
Kum Yang	001570 KS	South Korea	Materials	3,397	88.6	12%	1.2
Incitec	IPL AU	Australia	Materials	3,454	14.2	26%	0.7
Indian Hotels	IH IN	India	Cons. Discretionary	8,426	15.6	11%	0.4
Treasury Wine (TWE)	TWE AU	Australia	Cons. Staples	5,683	28.0	38%	0.3
Bora Pharmaceuticals	6472 TT	Taiwan	Health Care	2,181	46.1	62%	0.3
Legend Biotech-ADR	LEGN US	China	Health Care	10,037	48.1	100%	0.3
Thai Union Group	TU TB	Thailand	Cons. Staples	1,994	8.1	43%	0.2
Altium	ALU AU	Australia	Software	4,331	11.1	58%	0.1
Wistron NeWeb Corp	6285 TT	Taiwan	Tech Hardware	2,204	49.4	63%	0.1
Computershare	CPU AU	Australia	Industrials	10,133	29.1	64%	0.1
Brambles	BXB AU	Australia	Industrials	13,448	35.9	55%	0.0
WiseTech	WTC AU	Australia	Software	16,082	36.2	31%	0.0

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Table 67: Asia Pac ex-Japan stocks with revenue exposure to UK and positive sensitivity to GBP**

Screen of Asia Pac ex-Japan stocks with revenue exposure to UK and positive sensitivity to GBP

Symbol	Company Name	BBG Code	Country	Sector	MCAP (Total \$US m)	Avg Daily TO (6m \$US m)	Revenue Exposure	Sensitivity to GBP
643532	Power Assets	6 HK	Hong Kong	Utilities	12,486	12.2	43%	1.0
BYZQ07	CK Asset	1113 HK	Hong Kong	Real Estate	16,012	19.0	37%	0.6
B6WTLK	Seera	SEERA AB	Saudi Arabia	Cons. Discretionary	2,368	8.3	36%	1.5
B194GX	WNS Holdings-ADR	WNS US	India	Industrials	3,295	13.4	29%	0.7
B8P4LP	Xero	XRO AU	New Zealand	Software	11,093	30.0	26%	1.4
673973	Sandfire Resources	SFR AU	Australia	Materials	2,205	7.9	23%	1.8
B28YTC	Macquarie Group	MQG AU	Australia	Div Financials	48,656	90.9	20%	0.8
B01GQS	YTL Power	YTLP MK	Malaysia	Utilities	7,089	15.8	20%	1.0
BYVS6J	CK Infra	1038 HK	Hong Kong	Utilities	14,971	7.4	18%	1.2
674480	International Games System C	3293 TT	Taiwan	Media & Ent.	3,736	14.7	17%	0.8
643612	YTL Corp	YTL MK	Malaysia	Utilities	5,453	12.2	16%	0.7
B01NPJ	TCS	TCS IN	India	Software	168,137	90.0	15%	0.6
B08X16	Sembcorp Ind	SCI SP	Singapore	Utilities	7,584	19.7	15%	1.0
619792	City Devs	CIT SP	Singapore	Real Estate	4,157	8.5	15%	0.0
BD1DM7	Reliance Worldwide	RWC AU	Australia	Industrials	2,215	9.2	14%	1.9
620605	WIPRO	WPRO IN	India	Software	30,067	37.5	12%	1.6
BYYFHZ	Frasers Logistics	FLT SP	Singapore	Real Estate	3,138	7.6	12%	0.8
618041	Computershare	CPU AU	Australia	Industrials	10,133	29.1	11%	0.2
626735	HK Exchange	388 HK	Hong Kong	Div Financials	38,373	160.4	11%	1.9
656387	CapitaLand Ascendas REIT	CLAR SP	Singapore	Real Estate	9,594	26.2	11%	0.2

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

**Table 68: Asia Pac ex-Japan stocks with revenue exposure to Europe and positive sensitivity to Euro**

Screen of Asia Pac ex-Japan stocks with revenue exposure to Europe and positive sensitivity to Euro

<b>Company Name</b>	<b>BBG Code</b>	<b>Country</b>	<b>Sector</b>	<b>MCAP (Total \$US m)</b>	<b>Avg Daily TO (6m \$US m)</b>	<b>Revenue Exposure</b>	<b>Sensitivity to Euro</b>
Flexium Interconnect	6269 TT	Taiwan	Tech Hardware	880	29.7	86%	0.5
Minor Intl	MINT TB	Thailand	Cons. Discretionary	4,811	12.4	57%	1.5
CK Hutchison	1 HK	Hong Kong	Industrials	19,794	23.5	56%	1.2
Shenyang Blue Silver Indus-A	300293 CH	China	Industrials	518	23.4	51%	2.3
Aerospace Hi-Tech-A	000901 CH	China	Cons. Discretionary	847	10.1	50%	1.2
KCE Electronics	KCE TB	Thailand	Tech Hardware	1,483	15.0	48%	3.2
Goodman Group	GMG AU	Australia	Real Estate	32,140	67.7	47%	1.5
Ennocom	6414 TT	Taiwan	Tech Hardware	1,104	10.4	46%	1.8
Cs Wind	112610 KS	South Korea	Industrials	1,804	15.5	46%	4.8
Balkrishna Indus	BIL IN	India	Cons. Discretionary	5,713	8.5	46%	1.1
Pegatron Corp	4938 TT	Taiwan	Tech Hardware	7,040	17.9	44%	0.8
Yang Ming	2609 TT	Taiwan	Industrials	5,339	72.3	44%	3.2
Power Assets	6 HK	Hong Kong	Utilities	12,486	12.2	43%	0.9
Samsung SDI	006400 KS	South Korea	Tech Hardware	19,192	107.1	42%	1.4
Intellian Technologies	189300 KS	South Korea	Tech Hardware	444	6.2	41%	2.2
Divi's Labs	DIVI IN	India	Health Care	11,734	19.8	41%	0.9
Sandfire Resources	SFR AU	Australia	Materials	2,205	7.9	40%	2.7
Hankook Tire & Tech	161390 KS	South Korea	Cons. Discretionary	4,761	8.5	39%	1.7
WiseTech	WTC AU	Australia	Software	16,082	36.2	39%	0.6
Yealink Network-A	300628 CH	China	Tech Hardware	4,290	17.2	39%	0.2
Arcadyan Technol	3596 TT	Taiwan	Tech Hardware	1,218	14.5	38%	0.7
CK Asset	1113 HK	Hong Kong	Real Estate	16,012	19.0	37%	0.4
Worley	WORAU	Australia	Industrials	5,160	16.0	37%	0.8
Seera	SEERA AB	Saudi Arabia	Cons. Discretionary	2,368	8.3	37%	1.1
Nanjing Huadong Elec-A	000727 CH	China	Tech Hardware	1,426	24.2	37%	1.9
Frasers Logistics	FLT SP	Singapore	Real Estate	3,138	7.6	36%	1.4
Tata Elxsi	TELX IN	India	Software	5,703	13.2	36%	1.3
Brambles	BXB AU	Australia	Industrials	13,448	35.9	36%	0.2
Bharat Forge	BHFC IN	India	Cons. Discretionary	6,925	15.4	36%	1.8
WNS Holdings-ADR	WNS US	India	Industrials	3,295	13.4	36%	1.1
Bluestar Adisseo-A	600299 CH	China	Materials	2,794	13.2	36%	0.8
Sonic Healthcare	SHL AU	Australia	Health Care	10,041	27.0	35%	0.8
Cromwell Property	CMWAU	Australia	Real Estate	718	8.1	33%	0.6
Hon Hai	2317 TT	Taiwan	Tech Hardware	45,399	93.1	33%	0.6
Cochlear	COH AU	Australia	Health Care	13,190	29.2	33%	0.9
Shenzhen Fenda Tech-A	002681 CH	China	Cons. Discretionary	1,018	17.7	32%	2.6
Giant Manufacturing	9921 TT	Taiwan	Cons. Discretionary	2,236	10.1	32%	0.8
Ja Solar Tech-A	002459 CH	China	Semiconductors	7,855	152.9	31%	1.8
Domino's Pizza (AU)	DMP AU	Australia	Cons. Discretionary	2,354	12.9	31%	1.3
Sai Microelectronics-A	300456 CH	China	Tech Hardware	1,454	66.8	31%	1.7
Harvey Norman	HVN AU	Australia	Cons. Discretionary	3,641	8.1	31%	1.7
TCS	TCS IN	India	Software	168,137	90.0	30%	0.9
Bora Pharmaceuticals	6472 TT	Taiwan	Health Care	2,181	46.1	30%	0.3
POSCO Future M	003670 KS	South Korea	Industrials	14,713	189.8	30%	2.5
Gigabyte Tech	2376 TT	Taiwan	Tech Hardware	6,276	221.0	30%	2.1
Wisdom Marine	2637 TT	Taiwan	Industrials	1,223	11.5	29%	0.8
WIPRO	WPRO IN	India	Software	30,067	37.5	29%	1.9
Apollo Tyres	APTY IN	India	Cons. Discretionary	4,134	14.9	28%	0.9
Altium	ALU AU	Australia	Software	4,331	11.1	28%	0.1
Prada S.p.A.	1913 HK	Hong Kong	Cons. Discretionary	15,892	5.9	28%	2.7
Aurobindo Pharma	ARBP IN	India	Health Care	8,117	25.0	28%	1.1
HMM	011200 KS	South Korea	Industrials	7,068	43.6	28%	2.4
COSCO Shipping-H	1919 HK	China	Industrials	3,523	19.8	27%	3.2
Formosa Laborato	4746 TT	Taiwan	Health Care	432	11.4	27%	1.8
Acer	2353 TT	Taiwan	Tech Hardware	4,484	55.2	27%	2.1

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



**Table 69: Asia Pac ex-Japan stocks with revenue exposure to Europe and positive sensitivity to Euro (cont.)**

Screen of Asia Pac ex-Japan stocks with revenue exposure to Europe and positive sensitivity to Euro

Company Name	BBG Code	Country	Sector	MCAP (Total \$US m)	Avg Daily TO (6m \$US m)	Revenue Exposure	Sensitivity to Euro
Xero	XRO AU	New Zealand	Software	11,093	30.0	26%	1.7
HCL Technologies	HCLT IN	India	Software	51,382	41.8	26%	1.2
Thai Union Group	TUTB	Thailand	Cons. Staples	1,994	8.1	26%	0.2
CK Infra	1038 HK	Hong Kong	Utilities	14,971	7.4	26%	1.0
Hang Zhou Great Star-A	002444 CH	China	Cons. Discretionary	3,122	28.1	26%	2.9
Infosys	INFO IN	India	Software	83,009	107.1	26%	1.4
Hyundai Construction	267270 KS	South Korea	Industrials	753	8.1	25%	2.1
Macquarie Group	MQG AU	Australia	Div Financials	48,656	90.9	25%	0.8
Samvardhana Motherson	MOTHERSO IN	India	Cons. Discretionary	9,241	16.7	25%	2.6
Tech Mahindra	TECHM IN	India	Software	15,666	34.9	25%	1.6
Lenovo	992 HK	China	Tech Hardware	12,675	59.3	25%	2.4
Asrock	3515 TT	Taiwan	Tech Hardware	900	13.1	24%	2.9
Kia	000270 KS	South Korea	Cons. Discretionary	30,997	73.4	24%	2.4
Keppel DC REIT	KDCREIT SP	Singapore	Real Estate	2,177	9.0	24%	1.4
Jinkosolar-ADR	JKS US	China	Semiconductors	1,353	31.9	24%	3.3
Samsonite	1910 HK	Hong Kong	Cons. Discretionary	4,043	18.4	23%	1.2
HBIS Resources-A	000923 CH	China	Materials	1,410	18.5	23%	2.9
Micro-Star Intl	2377 TT	Taiwan	Tech Hardware	4,913	30.0	23%	1.7
SABIC	SABIC AB	Saudi Arabia	Materials	62,318	32.8	23%	1.3
Iluka	ILU AU	Australia	Materials	2,042	13.7	22%	1.5
Shenzhou Intl	2313 HK	China	Cons. Discretionary	13,413	34.8	22%	4.2
LG Chem	051910 KS	South Korea	Materials	22,982	102.2	22%	2.4
Taiwan Semiconductor	5425 TT	Taiwan	Semiconductors	678	6.5	22%	0.5
CMOC-H	3993 HK	China	Materials	2,154	9.3	22%	3.9
Wistron	3231 TT	Taiwan	Tech Hardware	10,608	347.5	21%	2.0
Yageo Corp	2327 TT	Taiwan	Tech Hardware	7,463	34.2	21%	2.2
Nanjing Xinjiekou-A	600682 CH	China	Health Care	1,136	6.2	21%	1.0
Sunonwealth Elec	2421 TT	Taiwan	Industrials	1,014	46.5	21%	1.9
Zhejiang Cfmoto Power-A	603129 CH	China	Cons. Discretionary	1,967	17.5	21%	3.2
Sercomm	5388 TT	Taiwan	Tech Hardware	1,116	14.8	20%	0.0
YTL Power	YTLP MK	Malaysia	Utilities	7,089	15.8	20%	1.0

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



# Oil Price Sensitivity

## Construction Methodology

Our Oil Price Sensitivity analysis determines the extent to which share prices move as the Oil Price moves. The back-testing in this analysis is from Jan-98 to Sep-08 and we introduced the current version of the analysis in Oct-08.

This analysis includes all stocks in Materials, Energy, and Industrials sectors of the MSCI AC World Index as at each month-end. We define Oil Price Sensitivity for each stock as the regression coefficient from regressing 60 months of monthly price returns against the 3-month change in the Oil Price – Brent Crude. The screens are determined at the end of each month using month-end data from MSCI and Bloomberg databases.

Positive Oil Price Sensitivity includes the 15 stocks with the highest sensitivity while Negative Oil Price Sensitivity includes the 15 stocks with the lowest sensitivity.

Oil Price Sensitivity acts as a stock screen and not as a recommended stock portfolio. The screens are not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

## Performance Calculation Methodology

Refer to appendix "[Oil Price Sensitivity Performance](#)" for detailed performance data and advance decline statistics.

Rebalancing and performance calculations are conducted each month, using data and closing prices corresponding to the market's close on the last business day of each month. Performance is computed on the basis of price return. The performance is presented relative to the market capitalization-weighted MSCI AC World Index.

The performance results do not reflect transaction costs, tax withholdings or any investment advisory fees. The quantitative factors followed here may differ from the MSCI AC World Index in that they are significantly less diversified, and, as such, the performance is more exposed to specific stock or sector results. Therefore investors following these factors may experience greater volatility in their returns.

The performance results of individuals following the factors presented here will differ from the performance contained in this report for a variety of reasons, including differences related to incurring transaction costs and/or investment advisory fees, as well as differences in the time and price that securities were acquired and disposed of, and differences in the weighting of such securities. The performance results of individuals following these factors will also differ based on differences in treatment of dividends received, including the amount received and whether and when such dividends were reinvested.

This report includes factors for informational or descriptive purposes, and inclusion here is not equivalent to a recommendation of the factor or portfolio.

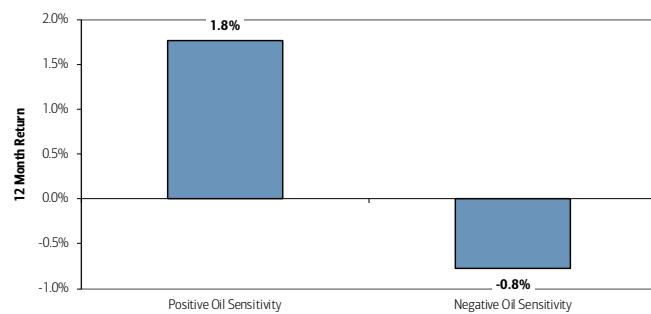
Past performance is no guarantee of future results.

A complete performance record is available upon request.



