

# Global Style Watch

## Quality and Value rewarded

### Equities

Global  
Quantitative

Simon Iley

Analyst

simon.iley@ubs.com

+44-20-7568 6327

David Jessop

Analyst

david.jessop@ubs.com

+44-20-7567 9882

Claire Jones, CFA

Analyst

claire-c.jones@ubs.com

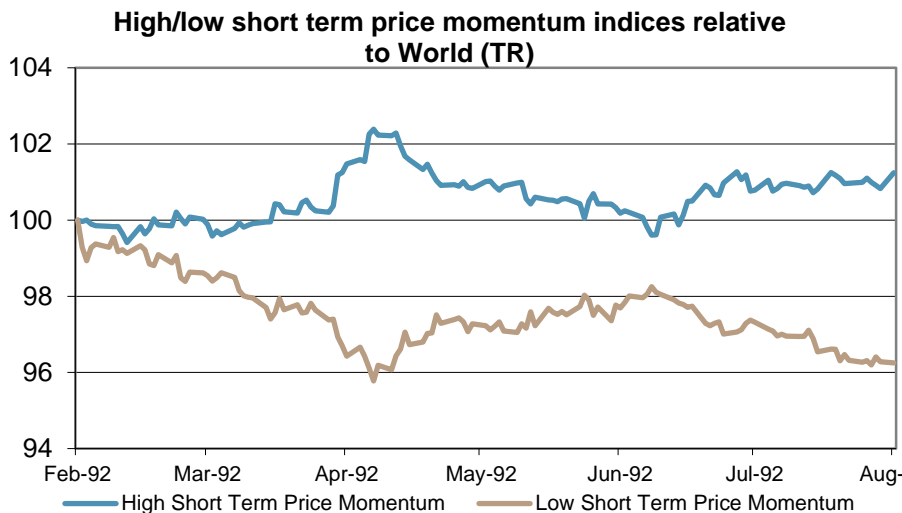
+44-20-7568 1873

Shanle Wu, PhD

Analyst

shanle.wu@ubs.com

+852-2971 7513



Source: UBS Global Quantitative Research

### Low 1m Price Momentum best; Low Beta worst in developed markets

Post UK referendum based uncertainty, Low Beta has switched to be our worst performing style in the developed market, falling short of the benchmark by 2.3% in July 2016; Low 1m Price Momentum at +2.5% was the best. Value styles generally discriminated with four of value-high styles in the top 12 and four value-low in the bottom 12. Momentum also discriminated strongly though it reversed to perform to contrary to "expectation". See links to [DM](#), [EM](#), [AsiaPac or Industry returns](#) and [UBS Market Statistics](#) files.

### High Volatility best; Low Beta worst in emerging markets

In the emerging markets High Volatility at 1.8% outperformance was our best performing style with Low Beta worst at 1.5% underperformance. Value styles again discriminated strongly in line with the developed world with value-high outperforming. The other style types were less clear cut but momentum tended to behave against expectation with High 12m Price Momentum the second worst performing style.

### UBS Crowding barometer shows crowds have returned to US healthcare

There has been a significant pick-up in both buy-side weighting and cumulative PCI for US healthcare in the past few months. Sell-side sentiment also turned up in July. For more details, see Q-Series® note "[What crowded positions are bubbling up in equity markets?](#)".

### European model still prefers quality, US model prefers value and momentum

The largest suggested weight in the European style allocation remains ROIC, but its position is smaller than last month. In the US, the model suggests a more risk taking allocation, preferring price momentum and value to quality.

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# Overview

Figure 1: One-month relative style performance by developed region<sup>1</sup>

	Type	WORLD	GB	EUXUK	EUR	NAM	LATAM	JP	PBXJA
High Book / Price	Value - High	0.15	-0.78	0.22	-0.15	-0.48	3.39	2.18	1.30
High Dividend Yield	Value - High	-0.55	-0.56	-0.89	-0.86	-1.18	-0.54	2.55	1.45
High Earnings Yield	Value - High	1.42	1.67	0.94	1.19	1.23	0.31	3.42	1.52
High EBIT / EV	Value - High	1.42	4.63	0.96	1.90	1.37	0.35	4.18	1.1
High Free Cashflow Yield	Value - High	1.28	0.41	1.69	1.30	1.47	-3.39	0.96	1.53
High Sales Yield	Value - High	0.77	-1.44	0.74	0.09	0.53	-2.05	2.57	2.22
Low PEG	Value - High	1.14	-1.16	0.79	0.27	1.74	-0.41	0.28	0.90
Value Composite	Value - High	1.05	0.58	-0.03	0.18	0.90	1.98	2.95	2.21
GrowthComposite	Value - Low	-1.30	-0.70	-0.99	-0.91	-1.20	-1.23	-2.23	-1.26
High PEG	Value - Low	-0.70	1.18	-1.46	-0.65	-1.35	3.13	1.90	0.59
Low Book / Price	Value - Low	-0.16	0.65	-0.55	-0.21	0.59	-3.95	-2.83	-0.71
Low Dividend Yield	Value - Low	0.91	1.36	1.95	1.70	1.47	0.52	-2.15	-0.08
Low Earnings Yield	Value - Low	-1.30	0.71	-0.69	-0.28	-1.52	0.14	-2.62	-0.61
Low EBIT / EV	Value - Low	-1.69	-0.96	-1.97	-1.64	-1.64	1.36	-2.29	-0.48
Low Free Cashflow Yield	Value - Low	-1.93	-1.27	-1.63	-1.55	-1.86	2.62	-3.45	-1.35
Low Sales Yield	Value - Low	-0.90	-0.68	-1.35	-1.12	-0.21	-0.46	-3.52	-0.93
High Dividend Growth	Growth- High	0.33	1.98	1.44	1.66	0.34	-1.60	-2.45	0.86
High Earnings Growth	Growth- High	0.36	-0.79	0.67	-0.01	0.83	-0.59	-1.56	0.92
High Historical EPS Growth	Growth- High	1.57	4.63	1.47	2.33	1.64	-1.16	1.79	0.53
Low Dividend Growth	Growth- Low	0.66	0.12	-1.14	-0.81	1.12	-1.88	1.95	1.06
Low Earnings Growth	Growth- Low	-0.50	2.17	-1.25	-0.23	-1.09	2.63	2.17	0.56
Low Historical EPS Growth	Growth- Low	-0.92	-0.77	-0.94	-0.94	-1.07	1.29	-0.55	0.44
High 12m Price Momentum	Momentum - High	-1.01	-1.44	0.04	-0.58	-0.73	-4.07	-4.38	0.43
High 1m Price Momentum	Momentum - High	-2.01	-1.20	-1.83	-1.73	-2.45	3.78	-3.09	0.60
High 6m Price Momentum	Momentum - High	-1.12	-1.19	1.54	0.04	-1.47	2.16	-3.65	0.91
High Earnings Momentum	Momentum - High	-0.46	-1.38	-0.24	-0.78	0.03	0.45	-3.55	0.78
Low 12m Price Momentum	Momentum - Low	1.52	-0.19	0.20	0.04	1.74	1.90	4.38	0.79
Low 1m Price Momentum	Momentum - Low	2.47	2.26	2.56	2.66	2.62	-3.37	3.52	1.43
Low 6m Price Momentum	Momentum - Low	1.99	3.95	0.23	1.26	2.04	-2.81	5.00	0.45
Low Earnings Momentum	Momentum - Low	0.94	1.37	0.54	0.85	0.56	2.87	4.10	0.41
High Dividend Cover	Quality - High	0.63	3.42	1.78	2.28	0.36	-2.54	-0.28	0.12
High ROE	Quality - High	0.63	0.53	0.54	0.43	1.08	-1.15	0.12	0.00
High ROIC	Quality - High	0.75	1.44	1.06	1.15	0.95	-0.96	0.63	0.71
Low Capex / Depreciation	Quality - High	0.23	1.36	-0.10	0.36	0.25	0.54	-0.81	1.25
Low Debt To EV	Quality - High	1.82	2.64	1.47	1.81	2.06	-3.37	3.02	0.31
High Capex / Depreciation	Quality - Low	0.09	-0.67	0.64	0.29	0.05	-0.35	1.05	-0.53
High Debt To EV	Quality - Low	-1.31	-1.44	-1.89	-1.83	-1.38	2.15	-1.42	0.03
Low Dividend Cover	Quality - Low	-1.89	-0.70	-2.00	-1.62	-3.14	-0.71	0.23	1.02
Low ROE	Quality - Low	-0.88	-0.59	-0.76	-0.76	-1.53	3.36	0.05	1.34
Low ROIC	Quality - Low	-0.53	-1.26	-0.51	-0.85	-1.14	2.03	1.98	0.78
Large Cap	Size	-0.32	-0.07	-0.52	-0.38	-0.29	-0.35	0.14	0.78
Small Cap	Size	1.79	3.42	2.59	2.77	2.39	2.09	2.61	-0.32
High Beta	Risk - High	2.26	3.04	2.57	2.72	1.19	6.14	4.39	1.83
High Volatility	Risk - High	2.36	2.41	2.86	2.72	2.47	6.24	2.23	0.32
Low Beta	Risk - Low	-2.29	-1.25	-2.11	-1.87	-2.08	-6.80	-3.96	-1.12
Low Volatility	Risk - Low	-1.94	-0.97	-1.54	-1.42	-2.31	-5.61	-1.09	-0.14
Spread (Best - Worst)		4.76	6.07	4.97	4.64	5.76	13.04	9.38	3.57
Key:		Top 5	Bottom 5						