### Chart 643: 12-month Performance of Asia Pac ex-Japan Stocks by Oil Price Sensitivity

Positive Oil Price Sensitivity stocks have outperformed by +2.6% YoY

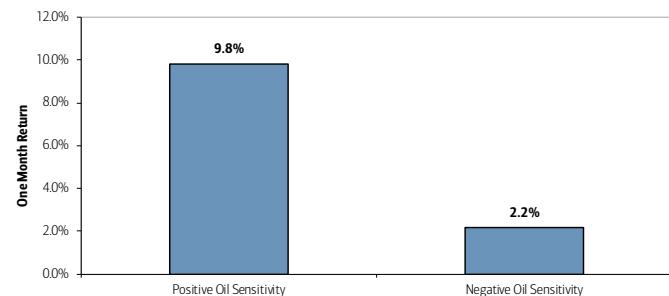


Source : BofA Asia Pac Quantitative Strategy , MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 644: Last Month's Performance of Asia Pac ex-Japan Stocks by Oil Price Sensitivity

Positive Oil Price Sensitivity stocks have outperformed by 7.6% last month

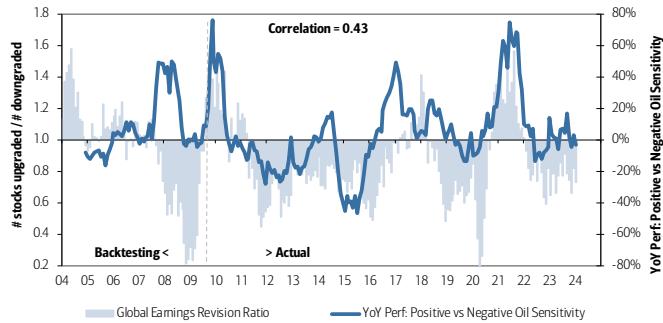


Source : BofA Asia Pac Quantitative Strategy , MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 645: YoY perf of Positive vs Negative Oil Price Sensitivity

Positive Oil Price Sensitivity stocks outperform during rising earnings cycle



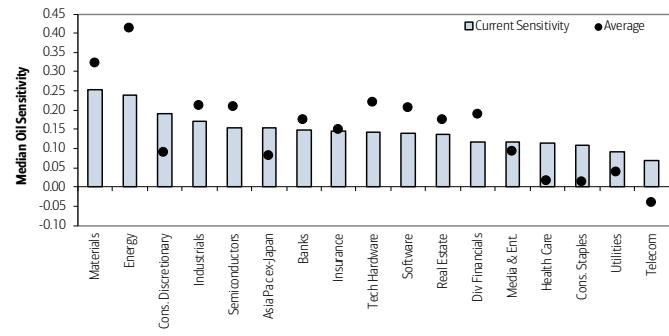
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

Back-tested results are from Jan-98 to Sep-08. Actual performance is from Oct-08. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 646: Median Oil price sensitivity: Asia Pac ex Japan Sectors

Median Oil price sensitivity is highest in Materials and Energy



Source : BofA Asia Pac Quantitative Strategy , MSCI, IBES

BofA GLOBAL RESEARCH

**Table 70: Asia Pac ex-Japan Positive Oil Price Sensitivity (15-stocks)**

15-stocks APxJ screen for stocks that are positively sensitive to oil price

Name	Sector	MCAP (Total US\$m)
Adani Ent.	Industrials	43,132
APL Apollo Tubes	Materials	5,021
Ashok Leyland	Industrials	6,219
CG Power	Industrials	8,617
China Hongqiao	Materials	6,933
Doosan Enerbility	Industrials	7,410
Evergreen Marine	Industrials	10,177
Hindustan Aeronautics	Industrials	24,155
HMM	Industrials	7,068
Jindal Steel	Materials	9,301
JSW Steel	Materials	24,107
Tata Steel	Materials	20,008
Vedanta	Materials	12,258
Yang Ming	Industrials	5,339
Zijin Mining-H	Materials	8,498

Source : BofA Asia Pac Quantitative Strategy , MSCI, IBES

BofA GLOBAL RESEARCH

**Table 71: Asia Pac ex-Japan Negative Oil Price Sensitivity (15-stocks)**

15-stocks APxJ screen for stocks that are negatively sensitive to oil price

Name	Sector	MCAP (Total US\$m)
Airports of Thai	Industrials	24,059
AirTac Int'l	Industrials	6,006
Asian Paints	Materials	34,165
Ayala Corp	Industrials	7,476
Ecopro	Industrials	10,015
Far Eastern	Industrials	5,285
Formosa Petro	Energy	22,704
Hindustan Petroleum	Energy	7,913
Keppel	Industrials	9,754
Northern Star Res.	Materials	9,990
Pidilite Indus	Materials	15,513
Posco International	Industrials	6,933
Samsung C&T	Industrials	19,190
Sinotruk Hong Kong	Industrials	6,273
SM Investments	Industrials	19,537

Source : BofA Asia Pac Quantitative Strategy , MSCI, IBES

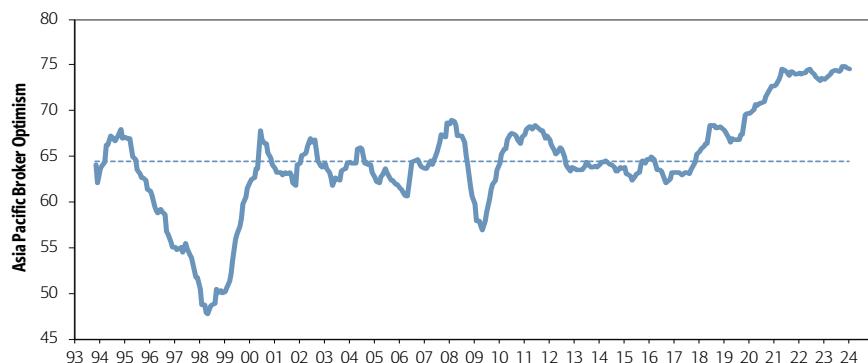
BofA GLOBAL RESEARCH



# Optimism Aggregates

## Chart 647: Asia Pac ex-Japan Broker Optimism (based on analysts buy/hold/sell ratings)

Asia Pac ex-Japan Broker Optimism remains elevated at record high

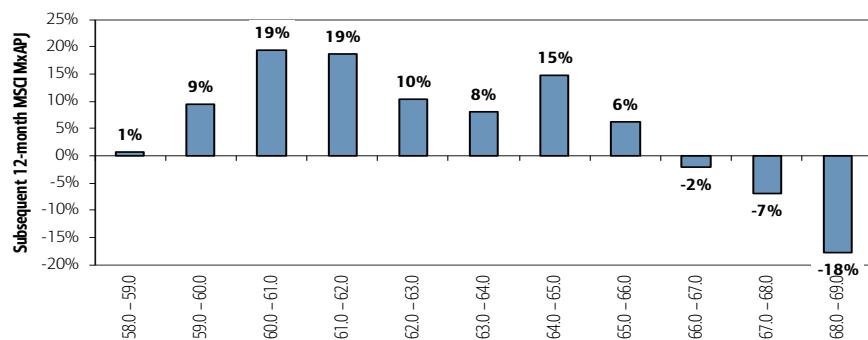


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 648: Asia Pac ex-Japan Broker Optimism and MSCI Asia Pac ex-Japan subsequent 12m performance

In Asia, Broker Optimism is at historical high levels

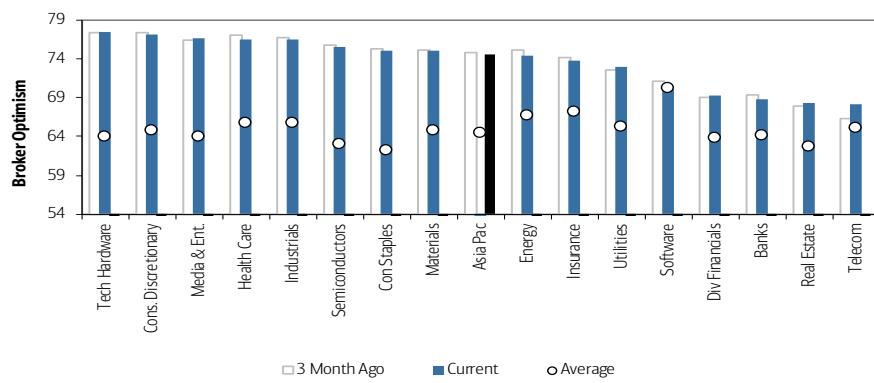


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 649: Broker Optimism by Asia Pac Sectors

Broker Optimism is highest for Tech Hardware and Cons. Discretionary



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Asia Pac ex-Japan Optimism

The table below shows the Ranks based on current Optimism Level for each of the 15 sectors in each of the largest 25 countries.

**Table 72: Asia Pac ex-Japan Optimism Ranks**

Among APxJ countries, Optimism is highest in China

	Energy	Materials	Industrials	Cons. Staples	Health Care	Telecom	Utilities	Media & Ent.	Semiconductors	Cons. Discretionary	Banks	Insurance	Div Financials	Real Estate	Software	Tech Hardware	Country
Australia	69.0	63.8	59.4	64.9	58.3	76.8	63.4	63.5	-	66.8	45.3	73.4	62.4	61.7	66.5	-	62.9
China	79.9	81.5	81.4	79.5	80.0	62.5	81.2	80.0	77.2	80.8	71.9	74.1	69.1	76.7	79.8	82.4	79.1
Hong Kong	-	-	76.1	80.6	-	71.8	61.4	-	-	86.3	64.4	87.5	79.3	68.1	-	-	71.8
India	69.3	62.3	68.8	67.3	64.2	64.0	57.1	58.8	-	65.9	71.8	79.5	74.5	64.6	49.4	-	65.9
Indonesia	73.0	71.4	67.3	73.9	56.3	76.8	-	-	-	63.8	78.5	-	-	-	-	-	72.7
Japan	69.8	61.0	64.0	61.4	67.3	64.9	49.7	70.3	73.5	63.7	66.1	66.6	60.6	61.8	65.6	66.5	64.3
Korea	78.3	74.6	76.0	75.8	74.7	78.2	66.8	71.8	80.5	77.6	76.4	79.2	75.7	-	73.4	81.2	76.1
New Zealand	-	-	47.3	-	49.4	53.0	50.0	-	-	-	-	-	-	-	-	-	49.8
Philippines	-	-	75.0	82.8	-	81.3	72.5	-	-	77.5	77.0	-	-	80.8	-	-	77.3
Singapore	-	-	66.6	67.8	-	84.0	79.5	71.8	-	78.0	64.0	-	41.8	72.1	-	-	69.1
Taiwan	56.3	49.3	59.4	67.8	81.3	58.3	-	-	68.0	78.4	52.4	59.6	63.8	-	-	66.9	63.9
Thailand	65.6	57.4	72.6	68.4	74.0	74.8	66.0	-	-	71.7	67.9	-	59.6	70.6	-	44.5	67.3
ASIA PAC	74.3	75.0	76.5	75.0	76.5	68.2	73.0	76.4	75.2	77.2	68.8	73.7	69.6	71.6	70.0	77.4	74.5

Key : Rank of 100 = Highest Optimism

= Highest Optimism

= High Optimism

= Lowest Optimism

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Optimism

### Construction Methodology

Our Optimism analysis monitors whether stocks with improving and falling broker optimism outperform or underperform market indices. The back-testing in this analysis is from Jan-94 to Feb-07 and we introduced the current version of the analysis in Mar-07.

This analysis includes all stocks in the MSCI Asia Pac ex-Japan Index as at each month-end. We calculate the six-month change in the IBES consensus recommendation at the end of each month using month-end data. We divide all the stocks in the analysis into five quintiles by the six-month change in Optimism. We name the top quintile "Increasing Optimism" and the bottom quintile "Decreasing Optimism".

Increasing and Decreasing Optimism act as stock screens and not as recommended stock portfolios. The screens are not a recommended list either individually or as a group of stocks. Investors should consider the fundamentals of the companies and their own individual circumstances/objectives before making any investment decisions.

### Performance Calculation Methodology

Refer to appendix "[Optimism Performance](#)" for detailed performance data and advance decline statistics.

Rebalancing and performance calculations are conducted each month, using data and closing prices corresponding to the market's close on the last business day of each month. Performance is computed on the basis of price return. The performance is presented relative to the market capitalization-weighted MSCI Asia Pac ex-Japan Index.

The performance results do not reflect transaction costs, tax withholdings or any investment advisory fees. The quantitative factors followed here may differ from the MSCI Asia Pac ex-Japan Index in that they are significantly less diversified, and, as such, the performance is more exposed to specific stock or sector results. Therefore investors following these factors may experience greater volatility in their returns.

The performance results of individuals following the factors presented here will differ from the performance contained in this report for a variety of reasons, including differences related to incurring transaction costs and/or investment advisory fees, as well as differences in the time and price that securities were acquired and disposed of, and differences in the weighting of such securities. The performance results of individuals following these factors will also differ based on differences in treatment of dividends received, including the amount received and whether and when such dividends were reinvested.

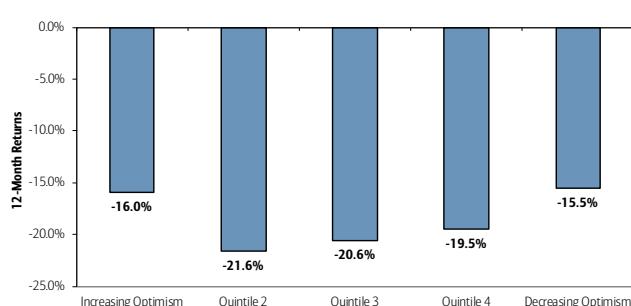
This report includes factors for informational or descriptive purposes, and inclusion here is not equivalent to a recommendation of the factor or portfolio.

Past performance is no guarantee of future results.

A complete performance record is available upon request.

### Chart 650: YoY Performance of Asia Pac ex-Japan Stocks by 6m Change in Optimism

Increasing Optimism stocks have underperformed by -0.4% in last 12m

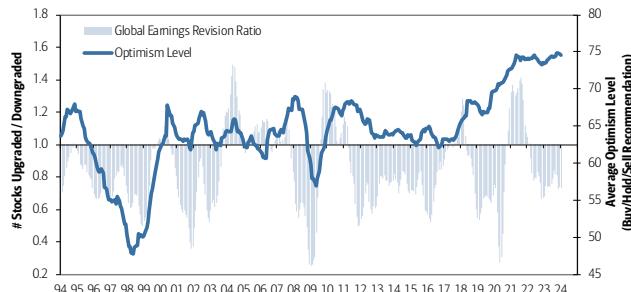


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 652: Average Optimism Level vs Global Earnings Expectations

Average Optimism Level for global stocks remain elevated

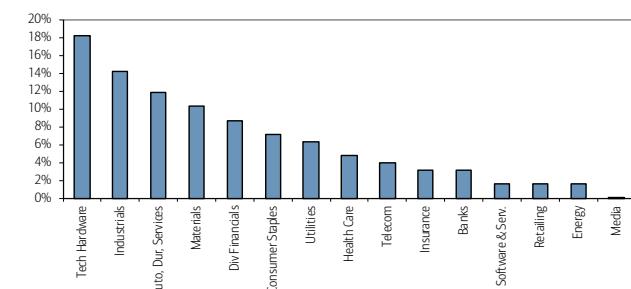


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 654: Asia Pac ex-Japan Increasing Optimism Portfolio Sector Concentration

Optimism has been improving the most in Industrials and Tech Hardware

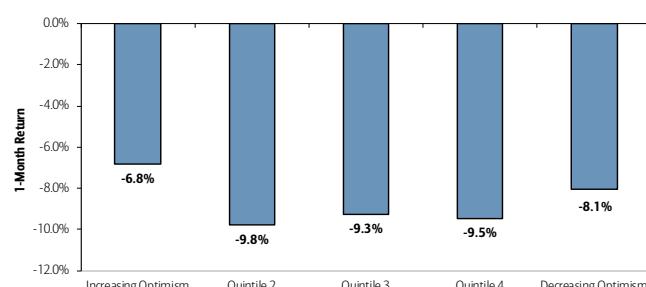


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 651: Last Month's Performance of Asia Pac ex-Japan Stocks by Optimism

Increasing Optimism stocks have outperformed by +1.2% last month

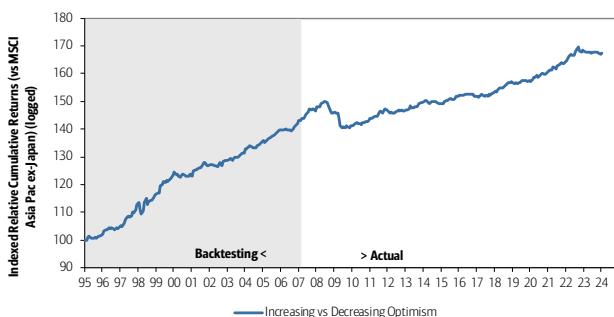


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 652: Relative Cumulative Performance of Increasing vs Decreasing Optimism

Increasing Optimism stocks outperform long-term

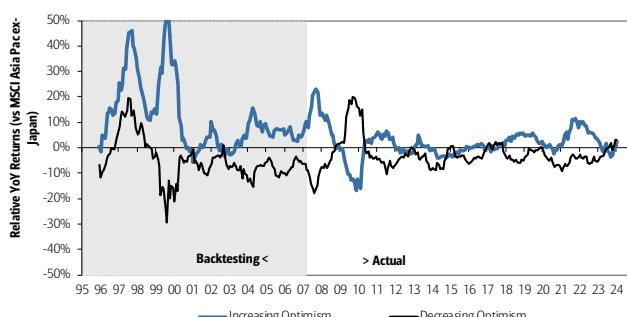


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES The shaded area shows back-tested results during the period from Jan-94 to Feb-07. The unshaded portion represents actual performance since Mar-07. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 655: Relative YoY Performance of Increasing and Decreasing Optimism

YoY, Increasing Optimism stocks have outperformed rel to MSCI APx



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES The shaded area shows back-tested results during the period from Jan-94 to Feb-07. The unshaded portion represents actual performance since Mar-07. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH



# Performance Opportunity

Performance Opportunity refers to dispersion of returns, and hence how large or small the opportunity is to differentiate between outperforming and underperforming assets. If the dispersion of returns is small there is limited opportunity to overweight outperforming assets and underweight underperforming assets. If the dispersion of returns is large then performance opportunity is higher.

We calculate Performance Opportunity for Country, Sector, Style, Size and Currency. In each instance, we calculate the standard deviations of returns each month, annualise the return, and calculate a rolling twelve month average (which is shown in the charts below).