Source: UBS Global Quantitative Research. Data to 29th July 2016 – Files: [UBS DM Style Returns](#) and [DM Style Indices](#)

<sup>1</sup> Note: all returns are relative to the relevant Dow Jones Global Indices regional index

## One-month returns

In the developed markets, Low 1m Price Momentum was our best performing style, beating the benchmark by 2.5% in July 2016 with Low Beta worst at 2.3% underperformance (having been best in June). Quality was less discriminatory in July 2016 but switched with two quality-low styles in the bottom 12. Value discriminated most strongly in July 2016 also switching from the previous month with four value-high styles in the top 12; four value-low in the bottom 12. Three momentum-low styles featured in the top 12, mostly performing contra-intuition.

In the emerging markets, High Volatility was the best style at 1.8% outperformance with Low Beta worst at 1.5% under the market. As in the developed markets, value strongly discriminated with four value-high styles in the top 12 and five value-low at the other end. Momentum was discriminatory though these styles with the exception of 6m Price Momentum generally behaved against expectation. Small caps recorded the second best performance at 1.75% outperforming across all the developed regions.

Reversing the previous month, over three-quarters of our value-high styles' combinations within developed markets outperformed. All 8 of these styles outperformed in Japan; four in each of UK and Latin America where they were least successful. High Earnings Yield and High EBIT / EV were most successful, outperforming in every region along with two other styles that outperformed in 7 regions. High Dividend Yield outperformed in just two markets. A quarter of the combinations of value-low style with developed market styles outperformed. All bar one of these styles underperformed in Europe ex UK and in three other developed regions. Growth Composite and Low Sales Yield underperformed in every region.

Across the emerging markets' regions, nearly three-quarters of these combinations outperformed while value-low outperformed in under two-fifths of the combinations. This performance was most marked in emerging Asia where all the value-high styles outperformed while in contrast just two achieved this in emerging Europe. High Dividend Yield outperformed in every emerging market contrasting with the developed markets; High Free Cash-flow Yield was least successful.

In the emerging markets, our quality styles were less discriminatory in July. Low Capex / Depreciation and Low RoE outperformed in every region; Low Dividend Cover in none. The quality-high styles were relatively successful in emerging Asia and Europe; quality-low in emerging Latin America. Against expectation High 12m and Low 1m Price Momentum underperformed in every emerging region; 6m Price Momentum was better behaved. Small Caps outperformed in every region.

In the developed markets the momentum styles reversed to perform strongly against expectation. Low Earnings Momentum outperformed in every region; Low 6m and Low 12m in seven regions. 1m Price Momentum was relatively well behaved. Quality was discriminatory switching so that high outperformed low largely driven by Europe and North America; Latin America reversed this trend. Every risk-high style outperformed and risk-low style underperformed in every region. Small caps underperformed in Pacific Basin ex Japan only.

The cross-sectional dispersion of returns on page 27 shows decreases in every region bar Pacific Basin ex Japan (+277b.p.) and emerging Asia. Post the referendum, UK fell back by 470b.p. with Europe ex UK lowest at 7.3%. This was also reflected in the average pair-wise correlation (page 29) which spiked in June.

**Low 1m Price Momentum was the top style in the developed markets; High Volatility in emerging.**

**Low Beta was the worst in the developed and emerging markets in June 2016.**

**77% of the combinations of value-high style and developed markets regions outperformed in July 2016 (37% previous month).**

**For our emerging markets styles, 75% of these combinations outperformed in July 2016 (78% previously) and 37% of the value-low combinations.**

**75% of the combinations of momentum-low styles and developed region outperformed in July 2016; 80% for quality-high.**

**Dispersion decreased in every region bar two. Pacific Basin ex Japan was highest at 12.4%.**

Figure 2: Three-months' relative style performance by developed region

	Type	WORLD	GB	EUXUK	EUR	NAM	LATAM	JP	PBXJA
High Book / Price	Value - High	-2.52	-4.54	-4.54	-4.57	-1.85	3.34	-2.65	0.64
High Dividend Yield	Value - High	-0.05	-0.12	-3.61	-2.46	0.60	-0.20	-0.69	0.80
High Earnings Yield	Value - High	-1.32	-3.47	-3.05	-3.17	-1.23	0.69	-0.74	2.21
High EBIT / EV	Value - High	1.67	-0.29	-0.56	-0.48	1.78	-1.06	1.36	3.81
High Free Cashflow Yield	Value - High	1.59	-0.24	3.32	2.18	1.70	-3.57	0.37	3.61
High Sales Yield	Value - High	-0.52	-1.70	-0.04	-0.53	-0.91	-6.29	0.74	1.58
Low PEG	Value - High	0.13	1.69	-0.45	0.44	0.46	-2.56	-1.72	0.61
Value Composite	Value - High	-1.16	-4.22	-4.04	-4.07	-0.36	1.54	-1.69	2.31
GrowthComposite	Value - Low	0.45	4.24	4.29	4.26	-0.69	-2.53	1.07	-1.22
High PEG	Value - Low	-1.44	-3.09	-0.58	-1.45	-1.7	1.8	0.58	-1.17
Low Book / Price	Value - Low	1.42	5.56	4.05	4.52	0.68	-3.01	0.20	1.2
Low Dividend Yield	Value - Low	0.71	0.51	3.96	2.85	-0.25	-1.38	1.5	0.53
Low Earnings Yield	Value - Low	0.32	1.44	4.50	3.54	-0.66	-3.31	0.76	-1.13
Low EBIT / EV	Value - Low	0.19	2.98	4.60	4.13	-1.19	-1.79	2.27	-1.94
Low Free Cashflow Yield	Value - Low	-0.03	2.22	2.83	2.60	-0.37	-1.48	-0.89	-2.57
Low Sales Yield	Value - Low	1.45	5.94	5.77	5.85	0.24	1.86	-1.29	2.31
High Dividend Growth	Growth- High	-0.21	-3.61	1.8	0.40	-0.54	2.52	-1.68	1.30
High Earnings Growth	Growth- High	0.38	1.80	0.16	0.59	0.48	-2.18	-1.83	1.2
High Historical EPS Growth	Growth- High	0.22	-4.57	-0.28	-1.17	-0.21	1.25	0.86	2.63
Low Dividend Growth	Growth- Low	-0.49	0.85	-1.25	-0.60	0.34	-8.31	1.20	-1.1
Low Earnings Growth	Growth- Low	-1.20	-2.32	-1.3	-1.66	-1.28	1.45	0.81	-0.99
Low Historical EPS Growth	Growth- Low	-0.34	1.84	-0.46	0.29	0.48	-4.12	-1.20	-3.73
High 12m Price Momentum	Momentum - High	2.91	5.00	4.73	4.82	2.28	-0.62	1.69	1.89
High 1m Price Momentum	Momentum - High	-4.34	-13.73	-2.22	-4.60	-4.84	-3.63	-3.81	-0.26
High 6m Price Momentum	Momentum - High	3.03	4.58	5.41	4.88	2.14	6.06	1.75	2.32
High Earnings Momentum	Momentum - High	1.50	2.41	2.63	2.41	1.2	3.88	0.14	2.37
Low 12m Price Momentum	Momentum - Low	-2.65	-4.46	-4.09	-4.22	-1.71	-7.10	-0.26	-1.78
Low 1m Price Momentum	Momentum - Low	4.45	9.37	3.77	5.93	4.34	5.87	3.58	1.55
Low 6m Price Momentum	Momentum - Low	-2.17	-5.93	-3.61	-3.87	-1.60	-8.20	0.13	-0.94
Low Earnings Momentum	Momentum - Low	-2.10	-4.81	-2.34	-3.04	-2.01	-3.54	0.73	-2.38
High Dividend Cover	Quality - High	-1.30	-1.4	1.27	0.59	-2.32	-5.83	-0.1	-0.67
High ROE	Quality - High	1.34	4.38	2.63	3.17	0.71	1.10	0.77	2.09
High ROIC	Quality - High	1.59	4.17	2.59	3.07	0.64	2.55	1.69	2.40
Low Capex / Depreciation	Quality - High	0.03	1.42	1.89	1.86	-0.17	-2.31	-0.40	-0.45
Low Debt To EV	Quality - High	2.73	4.34	2.90	3.33	1.86	2.76	3.80	3.99
High Capex / Depreciation	Quality - Low	-0.79	-2.60	-1.67	-2.02	-0.58	0.45	-0.05	-1.24
High Debt To EV	Quality - Low	-1.10	0.35	-0.52	-0.26	0.01	-4.64	-2.94	-3.15
Low Dividend Cover	Quality - Low	0.06	2.04	0.36	0.91	0.31	0.02	0.25	-0.67
Low ROE	Quality - Low	-1.99	-2.06	-3.79	-3.24	-1.20	-3.56	-1.64	-1.65
Low ROIC	Quality - Low	-1.62	-1.40	-2.00	-1.84	-0.66	-3.20	-0.94	-2.00
Large Cap	Size	-0.24	0.44	0.25	0.31	-0.27	-2.73	-0.33	0.94
Small Cap	Size	0.48	-4.53	1.94	-0.1	-0.60	5.75	1.67	-1.69
High Beta	Risk - High	-2.80	-3.27	-5.20	-4.62	-3.01	8.51	-0.39	-0.73
High Volatility	Risk - High	-0.88	1.04	-3.44	-1.79	-0.42	8.99	0.19	-2.52
Low Beta	Risk - Low	1.65	3.69	4.39	4.12	1.09	-9.32	1.36	1.10
Low Volatility	Risk - Low	0.89	3.86	4.31	4.10	0.18	-8.62	-0.55	1.09
Spread (Best - Worst)		8.79	23.1	10.97	10.55	9.18	18.3	7.61	7.72
Key:		Top 5	Bottom 5						

Source: UBS Global Quantitative Research. Data to 29th July 2016 – Files: [UBS DM Style Returns](#) and [DM Style Indices](#)

# Emerging Markets style indices

Our emerging markets' style indices are based on the MSCI Emerging Markets universe. The basic process is similar to that for our global style indices, except that different market capitalisation thresholds are used for the size baskets. These charts show the total returns relative to the market.

**Figure 3: Three month's relative style performance by emerging region<sup>2</sup>**

	Type	MEMGL	EMAS	EMEA	EMLA
High Book / Price	Value - High	0.26	0.23	-6.62	5.07
High Dividend Yield	Value - High	1.68	1.82	-1.47	1.48
High Earnings Yield	Value - High	0.27	0.74	-3.17	0.75
High EBIT / EV	Value - High	3.02	4.17	-5.16	1.27
High Free Cashflow Yield	Value - High	4.01	4.73	1.19	-3.70
High Sales Yield	Value - High	0.08	0.85	-1.86	-4.05
Low PEG	Value - High	1.00	1.43	1.64	0.03
Value Composite	Value - High	0.72	1.39	-4.87	1.80
Growth Composite	Value - Low	0.16	-0.61	4.60	-0.67
High PEG	Value - Low	-1.32	-2.13	-3.04	0.43
Low Book / Price	Value - Low	0.73	0.39	5.63	-4.61
Low Dividend Yield	Value - Low	-1.10	-1.43	1.69	-0.35
Low Earnings Yield	Value - Low	-1.06	-1.48	3.03	-2.33
Low EBIT / EV	Value - Low	-0.28	-1.32	6.48	-2.26
Low Free Cashflow Yield	Value - Low	-2.58	-3.98	0.31	2.17
Low Sales Yield	Value - Low	2.81	2.43	6.78	-0.54
High Dividend Growth	Growth- High	1.42	0.99	1.66	3.69
High Earnings Growth	Growth- High	0.77	1.11	1.5	1.79
High Historical EPS Growth	Growth- High	1.4	0.98	4.31	1.2
Low Dividend Growth	Growth- Low	-2.73	-3.00	-3.05	-2.61
Low Earnings Growth	Growth- Low	-1.66	-2.16	-3.05	0.09
Low Historical EPS Growth	Growth- Low	-0.73	-0.39	-2.00	-2.14
High 12m Price Momentum	Momentum - High	1.05	0.71	4.36	-2.15
High 1m Price Momentum	Momentum - High	-1.46	0.22	-3.02	-3.13
High 6m Price Momentum	Momentum - High	2.47	0.78	6.47	5.01
High Earnings Momentum	Momentum - High	3.02	3.04	1.29	3.92
Low 12m Price Momentum	Momentum - Low	-2.62	-1.33	-3.39	-7.95
Low 1m Price Momentum	Momentum - Low	1.35	-1.74	6.09	3.49
Low 6m Price Momentum	Momentum - Low	-1.93	0.22	-3.61	-9.96
Low Earnings Momentum	Momentum - Low	-2.06	-2.02	-3.06	-2.55
High Dividend Cover	Quality - High	-0.06	1.00	0.84	-6.83
High ROE	Quality - High	2.09	2.02	6.24	-0.51
High ROIC	Quality - High	3.59	3.39	4.22	3.48
Low Capex / Depreciation	Quality - High	2.82	2.60	6.61	-2.53
Low Debt To EV	Quality - High	3.40	2.43	6.96	3.65
High Capex / Depreciation	Quality - Low	-2.29	-2.41	-5.90	2.53
High Debt To EV	Quality - Low	-3.91	-3.72	-4.39	-4.51
Low Dividend Cover	Quality - Low	1.55	2.32	-3.19	-0.66
Low ROE	Quality - Low	-2.36	-3.22	-2.48	1.12
Low ROIC	Quality - Low	-3.29	-4.44	-2.41	2.45
Large Cap	Size	0.28	0.63	0.05	-1.79
Small Cap	Size	1.53	-0.43	0.42	19.48
High Beta	Risk - High	1.79	1.16	-1.69	8.45
High Volatility	Risk - High	-0.75	-4.71	4.71	8.87
Low Beta	Risk - Low	-0.28	0.20	3.75	-8.26
Low Volatility	Risk - Low	1.17	2.59	-5.98	-8.01
Spread (Best - Worst)		7.92	9.44	13.58	29.44
Key:		Top 5	Bottom 5		