**Country Opportunity** measures the spread of returns from the 12 largest countries in Asia Pac by index weighting the MSCI Asia Pac ex-Japan Index.

**Sector Opportunity** measures the spread of returns of 15 MSCI Asia Pac sectors.

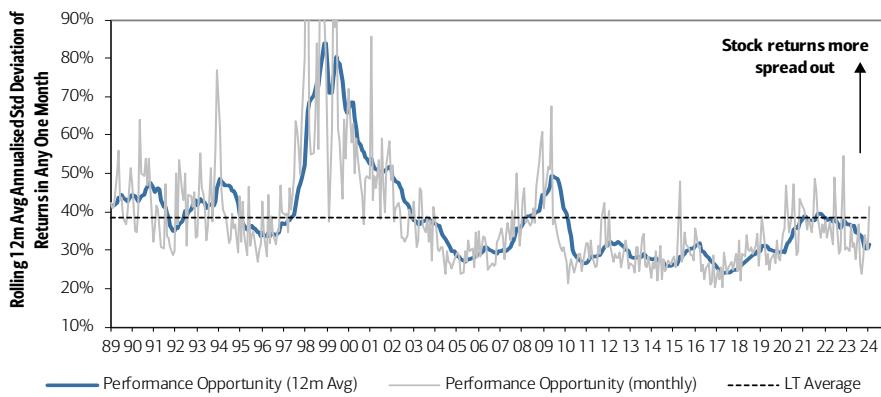
**Style Opportunity** measures the spread of returns of our seven Asia Pac Quantessential Styles.

**Size Opportunity** measures the spread of returns in the largest 20% of stocks in the MSCI Asia Pac ex-Japan index by market cap, and the same for the smallest 20%.

**Currency Opportunity** measures the spread of returns from each possible currency cross-rate combination of USD, Euro, Yen, AUD, CAD, CHF, and GBP.

## Chart 656: Performance opportunity from stock selection

Performance opportunity from stock selection has improved

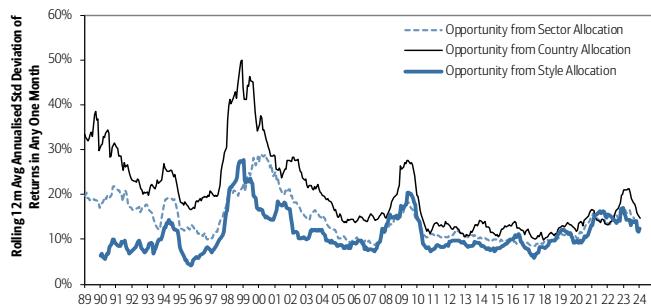


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 657: Opportunity to Add Value from Asia Pac ex-Japan Sector, Country & Style Allocation

Opportunity to add alpha from country allocation is currently highest

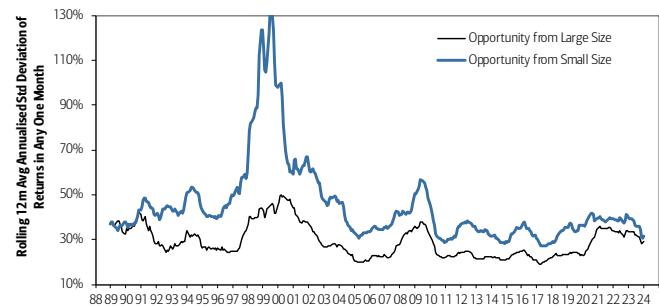


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 658: Opportunity from Top and Bottom Quintile by Size

Opportunity from Top Quintile by Size is higher

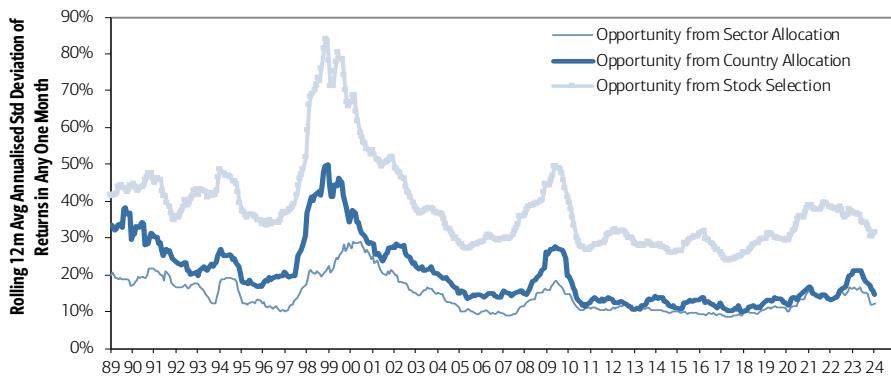


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 659: Opportunity to Add Value from Asia Pac ex-Japan Sector, Country and Stock Selection

Opportunity to add alpha from stock selections is the highest



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 660: Dispersion of Stock PEs in Asia Pac ex-Japan

Dispersion of Stock PEs in Asia Pac ex-Japan is high



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

### Chart 661: Opportunity from Currency Allocation

Opportunity from Currency Allocation remains low



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



# Institutional Investor Universe

Institutional investors reduce their ability to outperform a benchmark by focusing on large liquid stocks.

We approximate Asia Pac institutional investors' universe as large liquid stocks selected from the constituents of the MSCI Asia Pac ex-Japan Index that meet our minimum market cap, turnover and coverage requirements. The Institutional Investor Universe is determined at the end of each month using month-end data from MSCI databases.

The Institutional Investor Universe is defined as the largest 75% of stocks of the MSCI Asia Pac ex-Japan Index by market cap, the largest 75% by average daily turnover in the last 6 months and last 20 days, with a minimum of three consensus earnings estimates. The Table below shows the minimum values for each requirement as of Jan 2024, the most recent rebalance.

**Table 73: Minimum requirements for inclusion in the Institutional Investors Universe**

Minimum market cap, turnover and coverage requirements for inclusion in Institutional Investor universe

	Percentile	Minimum
Market Cap US\$m	75th	321
6-month Median Daily Turnover US\$m	75th	6.9
20-day Median Daily Turnover US\$m	75th	7.5
Number of analysts' estimates	-	3

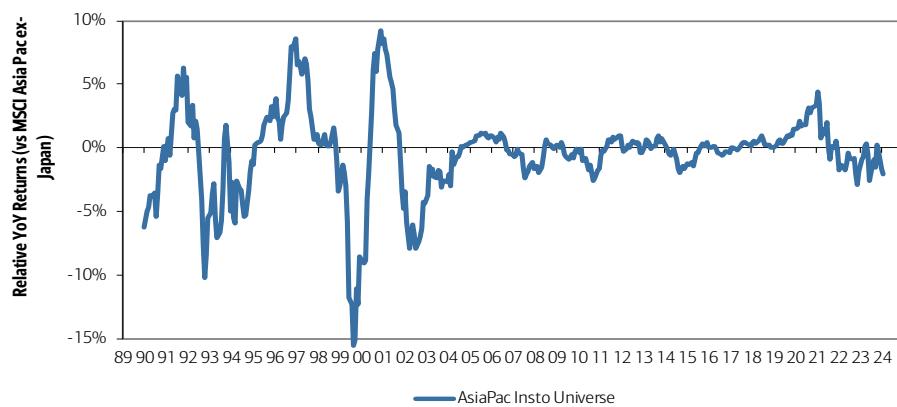
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg

BofA GLOBAL RESEARCH

The Institutional Investor Universe is determined at the end of each month using month-end data from MSCI databases.

## Chart 662: Asia Pac ex-Japan Institutional Investor Universe – YoY perf relative to MSCI Asia Pac ex-Japan Index

Since Jan-89, the Asia Pac Institutional Investor Universe has underperformed the MSCI Asia Pac ex-Japan Index by 0.5% p.a., on average



Source : BofA Asia Pac Quantitative Strategy, MSCI

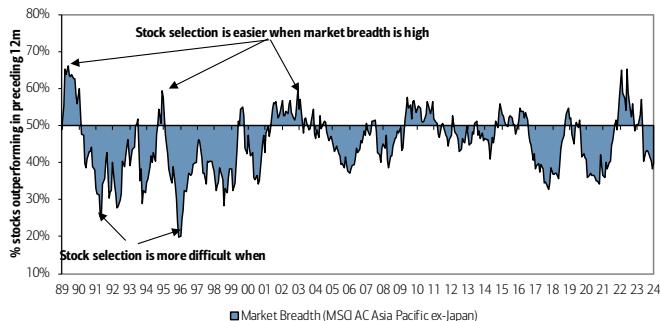
BofA GLOBAL RESEARCH

# Market Breadth

## Chart 663: Market breadth – proportion of stocks outperforming

### MSCI Asia Pac ex-Japan

Market Breadth for APxJ stocks has narrowed recently

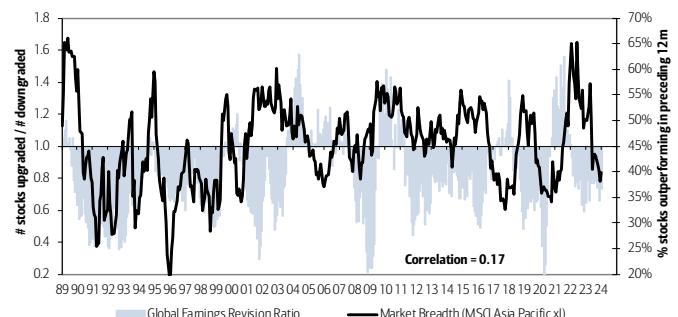


Source : BofA Asia Pac Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

## Chart 664: Asia Pac ex-Japan market breadth versus trends in global profit expectations

Asia Pac ex-Japan market breadth versus trends in earnings are strongly correlated

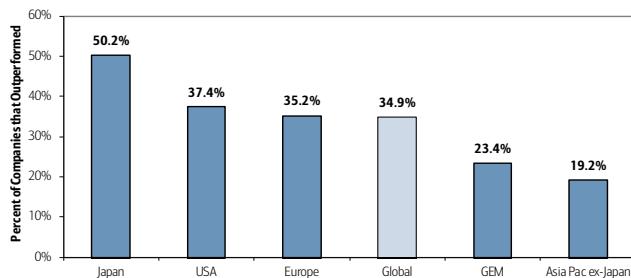


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH

## Chart 665: Market Breadth by Region

Market Breadth is highest in Japan and lowest in Asia Pac ex-Japan

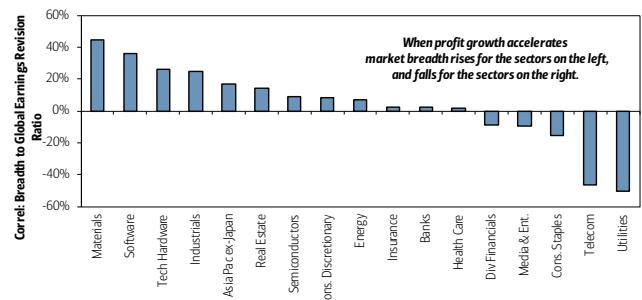


Source : BofA Asia Pac Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

## Chart 666: Correlation of Asia Pac ex-Japan sector market breadth to Global Earnings Revision Ratio

Market Breadth increases for Materials & Software when profit growth accelerates

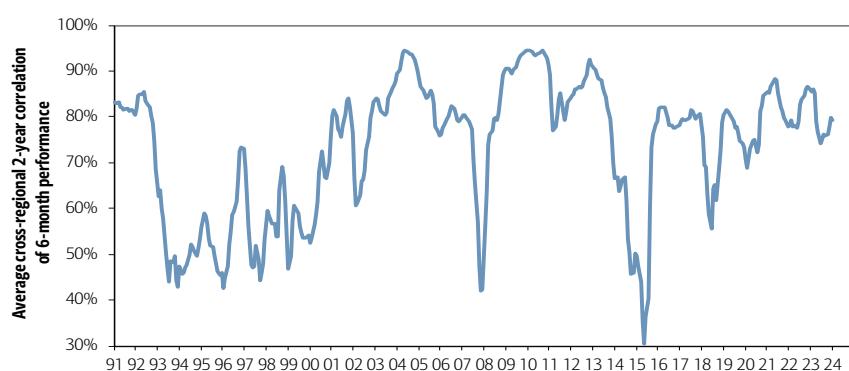


Source : BofA Asia Pac Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

## Chart 667: Average correlation of performance between Asia Pac ex-Japan and other major regions

Performance across regions is highly correlated



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



# Seasonality

## Chart 668: Avg cumulative daily return of MSCI Asia Pac ex-Japan Index for the calendar year

2/3rd of equity returns are generated in the fourth quarter

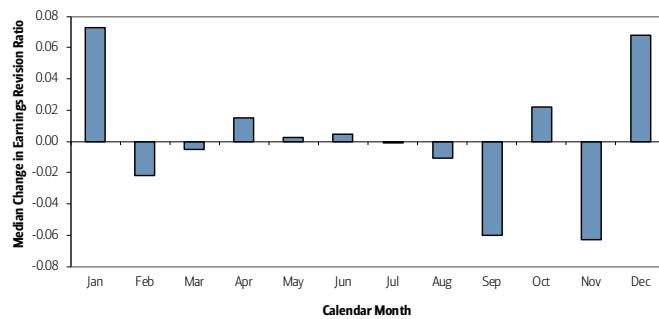


Source : BofA Asia Pac Quantitative Strategy, MSCI

BofA GLOBAL RESEARCH

## Chart 669: Seasonality of Asia Pac Earnings Expectations

Earnings expectations for APxJ are strongest in January, on average



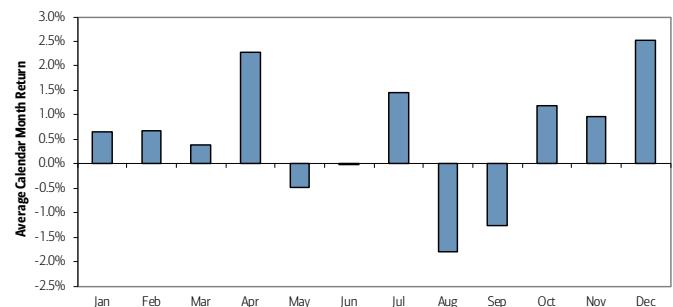
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1988.

BofA GLOBAL RESEARCH

## Chart 670: Seasonality of Market Performance (USD) - MSCI Asia Pac ex-Japan

APxJ equities rally the most in the fourth quarter, on average



Source : BofA Asia Pac Quantitative Strategy, MSCI

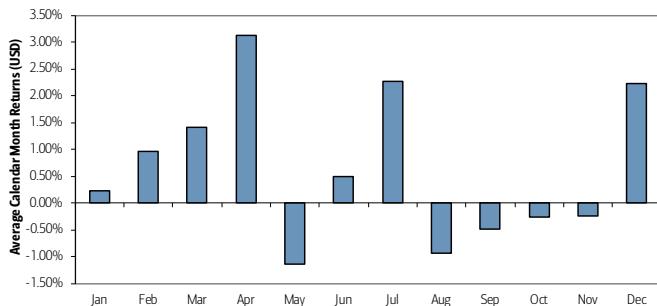
Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

## Seasonality by Asia Pac ex-Japan Countries

### Chart 671: Seasonality of Country Performance (USD) - Australia

The best month for stocks in Australia is April and worst is May



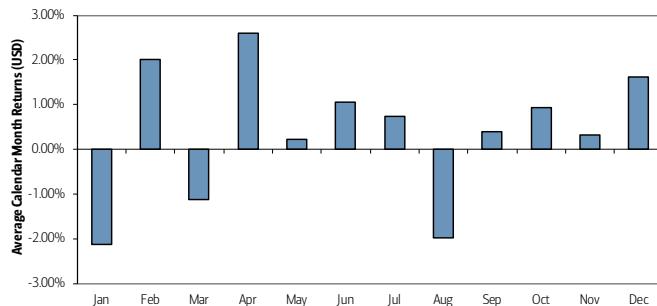
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 672: Seasonality of Country Performance (USD) - China

The best month for China equities is April



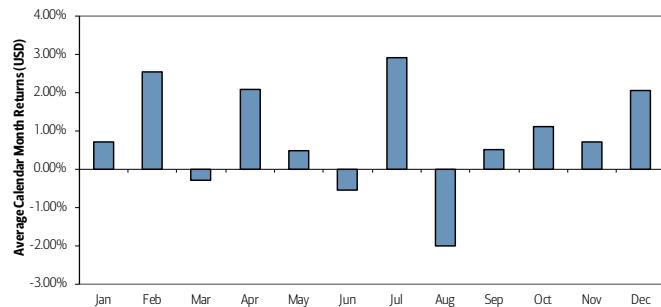
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 673: Seasonality of Country Performance (USD) - Hong Kong

The best month for Hong Kong equities is July



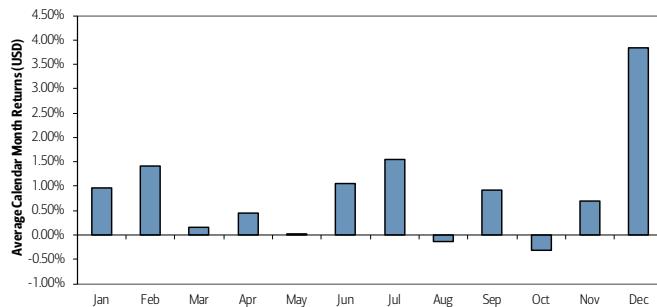
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 674: Seasonality of Country Performance (USD) - India