Source: UBS Global Quantitative Research. Data to 29th July 2016 – Files: [UBS EM Style Returns](#) and [EM Style Indices](#)

<sup>2</sup> Note: all returns are relative to the relevant MSCI regional index

# Asia ex Japan style indices

Our Asia ex Japan style indices are based on the MSCI universe. The basic process is similar to that for our global style indices using the same factor values. However, for the size baskets, stocks are sorted within country with the top 80% of the market capitalisation being large-; the next 15% being mid-, and the remaining 5% small-caps. Figure 4 shows the one month total returns relative to the market.

**Figure 4: One month relative style performance by Asia ex Japan country<sup>3</sup>**

	Type	Asia x JP	CN	HK	ID	IN	KR	MY	PH	SG	TH	TW
High Book / Price	Value - High	0.47	-0.61	4.01	4.01	1.36	0.90	-0.51	-0.28	0.01	-1.73	0.34
High Dividend Yield	Value - High	-0.61	-0.94	1.70	1.99	-3.70	0.42	-0.11	-2.19	-0.94	0.66	-0.23
High Earnings Yield	Value - High	0.83	0.21	3.87	2.39	1.72	1.20	0.26	0.69	-1.46	2.63	0.29
High EBIT / EV	Value - High	1.54	3.50	-1.86	5.30	-3.90	2.12	0.45	0.25	4.10	-2.51	0.74
High Free Cashflow Yield	Value - High	0.55	-0.74	-0.75	1.36	-3.70	2.42	0.04	-0.56	-0.22	-2.71	-0.09
High Sales Yield	Value - High	0.80	0.84	-1.22	4.34	1.97	0.07	0.38	1.96	1.02	-1.40	0.09
Low PEG	Value - High	1.49	1.46	-1.58	0.13	3.23	3.92	-0.16	4.60	1.29	0.24	0.53
Value Composite	Value - High	0.27	2.73	-2.10	3.21	-3.18	0.21	0.91	0.25	-1.63	-2.61	0.42
GrowthComposite	Value - Low	-0.99	-0.35	0.96	-3.75	1.74	-5.58	-0.07	-2.43	1.11	-0.45	1.88
High PEG	Value - Low	-0.76	-2.30	1.10	0.41	0.72	-0.60	-0.46	-3.86	-0.38	1.18	0.33
Low Book / Price	Value - Low	-1.19	-0.12	-2.15	-5.01	0.58	-6.90	0.40	-2.69	1.49	-2.51	0.25
Low Dividend Yield	Value - Low	-0.60	0.02	-2.38	0.10	2.87	-3.43	-0.59	0.75	2.04	-1.61	0.52
Low Earnings Yield	Value - Low	-1.04	-0.90	-1.82	-3.39	2.09	-4.21	-0.47	-0.28	0.48	-2.54	1.04
Low EBIT / EV	Value - Low	-1.16	0.14	-1.58	-3.68	-0.04	-4.48	-0.22	-2.43	-2.18	0.73	-0.82
Low Free Cashflow Yield	Value - Low	-0.63	-0.10	0.04	-0.72	1.17	-2.89	-0.88	-0.57	0.42	1.35	0.53
Low Sales Yield	Value - Low	-0.58	1.03	0.81	-6.90	1.81	-7.55	0.31	-2.70	0.74	-3.39	0.53
High Dividend Growth	Growth- High	0.38	1.42	-1.12	0.77	2.69	-2.49	0.17	1.82	2.24	-1.52	0.22
High Earnings Growth	Growth- High	0.00	1.28	-1.58	-1.61	2.84	-1.89	0.23	2.76	1.29	-0.81	-0.66
High Historical EPS Growth	Growth- High	-0.30	0.48	-1.48	-0.37	3.04	-3.77	0.95	-0.67	-0.31	-4.70	1.09
Low Dividend Growth	Growth- Low	-0.22	-1.11	2.29	1.43	0.04	0.44	-0.57	-0.71	-1.72	0.40	-0.28
Low Earnings Growth	Growth- Low	-0.88	-2.37	1.10	2.28	-2.00	-0.69	-0.49	-2.89	-0.38	0.41	0.54
Low Historical EPS Growth	Growth- Low	0.26	-0.17	1.83	3.35	1.27	0.58	-0.34	-1.55	1.32	-1.13	-0.97
High 12m Price Momentum	Momentum - High	-1.24	-0.07	-0.87	-2.08	-3.10	-4.69	0.10	2.83	-0.13	-4.15	-0.53
High 1m Price Momentum	Momentum - High	0.52	-0.31	0.59	0.02	0.66	0.53	0.28	1.23	1.41	-0.09	0.72
High 6m Price Momentum	Momentum - High	-0.52	0.19	-0.34	-1.17	-1.93	-1.91	0.37	-0.61	1.50	-3.28	-0.11
High Earnings Momentum	Momentum - High	0.42	0.19	2.04	-1.07	-1.38	1.66	0.84	-3.20	-0.48	-0.73	0.19
Low 12m Price Momentum	Momentum - Low	1.15	0.35	2.03	2.21	1.99	3.26	-0.26	-1.82	-1.51	1.61	1.85
Low 1m Price Momentum	Momentum - Low	-0.16	-0.47	0.99	1.62	-2.47	0.11	0.32	3.32	1.02	1.96	-0.25
Low 6m Price Momentum	Momentum - Low	0.10	-0.19	2.17	-1.67	1.02	-1.78	0.06	-1.82	-1.37	2.65	0.85
Low Earnings Momentum	Momentum - Low	0.05	0.18	-0.95	-0.42	-0.26	0.29	-1.22	1.87	0.06	3.30	-0.90
High Dividend Cover	Quality - High	1.02	0.86	-0.60	0.60	1.98	1.56	-0.11	0.10	-0.68	2.72	0.62
High ROE	Quality - High	-0.78	0.41	-1.27	-2.82	0.00	-6.06	1.14	-1.86	0.59	-0.79	0.53
High ROIC	Quality - High	-0.07	1.00	-2.04	-2.77	-3.02	-0.67	0.53	-1.06	2.25	-1.66	0.74
Low Capex / Depreciation	Quality - High	0.47	-0.95	1.63	3.76	-0.67	1.72	-0.44	-1.31	1.01	-1.71	0.33
Low Debt To EV	Quality - High	0.34	0.89	-0.21	-2.61	-3.27	0.98	-1.45	1.46	4.15	-5.88	1.09
High Capex / Depreciation	Quality - Low	-0.43	0.11	0.48	-0.35	1.11	-5.88	-1.23	1.54	-1.16	-0.58	0.75
High Debt To EV	Quality - Low	-0.45	-2.35	-0.76	-1.37	0.92	0.63	0.38	-2.40	-2.86	1.41	-0.11
Low Dividend Cover	Quality - Low	-0.60	0.41	-0.01	-2.25	-3.69	0.21	-0.30	-2.64	-0.41	-2.65	-0.91
Low ROE	Quality - Low	0.78	-1.03	3.87	3.42	0.83	2.26	-1.33	1.17	2.18	-0.99	-0.19
Low ROIC	Quality - Low	0.57	-1.56	3.36	3.11	0.65	2.23	-0.45	0.84	-0.79	-1.48	-0.38
Large Cap	Size	-0.05	0.11	-0.02	0.10	-0.78	0.25	-0.16	-0.38	-0.67	0.12	-0.08
Small Cap	Size	0.84	0.22	0.85	0.90	4.10	0.12	4.82	3.82	-1.67	0.62	0.40
High Beta	Risk - High	2.20	0.46	2.66	-0.81	3.52	3.93	0.70	0.17	-1.10	5.69	1.37
High Volatility	Risk - High	-0.10	-1.43	-0.80	2.71	3.89	-0.95	-0.73	-0.68	-0.63	0.19	0.93
Low Beta	Risk - Low	-1.42	0.50	-1.69	-2.79	-3.55	-6.81	0.77	-1.82	0.59	-3.83	-0.27
Low Volatility	Risk - Low	-0.27	0.70	-0.94	0.28	-3.44	0.86	0.31	-1.82	0.08	-3.07	-0.73
Spread (Best - Worst)		3.62	5.87	6.40	12.19	8.00	11.48	6.27	8.46	7.01	11.58	2.85