The best month for India equities is December



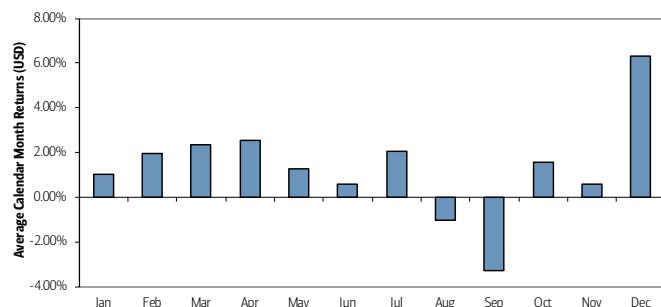
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 675: Seasonality of Country Performance (USD) - Indonesia

The best month for stocks in Indonesia is December and worst is September



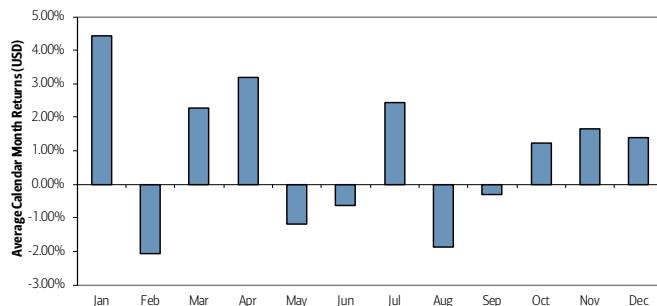
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 676: Seasonality of Country Performance (USD) - Korea

The best month for Korea equities is January



Source : BofA Asia Pac Quantitative Strategy, MSCI

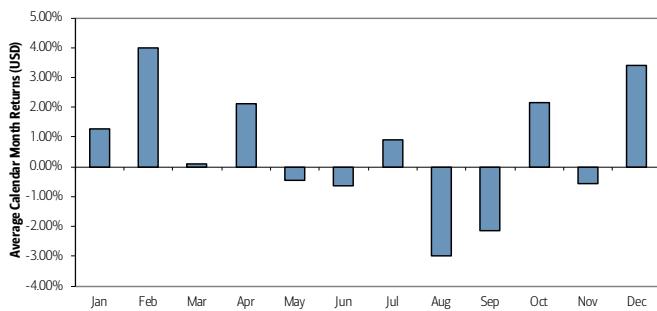
Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH



### Chart 677: Seasonality of Country Performance (USD) - Malaysia

Best returns for Malaysia markets is in February



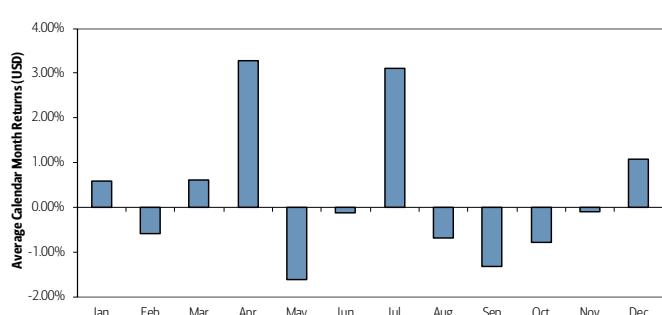
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 678: Seasonality of Country Performance (USD) - New Zealand

The best month for New Zealand equities is April



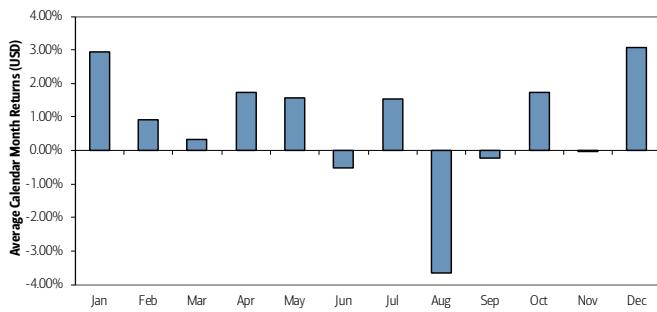
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 679: Seasonality of Country Performance (USD) - Philippines

The best month for stocks in Philippines is December and worst is August



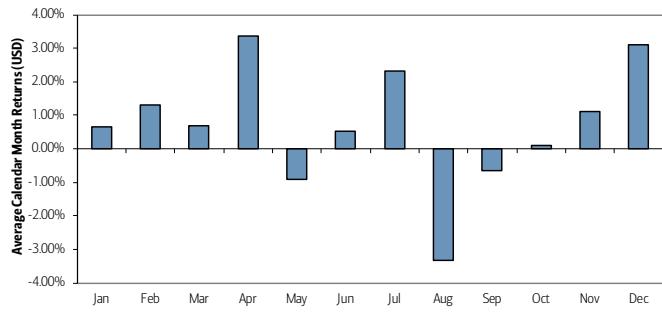
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 680: Seasonality of Country Performance (USD) - Singapore

The best month for stocks in Singapore is April and worst is August



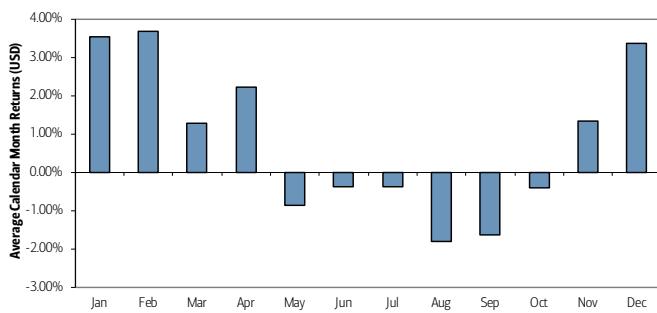
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 681: Seasonality of Country Performance (USD) - Taiwan

The best month for Taiwan equities is February



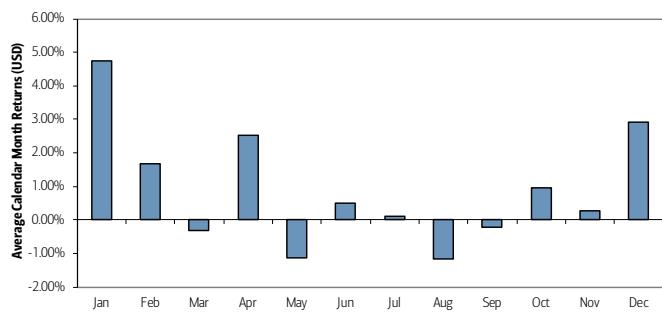
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 682: Seasonality of Country Performance (USD) - Thailand

The best month for stocks in Thailand is January and worst is August



Source : BofA Asia Pac Quantitative Strategy, MSCI

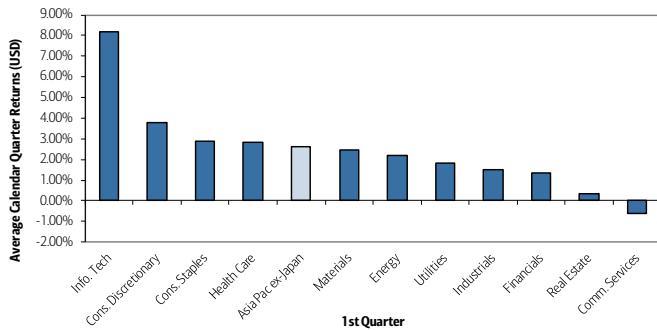
Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

## Seasonality by Asia Pac ex-Japan Sectors

### Chart 683: Seasonality of Sector Performance (USD) - 1st Quarter

In 1st Quarter, Info. Tech performed the best and Comm. Services the worst



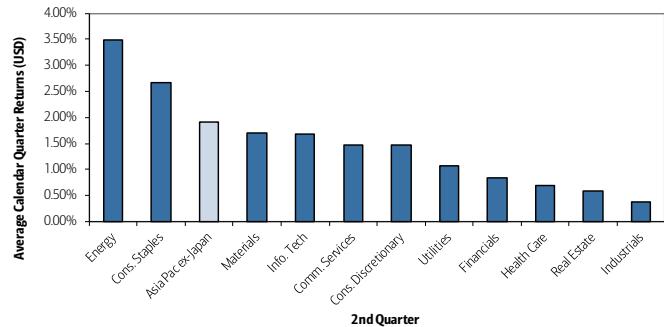
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 684: Seasonality of Sector Performance (USD) - 2nd Quarter

Energy performed the best, on average during 2nd Quarter



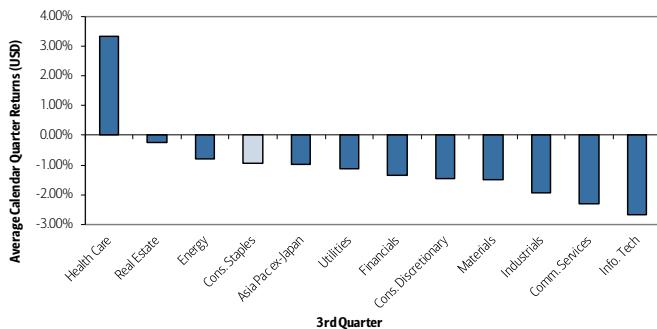
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 685: Seasonality of Sector Performance (USD) - 3rd Quarter

Health Care performed the best, on average during 3rd Quarter



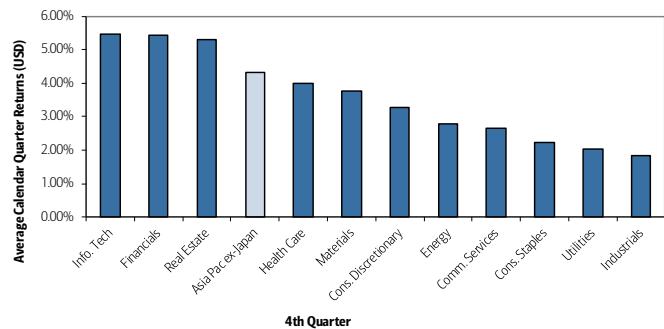
Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

BofA GLOBAL RESEARCH

### Chart 686: Seasonality of Sector Performance (USD) - 4th Quarter

Info. Tech performed the best and Industrials the worst



Source : BofA Asia Pac Quantitative Strategy, MSCI

Performance is based on official MSCI Index level since 1987.

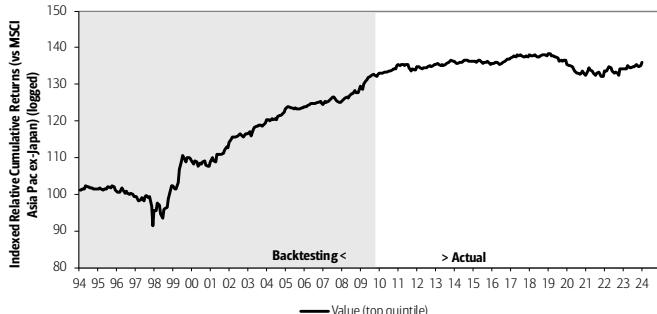
BofA GLOBAL RESEARCH



## Seasonality by Asia Pac ex-Japan Styles

### Chart 687: Asia Pac ex-Japan Quantessential Value (top quintile) relative cumulative returns

TQ Value has outperformed by 7.3% in the last 12 Months

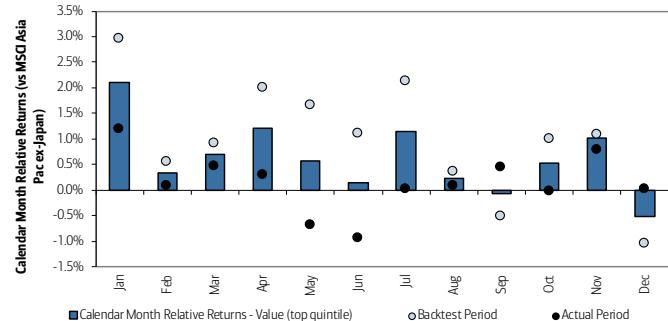


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The shaded area shows back-tested results during the period from Jan-94 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 688: Asia Pac ex-Japan Quantessential Value (top quintile) Seasonality

January is the best month for Value, on average

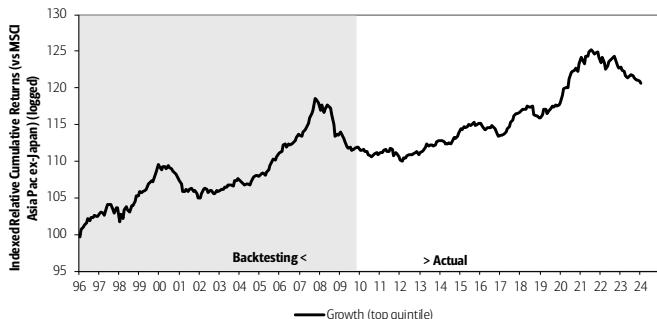


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The back-tested results for the period from Jan-94 to Oct-09. The actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 689: Asia Pac ex-Japan Quantessential Growth (top quintile) relative cumulative returns

TQ Growth has underperformed by -1.5% in the last 1 Month

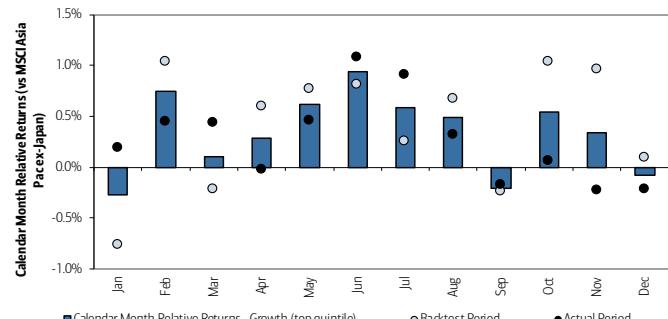


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The shaded area shows back-tested results during the period from Jan-96 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 690: Asia Pac ex-Japan Quantessential Growth (top quintile) Seasonality

Third quarter tends to be the weakest for Growth, on average

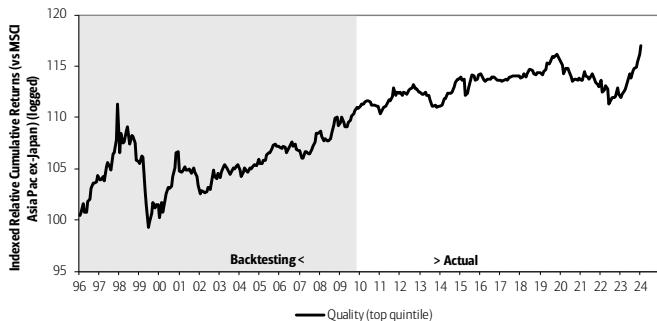


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The back-tested results for the period from Jan-96 to Oct-09. The actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 691: Asia Pac ex-Japan Quantessential Quality (top quintile) relative cumulative returns

TQ Quality has outperformed by 10.1% in the last 3 Months

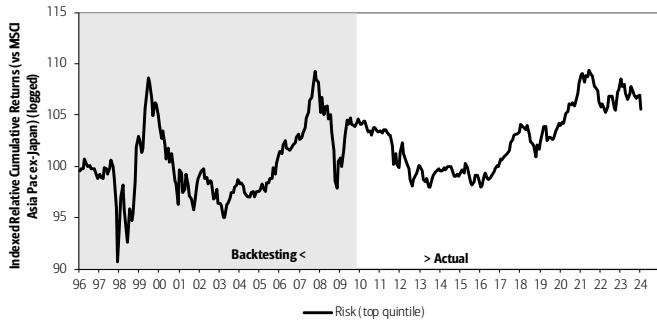


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The shaded area shows back-tested results during the period from Jan-96 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 693: Asia Pac ex-Japan Quantessential Risk (top quintile) relative cumulative returns

TQ Risk has underperformed by -10.3% in the last 12 Months

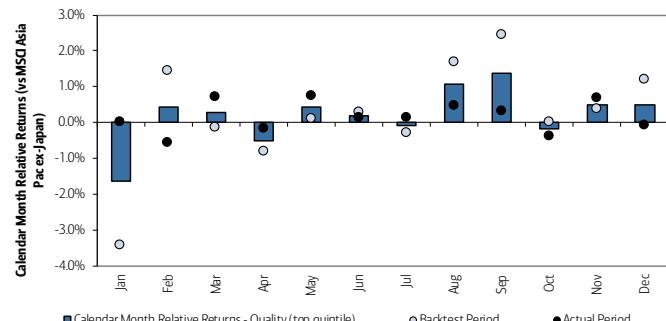


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The shaded area shows back-tested results during the period from Jan-96 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 692: Asia Pac ex-Japan Quantessential Quality (top quintile) Seasonality