Source: UBS Global Quantitative Research. Data to 29th July 2016 – File: [UBS AP Style Returns](#) and [AP Style Indices](#)

<sup>3</sup> Note: all returns are relative to the relevant MSCI country / region index



# Sector-based styles

Our sector-based styles are based on the same Dow Jones universe as our traditional styles but recognise that sector - using the Industrial Classification Benchmark (ICB) - is an important influence in identifying characteristics. Companies are sorted by sector within region or country and allocated to high, medium or low baskets relative to their sector and market producing style analyses at the top ICB level for a selection of markets.

Figure 5: One-month relative style performance by ICB - Global

	Type	Oil & Gas	Basic Materials	Industrials	Cons Goods	Health Care	Cons Services	Telecom	Utilities	Financials	Technology	Total
High Book / Price	Value - High	-0.49	6.23	2.02	7.05	-0.43	0.33	0.52	3.08	2.55	-0.73	190
High EBIT / EV	Value - High	2.07	-0.66	173	6.00	-0.08	0.71	-0.64	106	0.00	0.24	104
High Free Cashflow Yield	Value - High	-0.63	0.23	177	4.48	-0.28	0.57	-0.41	2.88	0.00	0.67	0.98
High Sales Yield	Value - High	0.61	5.87	2.50	6.91	-2.08	-0.02	-0.61	3.00	0.00	0.87	142
Low PEG	Value - High	0.46	2.71	171	3.79	0.13	0.71	-0.38	0.95	0.96	0.25	0.82
Value Composite	Value - High	0.58	198	2.32	6.74	-0.36	1.94	0.22	2.17	2.09	0.60	136
High Earnings Yield	Value - High	-0.45	196	2.02	7.31	0.23	0.79	-0.89	3.07	2.50	1.13	181
High Dividend Yield	Value - High	-0.41	-0.89	2.33	0.40	-0.63	1.32	1.82	2.33	0.98	-0.75	0.02
Growth Composite	Value - Low	-0.69	0.05	-184	-2.52	4.73	0.30	0.87	-165	-1.61	1.19	-0.81
High PEG	Value - Low	0.55	0.42	134	-1.19	0.04	0.28	0.30	154	0.22	-140	0.03
Low Book / Price	Value - Low	-0.10	-182	-142	-2.66	1.38	0.53	0.26	-1.13	0.58	109	-0.42
Low EBIT / EV	Value - Low	-122	2.51	-2.87	-2.26	5.23	104	0.18	0.74	0.00	0.79	-100
Low Free Cashflow Yield	Value - Low	2.72	3.09	0.18	-0.01	2.14	-0.95	0.56	-138	0.00	-2.22	-0.40
Low Sales Yield	Value - Low	-0.16	-161	-144	-2.60	2.53	-0.14	1.83	-106	0.00	0.60	-0.74
Low Earnings Yield	Value - Low	0.04	0.83	-2.09	-2.74	2.49	0.34	0.14	-123	-100	0.80	-0.82
Low Dividend Yield	Value - Low	3.53	2.39	-0.70	1.29	4.57	0.69	1.11	0.81	-136	0.06	0.73
High Historical EPS Growth	Growth - High	2.25	-0.70	138	3.81	2.36	0.12	0.25	0.69	0.35	0.75	127
High Earnings Growth	Growth - High	-0.07	4.22	0.99	2.48	-0.18	0.69	0.02	0.96	-0.46	-0.99	0.39
High Dividend Growth	Growth - High	-0.40	-0.87	0.41	-0.28	-0.57	-0.20	0.26	0.12	0.77	1.26	0.07
Low Historical EPS Growth	Growth - Low	0.87	2.90	135	0.58	0.07	-0.36	-176	2.60	0.86	1.44	0.76
Low Earnings Growth	Growth - Low	1.11	-0.36	138	0.02	-105	0.58	-0.60	136	0.30	-102	0.20
Low Dividend Growth	Growth - Low	0.30	140	1.15	2.94	2.16	1.89	0.33	2.34	-0.09	-2.09	0.95
High 1m Price Momentum	Momentum - High	-159	192	-2.40	-2.85	-120	-0.62	0.21	-128	-143	-101	-187
High 6m Price Momentum	Momentum - High	-0.50	3.62	-0.45	-2.60	-105	0.16	0.28	-104	-197	0.35	-1.15
High 12m Price Momentum	Momentum - High	-0.55	0.13	-198	-2.70	-110	0.15	0.48	-149	-2.13	0.67	-122
High Earnings Momentum	Momentum - High	-0.53	2.18	0.48	-1.38	0.12	0.12	0.04	142	0.57	0.54	-0.24
Low 1m Price Momentum	Momentum - Low	2.62	-0.40	2.33	6.79	3.46	1.60	-103	191	176	2.12	2.63
Low 6m Price Momentum	Momentum - Low	2.11	-0.92	194	6.72	2.43	0.73	0.29	2.91	2.41	0.72	2.39
Low 12m Price Momentum	Momentum - Low	3.02	1.88	2.37	8.14	2.22	1.79	1.33	2.77	3.78	-0.02	3.35
Low Earnings Momentum	Momentum - Low	104	0.35	194	6.19	4.37	147	0.02	0.51	0.79	0.08	195
High Dividend Cover	Quality - High	101	-0.79	0.14	2.24	-3.05	-194	-143	2.21	0.75	0.33	0.22
High ROE	Quality - High	168	-2.21	-0.53	-156	0.46	-0.03	-0.63	0.64	0.44	104	0.26
High ROK	Quality - High	3.23	-2.57	-0.11	-156	0.13	0.46	-0.41	0.65	0.03	0.86	0.35
Low Capex / Depreciation	Quality - High	-0.52	2.30	-0.46	-176	0.09	0.20	-0.20	2.69	0.02	-0.96	-0.29
Low Debt To EV	Quality - High	-0.51	0.93	0.02	4.47	2.01	0.98	104	188	0.00	1.15	101
High Capex / Depreciation	Quality - Low	2.53	-138	-0.49	0.54	2.48	0.42	-0.04	-132	0.00	0.55	0.73
High Debt To EV	Quality - Low	3.98	2.97	0.13	-144	0.09	-0.46	0.21	0.53	0.00	0.07	-0.01
Low Dividend Cover	Quality - Low	0.47	-103	-122	-2.35	-122	0.13	0.57	0.39	-0.20	-158	-142
Low ROE	Quality - Low	-0.10	4.15	140	2.35	2.33	-0.26	0.93	196	0.35	-0.75	107
Low ROK	Quality - Low	-0.60	3.36	0.80	2.78	4.46	0.01	2.00	180	0.48	-0.49	101
Large Cap	Size	-0.18	-0.97	-0.77	-0.40	-0.02	-0.14	0.58	0.30	0.00	0.54	-0.23
Small Cap	Size	-3.51	3.75	2.38	1.19	-0.18	1.49	2.49	3.53	162	0.68	173
High Beta	Risk - High	0.38	2.20	3.14	4.88	133	149	100	3.84	163	1.38	2.50
High Volatility	Risk - High	199	4.67	3.15	5.61	4.90	134	123	2.90	3.20	-2.08	3.21
Low Beta	Risk - Low	-1.14	-0.72	-162	-124	0.59	-0.66	-0.76	-150	-183	0.01	-109
Low Volatility	Risk - Low	-0.69	-2.20	-148	-178	-106	-121	-0.24	-129	-2.30	0.56	-1.16
Spread (Best - Worst)		7.47	8.80	6.02	10.99	8.28	3.88	4.25	5.49	6.08	4.34	5.21
Key: Top 5 Bottom 5												