Quality tends to outperform in September, on average

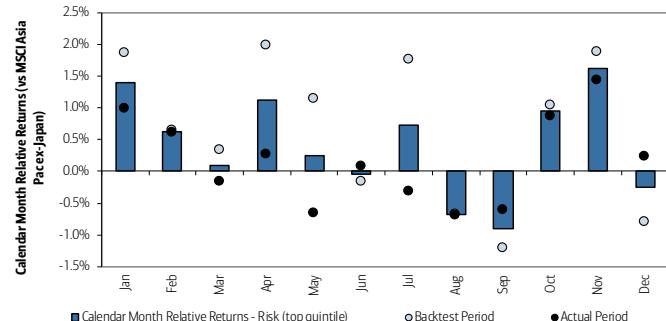


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The back-tested results for the period from Jan-96 to Oct-09. The actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 694: Asia Pac ex-Japan Quantessential Risk (top quintile) Seasonality

November is the best month for Risk, on average



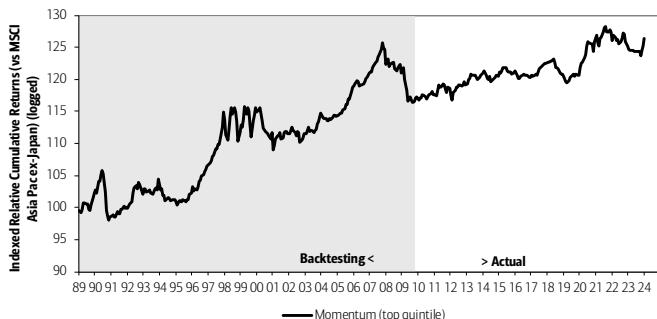
Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The back-tested results for the period from Jan-96 to Oct-09. The actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH



### Chart 695: Asia Pac ex-Japan Quantessential Momentum (top quintile) relative cumulative returns

TQ Momentum has outperformed by 6.6% in the last 12 Months

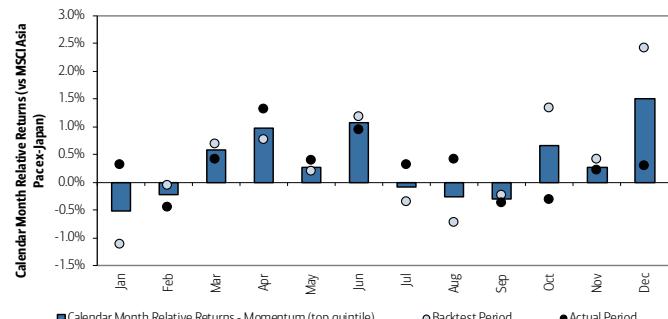


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The shaded area shows back-tested results during the period from Jan-89 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 696: Asia Pac ex-Japan Quantessential Momentum (top quintile) Seasonality

Momentum tends to underperform in January, on average

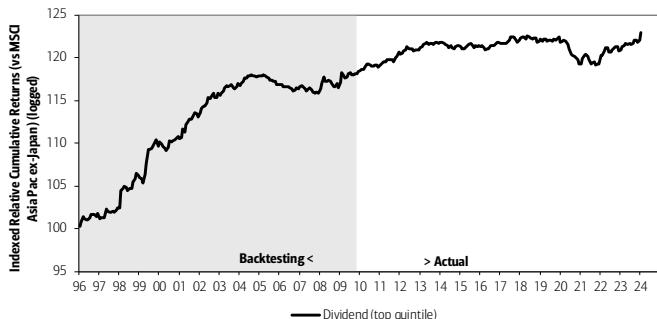


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The back-tested results for the period from Jan-89 to Oct-09. The actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 697: Asia Pac ex-Japan Quantessential Dividend (top quintile) relative cumulative returns

TQ Dividend has outperformed by 8.1% in the last 12 Months

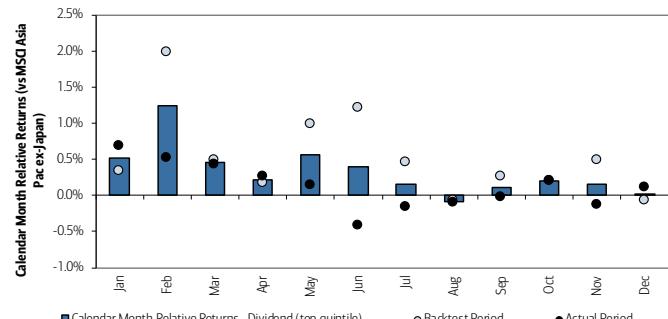


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The shaded area shows back-tested results during the period from Jan-96 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

### Chart 698: Asia Pac ex-Japan Quantessential Dividend (top quintile) Seasonality

Dividend tends to outperform in February, on average

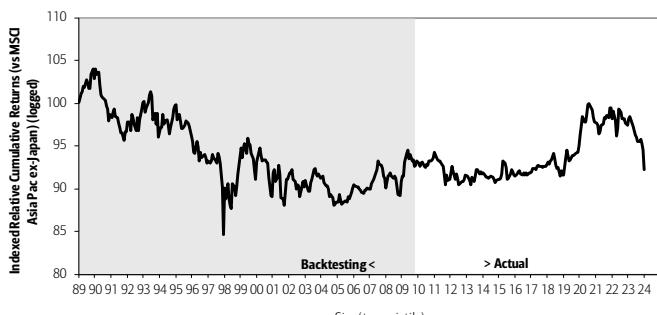


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The back-tested results for the period from Jan-96 to Oct-09. The actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Chart 699: Asia Pac ex-Japan Quantessential Size (top quintile)****relative cumulative returns**

TQ Size has underperformed by -9.2% Year-to-Date

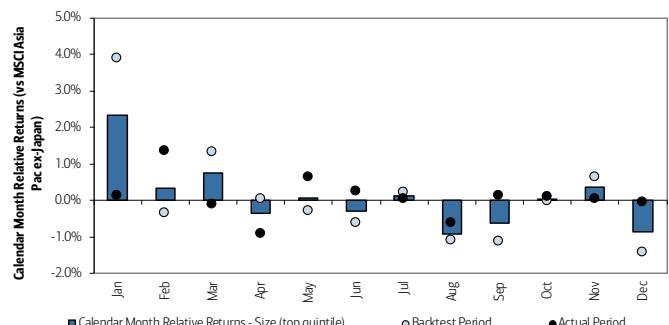


Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The shaded area shows back-tested results during the period from Jan-89 to Oct-09. The unshaded portion represents actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Chart 700: Asia Pac ex-Japan Quantessential Size (top quintile)****Seasonality**

Small Size tends to underperform in August, on average



Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, S&P, Worldscope, Bloomberg  
The back-tested results for the period from Jan-89 to Oct-09. The actual performance since Nov-09. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

## Appendix A:

### Quantessential Style Performance

**Table 74: Quantessential Style back-testing results: Jan-89 to Oct-09**

Quantessential Styles back-testing performance across different periods (1m, 3m, 12m, YTD)

Style	1mth	3mth	6mth	12mth	YTD	Last 5yr	Since Inception	Annualised
Quantessential Value	-1.9%	7.6%	47.6%	93.3%	84.3%	90.6%	147.8%	5.9%
Quantessential Growth	-2.2%	7.4%	36.7%	51.5%	53.1%	98.7%	129.9%	6.2%
Quantessential Quality	0.2%	7.6%	40.1%	62.7%	66.2%	94.8%	106.6%	5.4%
Quantessential Risk	-1.3%	3.0%	45.6%	85.5%	82.5%	98.6%	74.6%	4.1%
Quantessential Momentum	-1.6%	7.0%	31.6%	41.6%	44.3%	102.6%	317.3%	7.1%
Quantessential Dividend	-1.4%	7.6%	41.2%	74.0%	70.5%	62.6%	141.9%	6.6%
Quantessential Size	-1.0%	8.6%	54.8%	97.2%	85.5%	79.0%	290.5%	6.8%
MSCI Asia Pac ex-Japan	-0.4%	8.2%	38.9%	61.0%	58.6%	66.7%	212.5%	5.6%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 75: Quantessential Style Actual Performance Ending Jan-24**

Quantessential Styles actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Style	1mth	3mth	6mth	12mth	YTD	Since Inception	Annualised
Quantessential Value	-3.2%	10.8%	-0.6%	0.7%	-3.2%	5.5%	0.4%
Quantessential Growth	-3.5%	10.8%	-5.6%	-10.6%	-3.5%	16.4%	1.1%
Quantessential Quality	-3.4%	11.2%	1.0%	0.7%	-3.4%	17.8%	1.2%
Quantessential Risk	-6.1%	7.9%	-9.5%	-5.9%	-6.1%	38.6%	2.3%
Quantessential Momentum	-2.8%	9.1%	-8.7%	-4.6%	-2.8%	58.6%	3.3%
Quantessential Dividend	-3.8%	6.7%	-5.4%	-2.8%	-3.8%	11.3%	0.8%
Quantessential Size	-9.9%	-0.8%	-14.8%	-13.4%	-9.9%	-5.5%	-0.4%
MSCI Asia Pac ex-Japan	-4.8%	6.7%	-7.1%	-8.3%	-4.8%	25.1%	1.6%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 76: Quantessential Style Actual Performance: Quarterly & Semi-annually**

Quantessential Styles actual performance ending Jan-24 across different periods (quarter, semi-annual)

Style	1Q23'	2Q23'	3Q23'	4Q23'	1H23'	2H23'
Quantessential Value	4.0%	0.3%	-2.7%	9.6%	4.3%	6.6%
Quantessential Growth	-0.3%	-1.9%	-6.7%	10.9%	-2.1%	3.5%
Quantessential Quality	7.2%	-0.7%	-3.3%	12.5%	6.4%	8.7%
Quantessential Risk	3.8%	-3.0%	1.7%	7.8%	0.7%	9.6%
Quantessential Momentum	4.0%	-1.6%	-2.2%	6.2%	2.4%	3.8%
Quantessential Dividend	5.3%	2.0%	-6.8%	7.4%	7.4%	0.1%
Quantessential Size	1.2%	-1.9%	2.7%	4.1%	-0.8%	6.9%
MSCI Asia Pac ex-Japan	3.6%	-1.9%	-4.3%	7.5%	1.7%	2.9%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH



**Table 77: Quantessential Style Advance Decline Ending Jan-24**

Quantessential Styles advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Style	QE Value		QE Growth		QE Quality		QE Risk		QE Momentum		QE Dividends		QE Size	
	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline
Last Month	8	17	12	13	8	17	8	17	11	14	7	18	4	21
Last 3-Months	25	11	26	13	18	14	28	15	26	11	21	18	23	21
Last 6-Months	25	30	28	34	18	24	28	34	25	37	26	40	26	44
Last 12-Months	63	70	60	68	37	56	69	60	63	70	73	74	79	134
Year-To-Date	8	17	12	13	8	17	8	17	11	14	7	18	4	21
Since Inception Nov-09	359	344	407	392	212	253	328	322	354	348	440	444	430	485

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

## Appendix B:

### Top 25 Style Performance

**Table 78: Top 25 Style back-testing results: Jan-89 to Oct-09**

Extreme Styles back-testing performance across different periods (1m, 3m, 12m, YTD)

Style	1mth	3mth	6mth	12mth	YTD	Last 5yr	Since Inception	Annualised
Deep Value	-3.9%	4.7%	53.4%	124.3%	106.4%	221.5%	182.8%	6.8%
Growthiest of Growth	-1.5%	1.2%	27.9%	61.7%	51.7%	106.2%	51.3%	3.0%
Highest Quality	-0.2%	4.9%	46.6%	90.0%	82.4%	19.3%	14.3%	1.0%
Extreme Risk	0.8%	0.0%	60.8%	176.3%	127.2%	271.5%	50.4%	3.0%
Maximum Mo	3.1%	-2.8%	23.3%	28.2%	30.4%	116.1%	377.0%	7.8%
Turbo Dividends	-0.1%	-0.3%	37.8%	90.1%	70.7%	80.1%	269.2%	9.9%
Smallest	-4.8%	-2.8%	28.4%	148.0%	89.8%	134.7%	-10.3%	-0.5%
MSCI Asia Pac ex-Japan	-0.4%	8.2%	38.9%	61.0%	58.6%	66.7%	212.5%	5.6%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 79: Top 25 Style Actual Performance Ending Jan-24**

Extreme Styles actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Style	1mth	3mth	6mth	12mth	YTD	Since Inception	Annualised
Deep Value	-5.5%	0.5%	-10.2%	-15.3%	-5.5%	28.5%	1.8%
Growthiest of Growth	-11.2%	-2.3%	-24.1%	-21.0%	-11.2%	127.2%	6.0%
Highest Quality	-5.0%	12.4%	-2.8%	-3.2%	-5.0%	15.4%	1.0%
Extreme Risk	-17.1%	-6.5%	-25.7%	-24.4%	-17.1%	47.0%	2.8%
Maximum Mo	-0.1%	25.2%	-9.3%	-1.7%	-0.1%	130.7%	6.1%
Turbo Dividends	-1.5%	8.7%	-0.2%	0.3%	-1.5%	37.2%	2.3%
Smallest	-14.7%	-7.2%	-26.2%	-28.2%	-14.7%	7.1%	0.5%
MSCI Asia Pac ex-Japan	-4.8%	6.7%	-7.1%	-8.3%	-4.8%	25.1%	1.6%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 80: Top 25 Style Actual Performance: Quarterly & Semi-annually**

Extreme Styles actual performance ending Jan-24 across different periods (quarter, semi-annual)

Style	1Q23'	2Q23'	3Q23'	4Q23'	1H23'	2H23'
Deep Value	7.2%	-4.5%	-3.1%	-0.1%	2.4%	-3.2%
Growthiest of Growth	0.3%	-1.7%	-6.7%	2.9%	-1.3%	-3.9%
Highest Quality	8.5%	-1.1%	-6.2%	12.7%	7.2%	5.7%
Extreme Risk	7.6%	-5.9%	-1.1%	1.9%	1.3%	0.8%
Maximum Mo	-1.7%	-2.3%	-3.1%	10.0%	-3.9%	6.6%
Turbo Dividends	4.1%	-0.9%	0.0%	2.8%	3.2%	2.7%
Smallest	0.9%	-5.2%	0.8%	-1.1%	-4.4%	-0.3%
MSCI Asia Pac ex-Japan	3.6%	-1.9%	-4.3%	7.5%	1.7%	2.9%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH



**Table 81: Top 25 Style Advance Decline Ending Jan-24**

Extreme Styles advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Style</b>	<b>Deep Value</b>		<b>Growthiest of Growth</b>		<b>Highest Quality</b>		<b>Extreme Risk</b>		<b>Maximum Mo</b>		<b>Turbo Dividends</b>		<b>Smallest</b>	
	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline
Last Month	8	17	5	20	8	17	3	22	15	10	9	16	3	22
Last 3-Months	19	16	18	18	19	8	15	18	27	5	30	15	18	23
Last 6-Months	22	29	15	38	13	18	13	39	19	29	31	34	19	48
Last 12-Months	97	86	84	133	115	91	35	62	72	86	62	80	43	75
Year-To-Date	8	17	5	20	8	17	3	22	15	10	9	16	3	22
Since Inception Nov-09	306	259	363	419	230	219	255	240	300	367	421	435	439	467

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH



## Appendix C:

### Top Quintile Style Performance

**Table 82: Top Quintile Style back-testing results: Jan-89 to Aug-09**

Quantessential Styles (top quintile) back-testing performance across different periods (1m, 3m, 12m, YTD)

Style	1mth	3mth	6mth	12mth	YTD	Last 5yr	Since Inception	Annualised
Value (top quintile)	-2.4%	6.5%	49.8%	126.5%	102.6%	201.5%	533.8%	12.4%
Growth (top quintile)	-0.3%	5.2%	34.5%	68.3%	56.7%	118.4%	216.4%	8.7%
Quality (top quintile)	0.9%	10.3%	50.9%	87.7%	82.3%	133.2%	200.9%	8.3%
Risk (top quintile)	-1.7%	1.6%	46.3%	131.2%	98.8%	149.6%	119.6%	5.9%
Momentum (top quintile)	-0.4%	2.7%	29.4%	42.9%	39.1%	102.6%	645.6%	10.1%
Dividend (top quintile)	-0.4%	5.2%	43.3%	94.4%	83.5%	85.3%	323.9%	11.0%
Size (top quintile)	-4.1%	-1.1%	30.7%	111.4%	84.7%	124.7%	146.9%	4.4%
MSCI Asia Pac ex-Japan (EW)	-0.9%	5.6%	40.1%	81.5%	70.4%	82.7%	247.5%	6.2%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&amp;P, Bloomberg

Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance is hypothetical in nature and reflects application of the screen prior to its introduction and is not intended to be indicative of future returns.

BofA GLOBAL RESEARCH

**Table 83: Top Quintile Style Actual Performance Ending Jan-24**

Quantessential Styles (top quintile) actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Style	1mth	3mth	6mth	12mth	YTD	Since Inception	Annualised
Value (top quintile)	-3.8%	1.7%	-10.0%	-11.2%	-3.8%	39.3%	2.4%
Growth (top quintile)	-10.0%	-4.4%	-19.4%	-26.3%	-10.0%	74.2%	4.0%
Quality (top quintile)	-4.8%	7.8%	-1.3%	3.1%	-4.8%	53.9%	3.1%
Risk (top quintile)	-14.2%	-7.1%	-23.3%	-28.8%	-14.2%	23.3%	1.5%
Momentum (top quintile)	-3.6%	10.4%	-6.5%	-11.9%	-3.6%	78.6%	4.2%
Dividend (top quintile)	-4.7%	2.1%	-9.1%	-10.4%	-4.7%	45.1%	2.7%
Size (top quintile)	-17.8%	-17.2%	-28.4%	-37.9%	-17.8%	13.6%	0.9%
MSCI Asia Pac ex-Japan (EW)	-8.6%	-2.3%	-14.8%	-18.5%	-8.6%	16.4%	1.1%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&amp;P, Bloomberg

Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 84: Top Quintile Style Actual Performance: Quarterly and Semi-annually**

Quantessential Styles (top quintile) actual performance ending Jan-24 across different periods (quarter, semi-annual)

Style	1Q23'	2Q23'	3Q23'	4Q23'	1H23'	2H23'
Value (top quintile)	4.0%	-4.8%	-0.2%	0.9%	-1.0%	0.6%
Growth (top quintile)	1.6%	-8.3%	-5.7%	1.1%	-6.8%	-4.7%
Quality (top quintile)	4.9%	2.2%	-2.2%	9.7%	7.1%	7.2%
Risk (top quintile)	6.5%	-10.0%	-4.8%	2.7%	-4.2%	-2.3%
Momentum (top quintile)	0.4%	-6.4%	-4.8%	7.0%	-6.0%	1.8%
Dividend (top quintile)	6.9%	-4.6%	-2.8%	2.7%	2.0%	-0.2%
Size (top quintile)	6.7%	-12.9%	-7.7%	-2.2%	-7.1%	-9.7%
MSCI Asia Pac ex-Japan (EW)	3.6%	-5.6%	-4.4%	2.7%	-2.2%	-1.9%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&amp;P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH



**Table 85: Top Quintile Style Advance Decline Ending Jan-24**

Quantessential Styles (top quintile) advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Style	Value		Growth		Quality		Risk		Momentum		Dividend		Size	
	(top quintile)		(top quintile)		(top quintile)		(top quintile)		(top quintile)		(top quintile)		(top quintile)	
Last Month	Advance	Decline												
Last 3-Months	95	154	69	172	23	80	30	228	104	154	86	140	21	238
Last 6-Months	155	133	185	179	71	39	102	190	218	120	165	88	47	245
Last 12-Months	112	221	166	379	35	78	69	254	170	301	117	183	53	291
Year-To-Date	138	274	326	627	54	86	83	295	228	501	187	243	95	332
Since Inception Nov-09	95	154	69	172	23	80	30	228	104	154	86	140	21	238
	997	856	2391	2842	255	235	759	848	1306	1946	1181	861	917	912

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&amp;P, Bloomberg

BofA GLOBAL RESEARCH



## Appendix D:

### Asia Pac ex-Japan Boosters & Bunkers Performance

**Table 86: Boosters & Bunkers back-testing results: Jan-98 to Sep-08**

Boosters &amp; Bunkers back-testing performance across different periods (1m, 3m, 12m, YTD)

<b>Asia Pac ex-Japan</b>	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Last 5yr</b>	<b>Since Inception</b>	<b>Annualised</b>
Boosters	-17.3%	-32%	-40%	-54%	-51%	25%	-8%	-0.8%
Bunkers	-12.9%	-19%	-23%	-34%	-33%	69%	59%	4.4%
MSCI Asia Pac ex-Japan	-17.1%	-25%	-29%	-40%	-39%	67%	72%	5.2%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 87: Boosters & Bunkers Actual Performance Ending Jan-24**

Boosters &amp; Bunkers actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Asia Pac ex-Japan</b>	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Since Inception</b>	<b>Annualised</b>
Boosters	-7.1%	4%	-15%	-16%	-7%	39%	2.2%
Bunkers	-4.1%	9%	0%	4%	-4%	130%	5.6%
MSCI Asia Pac ex-Japan	-4.8%	7%	-7%	-8%	-5%	56%	2.9%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 88: Boosters & Bunkers Advance Decline Ending Jan-24**

Boosters &amp; Bunkers advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Asia Pac ex-Japan</b>	<b>Boosters</b>		<b>Bunkers</b>	
	Advance	Decline	Advance	Decline
Last Month	7	23	7	23
Last 3-Months	19	18	31	7
Last 6-Months	11	40	27	20
Last 12-Months	19	53	37	34
Year-To-Date	7	23	7	23
Since Inception Oct-08	216	272	238	194

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg

BofA GLOBAL RESEARCH

**Table 89: Boosters and Bunkers Monthly Performance Last 12 months**

Boosters &amp; Bunkers actual performance ending Jan-24 for last 12-months

<b>Asia Pac</b>	<b>Feb-23</b>	<b>Mar-23</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Jul-23</b>	<b>Aug-23</b>	<b>Sep-23</b>	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>	<b>Jan-24</b>
Boosters	-5.7%	1.3%	1.3%	-8.0%	4.6%	6.0%	-8.3%	-2.8%	-8.2%	5.6%	6.3%	-7.1%
Bunkers	-2.5%	1.5%	1.0%	1.9%	1.9%	-0.1%	-4.7%	0.3%	-3.5%	6.0%	6.7%	-4.1%
MSCI Asia Pac xJ	-6.9%	2.5%	-1.8%	-2.7%	2.6%	5.4%	-6.4%	-3.0%	-4.1%	7.3%	4.5%	-4.8%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH



**Table 90: Boosters and Bunkers Monthly Performance Advance Decline Ending Jan-24**

Boosters &amp; Bunkers advance decline ending Jan-24 for last 12-months

Asia Pac ex-Japan	Boosters		Bunkers	
	Advance	Decline	Advance	Decline
Jan-24	7	23	7	23
Dec-23	20	9	29	1
Nov-23	19	11	28	2
Oct-23	1	29	6	24
Sep-23	10	20	13	17
Aug-23	4	26	5	25
Jul-23	25	5	19	11
Jun-23	6	24	15	15
May-23	17	13	18	12
Apr-23	14	16	19	11
Mar-23	5	25	9	21
Feb-23	25	5	29	1

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Exshare

BofA GLOBAL RESEARCH



## Appendix E:

### Boosters By Investor Type Performance

**Table 91: Boosters By Investor Type back-testing results: Jan-96 to Aug-16**

Boosters By Investor Type back-testing performance across different periods (1m, 3m, 12m, YTD)

<b>Boosters By Type</b>	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Last 5yr</b>	<b>Since Inception</b>	<b>Annualised</b>
APxJ Deep Value Boosters	1.3%	11.6%	21.9%	9.3%	12.0%	5.0%	2590%	17.3%
APxJ Growthiest Boosters	4.8%	13.3%	23.9%	21.8%	14.8%	3.1%	1057%	12.6%
APxJ High Quality Boosters	6.4%	14.5%	22.6%	13.9%	1.7%	4.2%	555%	9.5%
APxJ High Yield Boosters	2.6%	12.7%	20.4%	9.2%	5.7%	-10.5%	832%	11.4%
MSCI Asia Pac ex Japan	1.7%	8.8%	18.5%	10.0%	8.0%	1.3%	66.0%	2.5%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 92: Boosters By Investor Type Actual Performance Ending Jan-24**

Boosters By Investor Type actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Boosters By Type</b>	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Since Inception</b>	<b>Annualised</b>
APxJ Deep Value Boosters	-6.5%	3.2%	-15.2%	-22.6%	-6.5%	9.2%	1.2%
APxJ Growthiest Boosters	-10.2%	1.3%	-20.0%	-19.5%	-10.2%	117.9%	11.1%
APxJ High Quality Boosters	-8.2%	4.8%	-14.7%	-20.9%	-8.2%	20.7%	2.6%
APxJ High Yield Boosters	-6.4%	1.2%	-14.1%	-23.0%	-6.4%	37.7%	4.4%
MSCI Asia Pac ex Japan	-4.8%	6.7%	-7.1%	-8.3%	-4.8%	13.4%	1.7%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 93: Boosters By Investor Type Advance Decline Ending Jan-24**

Boosters By Investor Type advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

	<b>Last Month</b>	<b>Last 3-Months</b>	<b>Last 6-Months</b>	<b>Last 12-Months</b>	<b>Year-To-Date</b>	<b>Since Inception</b>
Boosters By Type	Advance	Decline	Advance	Decline	Advance	Decline
APxJ Deep Value Boosters	5	20	20	19	20	34
APxJ Growthiest Boosters	6	19	17	17	11	42
APxJ High Quality Boosters	5	20	19	16	15	34
APxJ High Yield Boosters	5	20	19	23	18	46

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH

**Table 94: Boosters By Investor Type Monthly Performance Last 12-Months**

Boosters By Investor Type actual performance ending Jan-24 for last 12-months

<b>Boosters By Type</b>	<b>Feb-23</b>	<b>Mar-23</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Jul-23</b>	<b>Aug-23</b>	<b>Sep-23</b>	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>	<b>Jan-24</b>
APxJ Deep Value Boosters	-7.6%	-1.9%	4.4%	-8.2%	-0.2%	5.3%	-10.5%	-1.6%	-6.7%	8.4%	1.9%	-6.5%
APxJ Growthiest Boosters	-8.7%	1.4%	0.5%	-5.4%	2.7%	11.3%	-9.9%	-5.7%	-7.1%	11.8%	0.9%	-10.2%
APxJ High Quality Boosters	-9.9%	0.3%	-4.0%	-6.5%	4.0%	9.9%	-6.7%	-5.8%	-7.4%	11.0%	2.9%	-8.2%
APxJ High Yield Boosters	-8.4%	-2.6%	0.9%	-8.0%	3.7%	4.3%	-8.4%	-2.4%	-5.1%	5.1%	2.9%	-6.4%
MSCI Asia Pac ex Japan	-6.9%	2.5%	-1.8%	-2.7%	2.6%	5.4%	-6.4%	-3.0%	-4.1%	7.3%	4.5%	-4.8%

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH



**Table 95: Boosters By Investor Type Monthly Performance Advance Decline Ending Jan-24**

Boosters By Investor Type advance decline ending Jan-24 for last 12-months

Boosters By Type	Deep Value Boosters		Growthiest Boosters		High Quality Boosters		High Yield Boosters	
	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline
Jan-24	5	20	6	19	5	20	5	20
Dec-23	15	10	16	9	18	7	15	10
Nov-23	15	10	20	5	20	5	15	10
Oct-23	2	23	3	22	8	17	5	20
Sep-23	9	16	4	21	4	21	8	17
Aug-23	3	22	3	22	3	22	4	21
Jul-23	12	13	15	10	18	7	16	9
Jun-23	7	18	7	18	7	18	6	19
May-23	19	6	11	14	8	17	15	10
Apr-23	9	16	14	11	13	12	10	15
Mar-23	2	23	3	22	2	23	3	22
Feb-23	25	0	19	6	23	2	23	2

Source : BofA Asia Pac Quantitative Strategy, MSCI, Exshare

BofA GLOBAL RESEARCH



## Appendix F:

### Interest Rate Sensitivity Performance

**Table 96: Interest Rate Sensitivity back-testing results: Jan-89 to May-04**

Interest Rate Sensitivity back-testing performance across different periods (1m, 3m, 12m, YTD)

Interest Rate Sensitivity	1mth	3mth	6mth	12mth	YTD	Last 5yr	Since	Annualised
Short Duration	-3.5%	-9%	5%	46%	-2%	-2%	160%	6.4%
Quintile 2	-1.7%	-6%	7%	40%	0%	25%	153%	6.2%
Quintile 3	-0.3%	-2%	10%	40%	3%	27%	175%	6.8%
Quintile 4	0.1%	-1%	10%	35%	3%	35%	242%	8.3%
Long Duration	0.8%	0%	11%	32%	5%	41%	366%	10.5%
MSCI AC World (EW)	-0.9%	-4%	9%	39%	2%	28%	207%	7.6%

Source : BofA Global Quantitative Strategy, MSCI, IBES Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 97: Interest Rate Sensitivity Actual Performance Ending Jan-24**

Interest Rate Sensitivity actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Interest Rate Sensitivity	1mth	3mth	6mth	12mth	YTD	Last 5yr	Since	Annualised
Short Duration	-1.1%	12%	0%	3%	-1%	35%	124%	4.2%
Quintile 2	-1.4%	11%	-1%	1%	-1%	22%	141%	4.6%
Quintile 3	-2.8%	9%	-3%	-2%	-3%	13%	133%	4.4%
Quintile 4	-5.1%	5%	-9%	-8%	-5%	5%	142%	4.6%
Long Duration	-11.0%	0%	-17%	-20%	-11%	-16%	57%	2.3%
MSCI AC World (EW)	-4.3%	8%	-6%	-5%	-4%	12%	145%	4.7%

Source : BofA Global Quantitative Strategy, MSCI, IBES Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 98: Interest Rate Sensitivity Advance Decline Ending Jan-24**

Interest Rate Sensitivity advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Interest Rate Sensitivity	Short Duration		Quintile 2		Quintile 3		Quintile 4		Long Duration	
	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline
Last Month	259	320	259	320	218	361	177	402	107	472
Last 3-Months	481	156	546	139	504	205	442	276	277	378
Last 6-Months	345	372	404	442	402	479	307	555	184	549
Last 12-Months	397	402	534	490	545	553	410	629	241	584
Year-To-Date	259	320	259	320	218	361	177	402	107	472
Last 5-Years	1316	1232	2323	2221	2689	2586	2277	2396	1080	1577
Since Inception Jun-04	1585	1535	2911	2800	3401	3207	2889	2914	1378	1845

Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Appendix G:

### Oil Price Sensitivity Performance

**Table 99: Oil Price Sensitivity back-testing results: Jan-98 to Sep-08**

Oil Price Sensitivity back-testing performance across different periods (1m, 3m, 12m, YTD)

<b>Oil Price Sensitivity</b>	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Last 5yr since Inception</b>	<b>Annualised</b>
Positive Oil Sensitivity	-28.9%	-41%	-36%	-50%	-50%	54%	164%
Negative Oil Sensitivity	-19.4%	-26%	-39%	-53%	-54%	51%	131%
MSCI AC World	-15.2%	-20%	-24%	-33%	-31%	58%	95%

Source : BofA Global Quantitative Strategy, MSCI, IBES Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 100: Oil Price Sensitivity Actual Performance Ending Jan-24**

Oil Price Sensitivity actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Oil Price Sensitivity</b>	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Last 5yr since Inception</b>	<b>Annualised</b>
Positive Oil Sensitivity	-6.3%	-1%	-12%	-21%	-6%	-8%	17%
Negative Oil Sensitivity	-4.5%	6%	-4%	-8%	-4%	-25%	25%
MSCI AC World	-4.3%	8%	-6%	-5%	-4%	12%	149%

Source : BofA Global Quantitative Strategy, MSCI,IBES Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 101: Oil Price Sensitivity Advance Decline Ending Jan-24**

Oil Price Sensitivity advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Oil Price Sensitivity</b>	<b>Positive Oil Sensitivity</b>		<b>Negative Oil Sensitivity</b>	
	Advance	Decline	Advance	Decline
Last Month	3	12	2	13
Last 3-Months	8	11	11	11
Last 6-Months	9	14	8	22
Last 12-Months	9	18	14	29
Year-To-Date	3	12	2	13
Since Inception Oct-08	82	87	84	138

Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Appendix H: Optimism Performance

**Table 102: Optimism back-testing results: Jan-94 to Feb-07**

Optimism back-testing performance across different periods (1m, 3m, 12m, YTD)

Optimism	1mth	3mth	6mth	12mth	YTD	Last 5yr Since Inception	Annualised
Increasing Optimism	3.0%	11%	34%	36%	6%	222%	384%
Quintile 2	1.8%	8%	29%	30%	4%	207%	154%
Quintile 3	0.9%	4%	21%	23%	1%	167%	130%
Quintile 4	0.8%	6%	21%	21%	1%	153%	90%
Decreasing Optimism	1.8%	4%	17%	20%	2%	84%	-18%
MSCI Asia Pac ex-Japan	0.7%	4%	17%	21%	0%	130%	54%

Source : BofA Global Quantitative Strategy, MSCI, IBES Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 103: Optimism Actual Performance Ending Jan-24**

Optimism actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Optimism	1mth	3mth	6mth	12mth	YTD	Since Inception	Annualised
Increasing Optimism	-6.8%	1%	-12%	-16%	-7%	57%	2.7%
Quintile 2	-9.8%	-6%	-18%	-22%	-10%	3%	0.2%
Quintile 3	-9.3%	-4%	-16%	-21%	-9%	47%	2.3%
Quintile 4	-9.5%	-4%	-16%	-20%	-9%	39%	2.0%
Decreasing Optimism	-8.1%	1%	-12%	-16%	-8%	-20%	-1.3%
MSCI Asia Pac ex-Japan	-4.8%	7%	-7%	-8%	-5%	23%	1.2%

Source : BofA Global Quantitative Strategy, MSCI, IBES Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 104: Optimism Advance Decline Ending Jan-24**

Optimism advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Optimism	Increasing Optimism		Quintile 2		Quintile 3		Quintile 4		Decreasing Optimism	
	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline
Last Month	65	192	49	196	56	190	53	188	60	186
Last 3-Months	201	198	215	271	232	274	211	261	194	184
Last 6-Months	197	393	265	556	287	591	265	550	183	402
Last 12-Months	335	649	582	988	585	972	559	917	368	618
Year-To-Date	65	192	49	196	56	190	53	188	60	186
Since Inception Mar-07	2702	2935	4734	5047	4823	5116	4462	4783	2615	2964

Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Appendix I: Speculation Performance

**Table 105: Speculation back-testing results: Jan-93 to Oct-09**

Speculation back-testing performance across different periods (1m, 3m, 12m, YTD)

Beta	1mth	3mth	6mth	12mth	YTD	Last 5yr	Since Inception	Annualised
High Beta 60m	-2.5%	1%	43%	121%	89%	127%	203%	6.8%
Quintile 2	-0.2%	6%	50%	108%	90%	107%	229%	7.3%
Quintile 3	-1.7%	8%	43%	84%	76%	53%	201%	6.8%
Quintile 4	-1.2%	7%	38%	59%	60%	46%	88%	3.8%
Low Beta 60m	1.3%	6%	27%	38%	38%	64%	46%	2.3%
MSCI Asia Pac ex-Japan	-0.4%	8%	39%	61%	59%	67%	135%	5.2%

Source : BofA Global Quantitative Strategy, MSCI, IBES Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 106: Speculation Actual Performance Ending Jan-24**

Speculation actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Beta	1mth	3mth	6mth	12mth	YTD	Since Inception	Annualised
High Beta 60m	-12.6%	-5.5%	-21.5%	-27.1%	-12.6%	3%	0.2%
Quintile 2	-8.6%	-2.6%	-16.1%	-20.9%	-8.6%	7%	0.5%
Quintile 3	-8.6%	-2.2%	-14.9%	-17.1%	-8.6%	25%	1.6%
Quintile 4	-6.3%	0.3%	-10.8%	-12.6%	-6.3%	24%	1.5%
Low Beta 60m	-7.5%	-2.3%	-11.5%	-14.7%	-7.5%	4%	0.3%
MSCI Asia Pac ex-Japan	-4.8%	6.7%	-7.1%	-8.3%	-4.8%	25%	1.6%

Source : BofA Global Quantitative Strategy, MSCI, IBES Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 107: Speculation Advance Decline Ending Jan-24**

Speculation advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Speculation	High Beta 60m		Quintile 2		Quintile 3		Quintile 4		Low Beta 60m	
	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline	Advance	Decline
Last Month	30	228	54	205	58	200	80	179	74	185
Last 3-Months	102	190	131	188	148	175	161	154	146	148
Last 6-Months	69	254	99	286	107	315	130	281	108	230
Last 12-Months	83	295	148	350	174	383	187	351	135	276
Year-To-Date	30	228	54	205	58	200	80	179	74	185
Since Inception Nov-09	759	848	1410	1528	1525	1733	1391	1512	664	1000

Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Appendix J: Cycle Sensitives Performance

**Table 108: Cycle Sensitives Performance based on back-testing results: Jan-93 to Aug-05**

Cycle Sensitives back-testing performance across different periods (1m, 3m, 12m, YTD)

	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Last 5yr</b>	<b>Since Inception</b>	<b>Annualised</b>
Asia Pac ex-Japan Cycle Sensitives	-7.4%	-1%	-5%	24%	2%	37%	56%	3.6%
MSCI Asia Pac ex-Japan	-2.1%	6%	1%	28%	7%	31%	69%	4.2%

Source : BofA Global Quantitative Strategy, MSCI, IBES Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 109: Cycle Sensitives Actual Performance Ending Jan-24**

Cycle Sensitives actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Last 5yr</b>	<b>Since Inception</b>	<b>Annualised</b>
Asia Pac ex-Japan Cycle Sensitives	-9.1%	-1%	-12%	-11%	-9%	48%	212%	6.4%
MSCI Asia Pac ex-Japan	-4.8%	7%	-7%	-8%	-5%	-2%	69%	2.9%

Source : BofA Global Quantitative Strategy, MSCI,IBES Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 110: Cycle Sensitives Advance Decline Ending Jan-24**

Cycle Sensitives advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Asia Pac ex-Japan</b>	<b>Cycle Sensitives</b>	
	Advance	Decline
Last Month	6	24
Last 3-Months	18	23
Last 6-Months	20	35
Last 12-Months	30	49
Year-To-Date	6	24
Last 5-Years	187	180
Since Inception Sep-05	326	287

Source : BofA Global Quantitative Strategy, MSCI, IBES

BofA GLOBAL RESEARCH



## Appendix K:

### Asia Pac ex-Japan Steady Compounds Performance

**Table 111: Steady Compounds back-testing results: Jan-98 to May-16**

Steady Compounds back-testing performance across different periods (1m, 3m, 12m, YTD)

<b>Asia Pac ex-Japan</b>	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Last 5yr</b>	<b>Since Inception</b>	<b>Annualised</b>
Steady Compounds	2.8%	8.5%	5.1%	-0.9%	0.4%	63.9%	1545.3%	16.4%
MSCI Asia Pac ex-Japan	-1.9%	9.0%	-0.6%	-18.1%	-0.7%	-17.1%	117.6%	4.3%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. Past performance is no guarantee of future results. A complete performance record is available on request. Back-tested performance depicts the theoretical (not actual) performance of a particular strategy over the time period indicated. No representation is being made that any actual portfolio is likely to have achieved returns similar to those shown herein.

BofA GLOBAL RESEARCH

**Table 112: Steady Compounds Actual Performance Ending Jan-24**

Steady Compounds actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Asia Pac ex-Japan</b>	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Since Inception</b>	<b>Annualised</b>
Steady Compounds	-3.3%	17.4%	8.6%	8.1%	-3.3%	68.4%	7.0%
MSCI Asia Pac ex-Japan	-4.8%	6.7%	-7.1%	-8.3%	-4.8%	23.3%	2.8%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 113: Steady Compounds Advance Decline Ending Jan-24**

Steady Compounds advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

<b>Asia Pac ex-Japan</b>	<b>Steady Compounds</b>	
	<b>Advance</b>	<b>Decline</b>
Last Month	2	7
Last 3-Months	10	2
Last 6-Months	10	8
Last 12-Months	17	19
Year-To-Date	2	7
Since Inception May-16	133	131

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Exshare

BofA GLOBAL RESEARCH

**Table 114: Steady Compounds Monthly Performance Last 12 months**

Steady Compounds actual performance ending Jan-24 for last 12-months

<b>Asia Pac</b>	<b>Feb-23</b>	<b>Mar-23</b>	<b>Apr-23</b>	<b>May-23</b>	<b>Jun-23</b>	<b>Jul-23</b>	<b>Aug-23</b>	<b>Sep-23</b>	<b>Oct-23</b>	<b>Nov-23</b>	<b>Dec-23</b>	<b>Jan-24</b>
Steady Compounds	-5.7%	-0.9%	7.8%	-2.4%	2.4%	-1.0%	-0.9%	-4.3%	-2.5%	8.4%	12.0%	-3.3%
MSCI Asia Pac xJ	-6.9%	2.5%	-1.8%	-2.7%	2.6%	5.4%	-6.4%	-3.0%	-4.1%	7.3%	4.5%	-4.8%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH



**Table 115: Steady Compounders Advance Decline Last 12 months**

Steady Compounders advance decline ending Jan-24 for last 12-months

<b>Asia Pac ex-Japan</b>	<b>Steady Compounders</b>	
	Advance	Decline
Jan-24	9	0
Dec-23	6	1
Nov-23	3	7
Oct-23	1	5
Sep-23	1	4
Aug-23	3	3
Jul-23	2	3
Jun-23	4	1
May-23	4	4
Apr-23	3	11
Mar-23	4	9
Feb-23	1	10

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Exshare

BofA GLOBAL RESEARCH

## Appendix L:

### Asia Pac ex-Japan Quant Strategy Fifty Performance

**Table 116: Asia Pac ex-Japan Quant Strategy Fifty Actual Performance Ending Jan-24**

Asia Pac ex-Japan Quant Strategy Fifty actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

	<b>1mth</b>	<b>3mth</b>	<b>6mth</b>	<b>12mth</b>	<b>YTD</b>	<b>Since Inception</b>	<b>Annualised</b>
Asia Pac ex-Japan Quant Fifty	-2.5%	8.4%	-5.2%	-4.0%	-2.5%	63%	4.1%
MSCI Asia Pac ex-Japan	-4.8%	6.7%	-7.1%	-8.3%	-4.8%	36%	2.5%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 117: Asia Pac ex-Japan Quant Strategy Fifty Advance Decline Ending Jan-24**

Asia Pac ex-Japan Quant Strategy Fifty advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

	<b>Asia Pac ex-Japan Quant Fifty</b>	
	Advance	Decline
Last Month	26	24
Last 3-Months	57	25
Last 6-Months	63	80
Last 12-Months	116	150
Year-To-Date	25	24
Since Inception Nov-11	1380	1388

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Exshare

BofA GLOBAL RESEARCH



## Appendix M:

### Asia ex-Japan Quant Strategy Fifty Performance

**Table 118: Asia ex-Japan Quant Strategy Fifty Actual Performance Ending Jan-24**

Asia ex-Japan Quant Strategy Fifty actual performance ending Jan-24 across different periods (1m, 3m, 12m, YTD)

	1mth	3mth	6mth	12mth	YTD	Since Inception	Annualised
Asia ex-Japan Quant Fifty	-2.3%	7.4%	-6.4%	-4.8%	-2.3%	50.6%	3.4%
MSCI Asia ex-Japan Index	-5.5%	4.4%	-9.0%	-9.5%	-5.5%	38.5%	2.7%

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Worldscope, Exshare, S&P, Bloomberg Note: No transaction costs are included in the return figures. The performance figures are updated on a monthly basis. Past performance is no guarantee of future results. A complete performance record is available on request.

BofA GLOBAL RESEARCH

**Table 119: Asia ex-Japan Quant Strategy Fifty Advance Decline Ending Jan-24**

Asia ex-Japan Quant Strategy Fifty advance decline ending Jan-24 across different periods (1m, 3m, 12m, YTD)

Asia ex-Japan Quant Fifty	Asia ex-Japan Quant Fifty	
	Advance	Decline
Last Month	18	32
Last 3-Months	54	21
Last 6-Months	60	80
Last 12-Months	115	103
Year-To-Date	18	32
Since Inception Nov-11	1255	1170

Source : BofA Asia Pac Quantitative Strategy, MSCI, IBES, Exshare

BofA GLOBAL RESEARCH



## Appendix N: The 'Fifty' Screen Relegations

**Table 120: Asia Pac ex-Japan 'Fifty' Screen - Relegated Stocks**

Stocks that were relegated this month from Asia Pac ex-Japan Quant Strategy Fifty screen

BBG Code	Name
3406 TT	Genius Electronic Optical
3711 TT	ASE Tech
6176 TT	Radiant Opto-Elec
4961 TT	Fitipower Integrated Tech
353200 KS	Daeduck Electronics /
067310 KS	Hana Micron
011780 KS	Kumho Petrochem
BMRI JI	Bank Mandiri
INDIGO IN	Interglobe Aviation
ONGC IN	ONGC
NEST IN	Nestle India
285 HK	BYD Electronic
700 HK	Tencent
2600 HK	CHALCO-H
2318 HK	Ping An Insurance-H
2338 HK	Weichai Power-H
570 HK	China Traditional Medicine
2319 HK	China Mengniu
3328 HK	Bank of Comm.-H
FMG AU	Fortescue
ALQ AU	ALS
CGF AU	Challenger
LOV AU	Lovisa Holdings
WBC AU	Westpac

Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH

**Table 121: Asia ex-Japan 'Fifty' Screen - Relegated Stocks**

Stocks that were relegated this month from Asia ex-Japan Quant Strategy Fifty screen

BBG Code	Name
3406 TT	Genius Electronic Optical
2379 TT	Realtek Semiconductor
3711 TT	ASE Tech
6176 TT	Radiant Opto-Elec
4961 TT	Fitipower Integrated Tech
353200 KS	Daeduck Electronics /
067310 KS	Hana Micron
112040 KS	Wemade
011780 KS	Kumho Petrochem
010950 KS	S-Oil
BMRI JI	Bank Mandiri
INDIGO IN	Interglobe Aviation
ONGC IN	ONGC
NEST IN	Nestle India
285 HK	BYD Electronic
601155 CH	Seazen-A
2318 HK	Ping An Insurance-H
2338 HK	Weichai Power-H
570 HK	China Traditional Medicine
1585 HK	Yadea Group
939 HK	CCB-H
3328 HK	Bank of Comm.-H

Source : BofA Asia Pac Quantitative Strategy

BofA GLOBAL RESEARCH



# Global Quant Publications

## Monthly reports schedule

### Day 1: Contenders & Defenders

A popular visual model. For each stock, this report graphically shows how consensus earnings expectations have changed over the long term versus the market, and whether recent earnings revisions appear to have been reflected in relative share price performance. Popular ways of using this analysis include 1) reviewing the Contenders and Defenders, 2) perusing individual stock charts, 3) monitoring region, country and sector themes using the “quadrant charts”, and 4) reviewing stock rankings. Regional versions are published monthly in these linked reports for [Global Contenders & Defenders](#) and Asia Pac ex-Japan Contenders & Defenders.

### Day 1: Global Performance Monitor

The above linked monthly report analysing the performance of global regions, countries, sectors and identifying the major stock contributors to global equity market performance.

### Day 2/3: Quantessential Style

Style rotation. Different investment styles outperform at various stages of the cycle. This investment style analysis relates performance of seven Quantessential Styles (Value, Growth, Quality, Risk, Momentum, Dividend and Size) to trends in global macro data. Popular uses include 1) when to buy “Deep Value”, “Growthiest of Growth”, and other styles, 2) identifying stocks with various style characteristics, 3) monitoring style performance, and 4) explaining out/under-performance due to style tilts. Regional versions are published in these linked monthly reports for [Global Quantessential Style](#) and [Asia Pac ex-Japan Quantessential Style](#).

### Week 1: Global Fund Performance Monitor

The above linked monthly report analysing the relative returns of large long-only equity funds in order to help fund managers understand how returns have been affected by fund characteristics. Funds are grouped by Region, Investment Style, Active/Passive, Active Share Ratio, Funds Under Management, Stock Size, Number of Stocks, and Portfolio Turnover.

### Week 2: Global Wave

The Global Wave (report link above) quantifies turning points and multi-year trends in global economic activity. The direction of the global cycle influences equity market performance, regional allocation, country allocation, style allocation, and stock selection. The Bunkers are stocks for a downturn and the Boosters are stocks for an upturn.

### Week 2: Positioning in Stocks

Quantifies how large investors are positioned in terms of stocks, regions, countries and sectors. Popular uses include 1) identifying extreme positioning for contrarian trade ideas, and 2) identifying developing trends in investor positioning. Regional versions are published in these linked monthly reports for [Global Positioning in Stocks](#) and [Pacific Positioning](#).

### Week 3: Quant Panorama

Summary report. In this monthly report, we present all our views and recent research on regional allocation, country and sector allocation, style allocation, and stock selection. One-stop shopping. Regional versions are published in these linked monthly reports for [Global Quant Panorama](#) and Asia Pac ex-Japan Quant Panorama.

### Week 4: Earnings Revision Ratio

Shows trends in earnings expectations at the regional, country and sector level. Regional versions are published in these linked monthly reports for [Global Earnings Revision Ratio](#) and [Asia Pac ex-Japan Earnings Revision Ratio](#).

**Weekly: High Frequency Monitor**

In this above linked weekly report, we monitor high frequency data to help equity investors track short-term changes in market-moving data in order to swiftly identify hot topics and turning points.

**Occasional: Focus Point**

The report above contains brief comments on topical issues and new research.



# Disclosures

## Important Disclosures

**FUNDAMENTAL EQUITY OPINION KEY:** Opinions include a Volatility Risk Rating, an Investment Rating and an Income Rating. VOLATILITY RISK RATINGS, indicators of potential price fluctuation, are: A - Low, B - Medium and C - High. INVESTMENT RATINGS reflect the analyst's assessment of both a stock's absolute total return potential as well as its attractiveness for investment relative to other stocks within its Coverage Cluster (defined below). Our investment ratings are: 1 - Buy stocks are expected to have a total return of at least 10% and are the most attractive stocks in the coverage cluster; 2 - Neutral stocks are expected to remain flat or increase in value and are less attractive than Buy rated stocks and 3 - Underperform stocks are the least attractive stocks in a coverage cluster. An investment rating of 6 (No Rating) indicates that a stock is no longer trading on the basis of fundamentals. Analysts assign investment ratings considering, among other things, the 0-12 month total return expectation for a stock and the firm's guidelines for ratings dispersions (shown in the table below). The current price objective for a stock should be referenced to better understand the total return expectation at any given time. The price objective reflects the analyst's view of the potential price appreciation (depreciation).

Investment rating	Total return expectation (within 12-month period of date of initial rating)	Ratings dispersion guidelines for coverage cluster <sup>R1</sup>
Buy	≥ 10%	≤ 70%
Neutral	≥ 0%	≤ 30%
Underperform	N/A	≥ 20%

<sup>R1</sup>Ratings dispersions may vary from time to time where BofA Global Research believes it better reflects the investment prospects of stocks in a Coverage Cluster.