Source: UBS Global Quantitative Research. Data to 29th July 2016 – file: UBS Industry Style Returns and Industry Style Indices



## Sector-based style indices - one-month returns

When assessed by sector, the performance of our value styles in July 2016 reflects that of our developed markets' regional based styles, with value-high outperforming value-low but to a lesser extent. With the exception of growth and quality styles, the other style families reflect the regional based styles. Momentum-low reversed to outperform momentum-high and quality-low marginally beat quality-high styles. Growth-low outperformed growth-high. Our risk styles switched, with risk-high strongly outperforming risk-low.

Of our value-high styles, three-quarters (40% previously) of the combinations with sector outperformed in July 2016. These styles performed most strongly in Industrials, Consumer Goods and Utilities where they all outperformed and Consumer Services (7). Two of these styles outperformed in Health Care.

From a value-high style perspective, Low PEG and Value Composite did best, outperforming in eight sectors; each of these styles outperformed in at least six sectors.

At the value-low end, over half (from half) of the combinations of these styles and sectors outperformed, led by High PEG (switching) and Low Dividend Yield which beat the index in 7 sectors each. Low Book / Price and Low Sales Yield did least well only outperforming in three sectors. These styles did best in Health Care where all 8 outperformed. They did least well in Consumer Goods, Utilities and Financials where only one outperformed.

Of our growth-high styles, 50% (from 30%) of the combinations of these styles and sectors outperformed in July 2016. At the growth-low end, three-quarters (from a third) of the combinations of these styles and sectors outperformed. These styles all outperformed in Oil & Gas, Industrial, Consumer Goods and Utilities. Low Historical Growth and Low Dividend Growth each outperformed in 8 sectors.

Notably, Low Earnings Momentum, against expectation, outperformed the benchmark in all 10 sectors along with Low 6m and Low 12m Price Momentum which achieved this in 9 sectors each. 1m Price Momentum was relatively well behaved outperforming in 8 sectors at the low end and just two at the high (end).

58% of our quality-high and 62% of our quality-low styles by sector outperformed (48 & 42% respectively previously). Health Care was notable where four quality-low styles outperformed along with Utilities, Financials and Technology where four quality-high styles outperformed. Low Debt / EV outperformed in nine sectors, and in contrast, Low RoIC achieved this in eight (sectors),

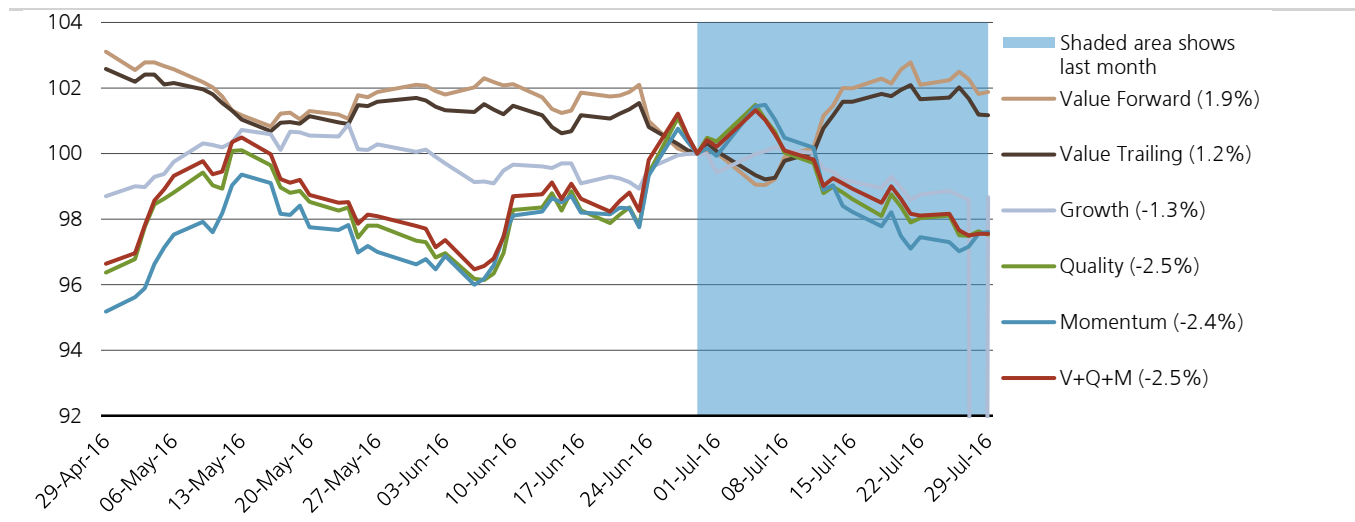
Our risk styles discriminated strongly outperforming in every sector for High Beta and all but one for High Volatility.

Small Caps outperformed in seven sectors.

## Sector-neutral, equal weighted styles

These factors differ from the other factors in this publication in that they are equally weighted, sector-neutral and performance is shown on a long/short basis. Our US universe is composed of the largest 1000 companies according to Centre for Research in Security Prices (CRSP) and in Europe we use the constituents of the Dow Jones World Index as our starting point and select the largest 500 stocks<sup>4</sup>. For more detail please see page 33.

**Figure 6: US (sector-neutral, equal-weighted)**



Source: UBS Global Quantitative Research. Data to 29th July 2016

The second half of the year has started with value doing well but our sector neutral, long short quality and momentum indices doing badly in the US.

The value indices returned between 1 and 2% in July, which leaves them up a few percentage points year-to-date. Interestingly on a sector neutral basis almost all the value measures we track were up during July.

Quality, however, was a different story. This fell by 2.5% over the month, mainly driven by the bad performance of low volatility. However even given this bad performance quality has a positive performance of +3.5% year-to-date.

Momentum fell in line with quality, losing 2.4% over the month. Unlike the other two indices this has lost 4% so far this year. All of the subcomponents of this composite momentum index fell during July.

This left our Value+Quality+Momentum index with a return of -2.5% for the month of July. So far this year our simple "quant index" has a positive return of 2.1%.

The other composite we track, Growth, fell by 1.3% during the month, leaving it down by 6.3% for the year so far.

<sup>4</sup> Previously these factors were published in the weekly Global Quantitative Monitor.

**Figure 7: Europe (sector-neutral, equal-weighted)**

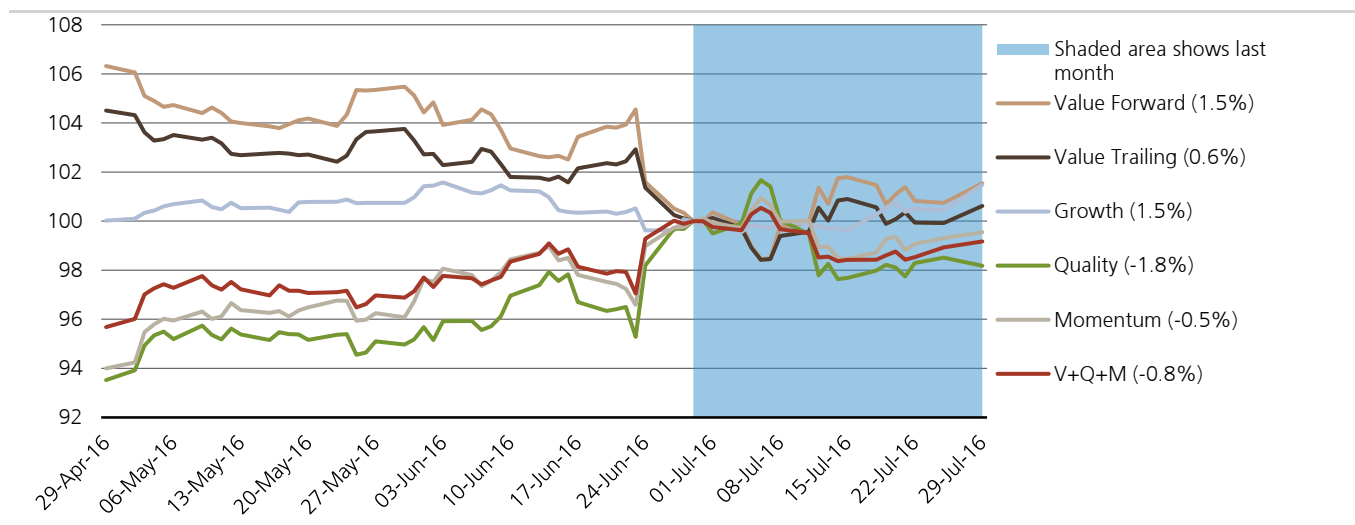


Figure 7 shows that the story for Europe was somewhat more subdued. The pattern was the same – value up, quality and momentum down, but the magnitude of all the moves was less.

Value in Europe has had a much worse year than in the US, with both our historic and future value indices being down over the year. They recovered a little bit in July. A recent note from our European strategy team (available [here](#)) discusses the valuation of value in Europe and elsewhere in the world, and observes that "valuation dispersion [in Europe] is back near tech bubble highs".

Quality underperformed in Europe by 1.8% during July which leaves it up 3.9% year to date. Momentum was similarly a bad performer, falling by 0.5% in the month, which leaves it close to flat over the year at +0.6%.

Our "quant composite" index fell by 0.8% last month; year to date this has given a small positive performance of 1.3%.

Finally our growth composite rose in Europe (unlike the US) but is still down by 4.8% year to date.

# Style Timing

The style timing model is a simple, linear model which uses three conditioning factors:

- (1) Volatility (either the VSTOXX or the VIX),
- (2) Slope of the yield curve (the difference between the 10-year and 2-year German or US bonds),
- (3) Value spread - the ratio of the average book-to-price in the growth basket to the average in the value basket in either the European or US baskets

to allocate between four styles. Please see "[Simple Style Timing](#)", 11th June 2012 for a more detailed explanation of how the model works. The styles are a long-short combination of, for example, High and Low RoIC.

**Figure 8: Europe Style timing – model's suggested weights last month**

	PE	ROIC	Size	12 month Price Momentum
Old weights	16%	72%	7%	-5%

Source: UBS Quantitative Research

**Figure 9: US Style timing – model's suggested weights last month**

	PE	ROIC	Size	12 month Price Momentum
Old weights	32%	15%	8%	45%

Source: UBS Quantitative Research

**Figure 10: Europe Style timing – dynamic style allocation**

	PE	ROIC	Size	12 month Price Momentum
Base Weight	18%	41%	32%	10%
Exposure to volatility	-0.30	0.50	0.04	-0.24
Exposure to yield curve slope	0.39	-0.50	0.37	-0.26
Exposure to value spread	0.50	-0.29	0.09	-0.30
Current weights	36.7%	43.7%	2.9%	16.8%

Source: UBS Quantitative Research

**Figure 11: US Style timing – dynamic style allocation**

	PE	ROIC	Size	12 month Price Momentum
Base Weight	25%	43%	18%	14%
Exposure to volatility	-0.38	0.50	0.38	-0.50
Exposure to yield curve slope	0.01	0.09	0.02	-0.13
Exposure to value spread	0.04	0.46	-0.13	-0.36
Current weights	38.4%	-3.7%	-14.3%	43.6%

Source: UBS Quantitative Research

In Europe the strategy would have performed extremely well last month, gaining +1.9%. This was mostly due to the suggested position in ROIC, which was extremely large at 72%, and high quality outperformed low quality by 2% in July.

In the US, the strategy would also have done well, gaining +0.3% over the last month. Here the poor performance of the momentum style was offset by the strong returns to the other three positions, showing the virtue of style diversification.

The main changes in the US are due to the drop in the VIX over the last month from 14.8 down to 11.9. This has led the strategy to move to a more risky portfolio by reducing the exposure to our quality factor ROIC, actually taking a small positive weight in low quality names. However, this increase in risk has been offset by "flipping" the size position from preferring the small-cap style to preferring large-caps.

In Europe, the VSTOXX is down a little since the start of July and the value spread has narrowed (though still unusually broad compared to history). The main changes to the European strategy's suggested weights are in the quality, value and momentum styles. The strategy suggests holding a considerably smaller quality

position, although it remains the largest suggested position, and a considerably larger momentum and value position.

## Style timing names

We show the updated screen based on the style timing model below. We start from the universe of European or US names covered by UBS analysts, awarded either a buy or neutral recommendation and with a market cap of at least \$1bn. We give each stock a score between -1 and +1 based on the four styles. Finally we take a weighted average of these scores using the current suggested style weights and highlight the top 25 names in each region. All data here is as of 29th July 2016.

**Figure 12: European style timing screen**

Name	Bloomberg Code	Country
ACS ACTIVIDADES CONS Y SERV	ACS.SQ	ES
ANDRITZ AG	ANDR.AV	AT
ATOS SE	ATO.FP	FR
BALFOUR BEATTY PLC	BBY.LN	GB
BERKELEY GROUP HOLDINGS	BKG.LN	GB
BPOST SA	BPOST.BB	BE
INTL CONSOLIDATED AIRLINE-DI	IAG.LN	GB
NESTE OYJ	NESTE.FH	FI
NEXT PLC	NXT.LN	GB
OBRASCON HUARTE LAIN S.A.	OHL.SQ	ES
PERSIMMON PLC	PSN.LN	GB
PEUGEOT SA	UG.FP	FR
PHOSAGRO OAO-GDR REG S	PHOR.LI	GB
POLYMETAL INTERNATIONAL PLC	POLY.LN	GB
POSTNL NV	PNL.NA	NL
RENAULT SA	RNO.FP	FR
RYANAIR HOLDINGS PLC	RYA.ID	IE
SAVILLS PLC	SVS.LN	GB
SOFTWARE AG	SOW.GY	DE
SWEDISH MATCH AB	SWMA.SS	SE
TIETO OYJ	TIE1V.FH	FI
TOPDANMARK A/S	TOP.DC	DK
TUI AG-DI	TUI1.GY	DE
VALEO SA	FR.FP	FR
WINCOR NIXDORF AG	WIN.GY	DE

Source: UBS Quantitative Research. Please note this screen is based on UBS's proprietary quantitative models. It is independent of the recommendations of UBS' fundamental equity research analysts.