**INCOME RATINGS**, indicators of potential cash dividends, are: 7 - same/higher (dividend considered to be secure), 8 - same/lower (dividend not considered to be secure) and 9 - pays no cash dividend. **Coverage Cluster** is comprised of stocks covered by a single analyst or two or more analysts sharing a common industry, sector, region or other classification(s). A stock's coverage cluster is included in the most recent BofA Global Research report referencing the stock.

Due to the nature of quantitative analysis, the issuers or securities recommended or discussed in this report are not continuously followed. Accordingly, investors must regard this report as providing stand-alone analysis and should not expect continuing analysis or additional reports relating to such issuers and/or securities. BofA Global Research personnel (including the analyst(s) responsible for this report) receive compensation based upon, among other factors, the overall profitability of Bank of America Corporation, including profits derived from investment banking. The analyst(s) responsible for this report may also receive compensation based upon, among other factors, the overall profitability of the Bank's sales and trading businesses relating to the class of securities or financial instruments for which such analyst is responsible.

## Other Important Disclosures

Prices are indicative and for information purposes only. Except as otherwise stated in the report, for any recommendation in relation to an equity security, the price referenced is the publicly traded price of the security as of close of business on the day prior to the date of the report or, if the report is published during intraday trading, the price referenced is indicative of the traded price as of the date and time of the report and in relation to a debt security (including equity preferred and CDS), prices are indicative as of the date and time of the report and are from various sources including BofA Securities trading desks.

The date and time of completion of the production of any recommendation in this report shall be the date and time of dissemination of this report as recorded in the report timestamp.

Recipients who are not institutional investors or market professionals should seek the advice of their independent financial advisor before considering information in this report in connection with any investment decision, or for a necessary explanation of its contents.

Officers of BofAS or one or more of its affiliates (other than research analysts) may have a financial interest in securities of the issuer(s) or in related investments.

Refer to [BofA Global Research policies relating to conflicts of interest](#).

**"BofA Securities"** includes BofA Securities, Inc. ("BofAS") and its affiliates. Investors should contact their BofA Securities representative or Merrill Global Wealth Management financial advisor if they have questions concerning this report or concerning the appropriateness of any investment idea described herein for such investor. **"BofA Securities"** is a global brand for BofA Global Research.

### Information relating to Non-US affiliates of BofA Securities and Distribution of Affiliate Research Reports:

BofAS and/or Merrill Lynch, Pierce, Fenner & Smith Incorporated ("MLPF&S") may in the future distribute, information of the following non-US affiliates in the US (short name: legal name, regulator): Merrill Lynch (South Africa): Merrill Lynch South Africa (Pty) Ltd, regulated by The Financial Service Board; MLI (UK): Merrill Lynch International, regulated by the Financial Conduct Authority (FCA) and the Prudential Regulation Authority (PRA); BofASE (France): BofA Securities Europe SA is authorized by the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers (AMF). BofA Securities Europe SA ("BofASE") with registered address at 51, rue La Boétie, 75008 Paris is registered under no 842 602 690 RCS Paris. In accordance with the provisions of French Code Monétaire et Financier (Monetary and Financial Code), BofASE is an établissement de crédit et d'investissement (credit and investment institution) that is authorised and supervised by the European Central Bank and the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and regulated by the ACPR and the Autorité des Marchés Financiers. BofASE's share capital can be found at [www.bofaaml.com/BofASEDisclaimer](http://www.bofaaml.com/BofASEDisclaimer); BofA Europe (Milan): Bank of America Europe Designated Activity Company, Milan Branch, regulated by the Bank of Italy, the European Central Bank (ECB) and the Central Bank of Ireland (CBI); BofA Europe (Frankfurt): Bank of America Europe Designated Activity Company, Frankfurt Branch regulated by BaFin, the ECB and the CBI; BofA Europe (Madrid): Bank of America Europe Designated Activity Company, Sucursal en España, regulated by the Bank of Spain, the ECB and the CBI; Merrill Lynch (Australia): Merrill Lynch Equities (Australia) Limited, regulated by the Australian Securities and Investments Commission; Merrill Lynch (Hong Kong): Merrill Lynch (Asia Pacific) Limited, regulated by the Hong Kong Securities and Futures Commission (HKSFC); Merrill Lynch (Singapore): Merrill Lynch (Singapore) Pte Ltd, regulated by the Monetary Authority of Singapore (MAS); Merrill Lynch (Canada): Merrill Lynch Canada Inc, regulated by the Canadian Investment Regulatory Organization; Merrill Lynch (Mexico): Merrill Lynch Mexico, SA de CV, Casa de Bolsa, regulated by the Comisión Nacional Bancaria y de Valores; Merrill Lynch (Argentina): Merrill Lynch Argentina SA, regulated by Comisión Nacional de Valores; BofAS Japan: BofA Securities Japan Co., Ltd., regulated by the Financial Services Agency; Merrill Lynch (Seoul): Merrill Lynch International, LLC Seoul Branch, regulated by the Financial Supervisory Service; Merrill Lynch (Taiwan): Merrill Lynch Securities (Taiwan) Ltd., regulated by the Securities and Futures Bureau; BofAS India: BofA Securities India Limited, regulated by the Securities and Exchange Board of India (SEBI); Merrill Lynch (Israel): Merrill Lynch Israel Limited, regulated by Israel Securities Authority; Merrill Lynch (DIFC): Merrill Lynch International (DIFC Branch), regulated by the Dubai Financial Services Authority (DFSA); Merrill Lynch (Brazil): Merrill Lynch S.A. Corretora de Títulos e Valores Mobiliários, regulated by Comissão de Valores Mobiliários; Merrill Lynch KSA Company: Merrill Lynch Kingdom of Saudi Arabia Company, regulated by the Capital Market Authority.

This information: has been approved for publication and is distributed in the United Kingdom (UK) to professional clients and eligible counterparties (as each is defined in the rules of the FCA and the PRA) by MLI (UK), which is authorized by the PRA and regulated by the FCA and the PRA - details about the extent of our regulation by the FCA and PRA are available from us on request; has been approved for publication and is distributed in the European Economic Area (EEA) by BofASE (France), which is authorized by the ACPR and regulated by the ACPR and the AMF; has been considered and distributed in Japan by BofAS Japan, a registered securities dealer under the Financial Instruments and Exchange Act in Japan, or its permitted affiliates; is issued and distributed in Hong Kong by Merrill Lynch (Hong Kong) which is regulated by HKSFC; is issued and distributed in Taiwan by Merrill Lynch (Taiwan); is issued and distributed in India by BofAS



India; and is issued and distributed in Singapore to institutional investors and/or accredited investors (each as defined under the Financial Advisers Regulations) by Merrill Lynch (Singapore) (Company Registration No 198602883D). Merrill Lynch (Singapore) is regulated by MAS. Merrill Lynch Equities (Australia) Limited (ABN 65 006 276 795), AFS License 235132 (MLEA) distributes this information in Australia only to 'Wholesale' clients as defined by s.761G of the Corporations Act 2001. With the exception of Bank of America N.A., Australia Branch, neither MLEA nor any of its affiliates involved in preparing this information is an Authorised Deposit-Taking Institution under the Banking Act 1959 nor regulated by the Australian Prudential Regulation Authority. No approval is required for publication or distribution of this information in Brazil and its local distribution is by Merrill Lynch (Brazil) in accordance with applicable regulations. Merrill Lynch (DIFC) is authorized and regulated by the DFSA. Information prepared and issued by Merrill Lynch (DIFC) is done so in accordance with the requirements of the DFSA conduct of business rules. BofA Europe (Frankfurt) distributes this information in Germany and is regulated by BaFin, the ECB and the CBI. BofA Securities entities, including BofA Europe and BofASE (France), may outsource/delegate the marketing and/or provision of certain research services or aspects of research services to other branches or members of the BofA Securities group. You may be contacted by a different BofA Securities entity acting for and on behalf of your service provider where permitted by applicable law. This does not change your service provider. Please refer to the [Electronic Communications Disclaimers](#) for further information.

This information has been prepared and issued by BofAS and/or one or more of its non-US affiliates. The author(s) of this information may not be licensed to carry on regulated activities in your jurisdiction and, if not licensed, do not hold themselves out as being able to do so. BofAS and/or MLPF&S is the distributor of this information in the US and accepts full responsibility for information distributed to BofAS and/or MLPF&S clients in the US by its non-US affiliates. Any US person receiving this information and wishing to effect any transaction in any security discussed herein should do so through BofAS and/or MLPF&S and not such foreign affiliates. Hong Kong recipients of this information should contact Merrill Lynch (Asia Pacific) Limited in respect of any matters relating to dealing in securities or provision of specific advice on securities or any other matters arising from, or in connection with, this information. Singapore recipients of this information should contact Merrill Lynch (Singapore) Pte Ltd in respect of any matters arising from, or in connection with, this information. For clients that are not accredited investors, expert investors or institutional investors Merrill Lynch (Singapore) Pte Ltd accepts full responsibility for the contents of this information distributed to such clients in Singapore.

#### **General Investment Related Disclosures:**

Taiwan Readers: Neither the information nor any opinion expressed herein constitutes an offer or a solicitation of an offer to transact in any securities or other financial instrument. No part of this report may be used or reproduced or quoted in any manner whatsoever in Taiwan by the press or any other person without the express written consent of BofA Securities. This document provides general information only, and has been prepared for, and is intended for general distribution to, BofA Securities clients. Neither the information nor any opinion expressed constitutes an offer or an invitation to make an offer, to buy or sell any securities or other financial instrument or any derivative related to such securities or instruments (e.g., options, futures, warrants, and contracts for differences). This document is not intended to provide personal investment advice and it does not take into account the specific investment objectives, financial situation and the particular needs of, and is not directed to, any specific person(s). This document and its content do not constitute, and should not be considered to constitute, investment advice for purposes of ERISA, the US tax code, the Investment Advisers Act or otherwise. Investors should seek financial advice regarding the appropriateness of investing in financial instruments and implementing investment strategies discussed or recommended in this document and should understand that statements regarding future prospects may not be realized. Any decision to purchase or subscribe for securities in any offering must be based solely on existing public information on such security or the information in the prospectus or other offering document issued in connection with such offering, and not on this document.

Securities and other financial instruments referred to herein, or recommended, offered or sold by BofA Securities, are not insured by the Federal Deposit Insurance Corporation and are not deposits or other obligations of any insured depository institution (including, Bank of America, N.A.). Investments in general and, derivatives, in particular, involve numerous risks, including, among others, market risk, counterparty default risk and liquidity risk. No security, financial instrument or derivative is suitable for all investors. Digital assets are extremely speculative, volatile and are largely unregulated. In some cases, securities and other financial instruments may be difficult to value or sell and reliable information about the value or risks related to the security or financial instrument may be difficult to obtain. Investors should note that income from such securities and other financial instruments, if any, may fluctuate and that price or value of such securities and instruments may rise or fall and, in some cases, investors may lose their entire principal investment. Past performance is not necessarily a guide to future performance. Levels and basis for taxation may change.

This report may contain a short-term trading idea or recommendation, which highlights a specific near-term catalyst or event impacting the issuer or the market that is anticipated to have a short-term price impact on the equity securities of the issuer. Short-term trading ideas and recommendations are different from and do not affect a stock's fundamental equity rating, which reflects both a longer term total return expectation and attractiveness for investment relative to other stocks within its Coverage Cluster. Short-term trading ideas and recommendations may be more or less positive than a stock's fundamental equity rating.

BofA Securities is aware that the implementation of the ideas expressed in this report may depend upon an investor's ability to "short" securities or other financial instruments and that such action may be limited by regulations prohibiting or restricting "shortselling" in many jurisdictions. Investors are urged to seek advice regarding the applicability of such regulations prior to executing any short idea contained in this report.

Foreign currency rates of exchange may adversely affect the value, price or income of any security or financial instrument mentioned herein. Investors in such securities and instruments, including ADRs, effectively assume currency risk.

BofAS or one of its affiliates is a regular issuer of traded financial instruments linked to securities that may have been recommended in this report. BofAS or one of its affiliates may, at any time, hold a trading position (long or short) in the securities and financial instruments discussed in this report.

BofA Securities, through business units other than BofA Global Research, may have issued and may in the future issue trading ideas or recommendations that are inconsistent with, and reach different conclusions from, the information presented herein. Such ideas or recommendations may reflect different time frames, assumptions, views and analytical methods of the persons who prepared them, and BofA Securities is under no obligation to ensure that such other trading ideas or recommendations are brought to the attention of any recipient of this information.

In the event that the recipient received this information pursuant to a contract between the recipient and BofAS for the provision of research services for a separate fee, and in connection therewith BofAS may be deemed to be acting as an investment adviser, such status relates, if at all, solely to the person with whom BofAS has contracted directly and does not extend beyond the delivery of this report (unless otherwise agreed specifically in writing by BofAS). If such recipient uses the services of BofAS in connection with the sale or purchase of a security referred to herein, BofAS may act as principal for its own account or as agent for another person. BofAS is and continues to act solely as a broker-dealer in connection with the execution of any transactions, including transactions in any securities referred to herein.

#### **Copyright and General Information:**

Copyright 2024 Bank of America Corporation. All rights reserved. iQdatabase® is a registered service mark of Bank of America Corporation. This information is prepared for the use of BofA Securities clients and may not be redistributed, retransmitted or disclosed, in whole or in part, or in any form or manner, without the express written consent of BofA Securities. BofA Global Research information is distributed simultaneously to internal and client websites and other portals by BofA Securities and is not publicly-available material. Any unauthorized use or disclosure is prohibited. Receipt and review of this information constitutes your agreement not to redistribute, retransmit, or disclose to others the contents, opinions, conclusion, or information contained herein (including any investment recommendations, estimates or price targets) without first obtaining express permission from an authorized officer of BofA Securities.

Materials prepared by BofA Global Research personnel are based on public information. Facts and views presented in this material have not been reviewed by, and may not reflect information known to, professionals in other business areas of BofA Securities, including investment banking personnel. BofA Securities has established information barriers between BofA Global Research and certain business groups. As a result, BofA Securities does not disclose certain client relationships with, or compensation received from, such issuers. To the extent that this material discusses any legal proceeding or issues, it has not been prepared as nor is it intended to express any legal conclusion, opinion or advice. Investors should consult their own legal advisers as to issues of law relating to the subject matter of this material. BofA Global Research personnel's knowledge of legal proceedings in which any BofA Securities entity and/or its directors, officers and employees may be plaintiffs, defendants, co-defendants or co-plaintiffs with or involving issuers mentioned in this material is based on public information. Facts and views presented in this material that relate to any such proceedings have not been reviewed by, discussed with, and may not reflect information known to, professionals in other business areas of BofA Securities in connection with the legal proceedings or matters relevant to such proceedings.

This information has been prepared independently of any issuer of securities mentioned herein and not in connection with any proposed offering of securities or as agent of any issuer of any securities. None of BofAS any of its affiliates or their research analysts has any authority whatsoever to make any representation or warranty on behalf of the issuer(s). BofA Global Research policy prohibits research personnel from disclosing a recommendation, investment rating, or investment thesis for review by an issuer prior to the publication of a research report containing such rating, recommendation or investment thesis.

Any information relating to the tax status of financial instruments discussed herein is not intended to provide tax advice or to be used by anyone to provide tax advice. Investors are urged to seek tax advice based on their particular circumstances from an independent tax professional.

The information herein (other than disclosure information relating to BofA Securities and its affiliates) was obtained from various sources and we do not guarantee its accuracy. This information may contain links to third-party websites. BofA Securities is not responsible for the content of any third-party website or any linked content contained in a third-party website. Content



contained on such third-party websites is not part of this information and is not incorporated by reference. The inclusion of a link does not imply any endorsement by or any affiliation with BofA Securities. Access to any third-party website is at your own risk, and you should always review the terms and privacy policies at third-party websites before submitting any personal information to them. BofA Securities is not responsible for such terms and privacy policies and expressly disclaims any liability for them.

All opinions, projections and estimates constitute the judgment of the author as of the date of publication and are subject to change without notice. Prices also are subject to change without notice. BofA Securities is under no obligation to update this information and BofA Securities ability to publish information on the subject issuer(s) in the future is subject to applicable quiet periods. You should therefore assume that BofA Securities will not update any fact, circumstance or opinion contained herein.

Certain outstanding reports or investment opinions relating to securities, financial instruments and/or issuers may no longer be current. Always refer to the most recent research report relating to an issuer prior to making an investment decision.

In some cases, an issuer may be classified as Restricted or may be Under Review or Extended Review. In each case, investors should consider any investment opinion relating to such issuer (or its security and/or financial instruments) to be suspended or withdrawn and should not rely on the analyses and investment opinion(s) pertaining to such issuer (or its securities and/or financial instruments) nor should the analyses or opinion(s) be considered a solicitation of any kind. Sales persons and financial advisors affiliated with BofAS or any of its affiliates may not solicit purchases of securities or financial instruments that are Restricted or Under Review and may only solicit securities under Extended Review in accordance with firm policies.

Neither BofA Securities nor any officer or employee of BofA Securities accepts any liability whatsoever for any direct, indirect or consequential damages or losses arising from any use of this information.