**Figure 13: US style timing screen**

Name	Bloomberg Code
AFLAC INC	AFL.UN
AMERICAN ELECTRIC POWER	AEP.UN
AON PLC	AON.UN
APPLIED MATERIALS INC	AMAT.UW
AT&T INC	T.UN
BROADCOM LTD	AVGO.UW
CHUBB LTD	CB.UN
HUNTINGTON INGALLS INDUSTRIE	HII.UN
INTEL CORP	INTC.UW
JOHNSON & JOHNSON	JNJ.UN
KLA-TENCOR CORP	KLAC.UW
MOBILE TELESYSTEMS-SP ADR	MBT.UN
NETEASE INC-ADR	NTES.UW
NORTHROP GRUMMAN CORP	NOC.UN
P G & E CORP	PCG.UN
PPL CORP	PPL.UN
PRIMERICA INC	PRI.UN
RAYTHEON COMPANY	RTN.UN
SCANA CORP	SCG.UN
SOUTHWEST AIRLINES CO	LUV.UN
TERNIUM SA-SPONSORED ADR	TX.UN
TRAVELERS COS INC/THE	TRV.UN
UNITEDHEALTH GROUP INC	UNH.UN
VERIZON COMMUNICATIONS INC	VZ.UN
WILLIS TOWERS WATSON PLC	WLTW.UW

Source: UBS Quantitative Research. Please note this screen is based on UBS's proprietary quantitative models. It is independent of the recommendations of UBS' fundamental equity research analysts.

# Crowding Barometer

UBS crowding barometer can be used to measure the level of crowdedness for any trading baskets. It captures the crowded trades from three different angles, global active fund managers holding, sell-side analysts' sentiment, as well as the market performance. For more details, please see Q-Series® note "[What crowded positions are bubbling up in equity markets?](#)", 19 February 2016.

**Figure 14: Where are the bubbles forming?**

		Relative weight	Relative weight (z-score)	Sell side rating against long-term average	Cumulative PCI (Z-score)	Last month's PCI	Bubble?
<b>Regions &amp; Countries</b>	Developed market	1.56	1.2	-0.8%	2.0	0.46	
	Emerging market	-1.56	-1.2	-1.8%	-1.0	-0.32	
	US	3.06	1.7	-1.4%	1.8	-0.53	
	Developed Europe	2.45	-0.6	-0.1%	-0.2	0.35	
	Japan	-3.10	0.6	2.4%	1.4	0.26	
	Australia	-1.27	1.0	-5.5%	-0.8	0.36	
	Asia ex-Japan	-0.78	-1.6	-1.7%	-0.4	-0.37	
<b>Sectors</b>	US Energy	-0.28	-1.0	-2.4%	2.0	-0.37	
	US Materials	0.13	-1.0	-1.8%	0.6	-0.55	
	US Industrials	0.12	-3.0	-4.4%	1.8	0.51	
	US Consumer Discretionary	1.11	1.4	-1.4%	1.8	0.57	
	US Consumer Staples	-0.69	-0.9	-1.2%	0.1	-0.70	
	US Health Care	1.26	0.8	0.6%	2.2	0.42	
	US Financials	1.01	0.7	-0.1%	1.9	-0.28	
	US IT	0.89	1.9	-0.8%	0.8	0.48	
	US Telecoms	-0.38	-2.0	-3.0%	1.9	0.27	
	US Utilities	-0.13	-1.1	-1.9%	1.4	-0.46	
	Dev. Europe Energy	-0.13	0.6	-4.8%	0.3	-0.29	
	Dev. Europe Materials	0.06	-0.9	-2.3%	-1.6	0.46	
	Dev. Europe Industrials	0.63	-1.5	-1.9%	1.3	0.64	
	Dev. Europe Consumer Discretionary	0.57	-0.9	-1.8%	1.3	0.51	
	Dev. Europe Consumer Staples	0.16	-1.2	1.4%	-1.8	-0.51	
	Dev. Europe Health Care	0.43	-1.2	2.2%	1.4	0.32	
	Dev. Europe Financials	0.37	1.4	1.9%	-1.1	0.68	
	Dev. Europe IT	0.34	1.5	3.8%	1.4	0.52	
	Dev. Europe Telecoms	0.02	0.5	3.4%	-2.6	-0.54	
	Dev. Europe Utilities	-0.01	-0.3	-1.3%	-0.6	-0.26	
	Asia ex-JP Energy	-0.10	-1.4	-3.3%	-1.4	-0.33	
	Asia ex-JP Materials	-0.14	0.6	-0.7%	0.5	0.23	
	Asia ex-JP Industrials	-0.21	0.6	-2.3%	-1.1	-0.35	
	Asia ex-JP Consumer Discretionary	0.09	-0.8	-2.6%	0.4	0.53	
	Asia ex-JP Consumer Staples	-0.05	-2.3	-1.2%	-1.8	-0.65	
	Asia ex-JP Health Care	0.01	-1.7	-2.0%	1.7	-0.37	
	Asia ex-JP Financials	-0.35	-1.3	-2.4%	-1.2	0.51	
	Asia ex-JP IT	0.12	0.4	-0.9%	0.9	0.19	
	Asia ex-JP Telecoms	-0.07	-1.2	1.4%	-0.8	-0.44	
	Asia ex-JP Utilities	-0.07	-1.3	0.3%	-0.5	-0.47	
	Japan Energy	-0.02	0.8	5.7%	-1.7	-0.31	
	Japan Materials	-0.25	0.9	-0.1%	-0.6	0.46	
	Japan Industrials	-0.73	0.0	-0.4%	-1.4	0.08	
	Japan Consumer Discretionary	-0.69	0.4	1.8%	1.2	0.40	
	Japan Consumer Staples	-0.24	-1.5	1.9%	0.3	-0.70	
	Japan Health Care	-0.27	-0.2	3.8%	0.3	-0.51	
	Japan Financials	-0.51	0.8	-3.2%	-0.9	0.12	
	Japan IT	-0.21	1.3	0.0%	-0.1	0.20	
	Japan Telecoms	-0.06	0.1	6.7%	0.4	-0.16	
	Japan Utilities	-0.12	1.0	1.4%	-0.9	-0.40	
	Australia Resources	-0.15	1.7	-6.5%	-0.7	0.42	
	Australia Financials	-0.79	0.2	-0.3%	-1.0	0.40	
	Australia Industrials	-0.33	-2.8	-3.9%	2.3	0.59	
<b>Styles</b>	High Earnings Yield	-2.48	-1.0	-1.3%	-1.8	1.00	
	High Dividend Yield	-4.86	-2.1	-1.4%	-1.6	0.29	
	High Forecast Earnings Growth	2.33	1.3	0.0%	-1.2	0.38	
	High 12m Price Momentum	0.39	-2.0	-2.9%	-0.9	-0.60	
	High ROE	1.07	-0.5	-1.4%	-0.1	0.47	
	Low Volatility	-2.10	0.5	-1.5%	0.1	-0.56	
	Large Caps	-2.73	0.6	-1.1%	3.1	0.52	
	Low Beta	-1.23	-1.0	-0.9%	-0.4	-0.58	

Source: FactSet, MSCI, IBES, UBS Global Quantitative Research. Data to 29th July 2016

Note: For the last column of the chart, red indicates crowded buy and blue indicates crowded sell.

# Style Performance

Figure 15 to Figure 26 show the relative total return performance of our developed and emerging markets' global and regional style indices; monthly for the past six months, together with three, six and 12 month and year-to-date returns. The tables are sorted by the six-month returns, the top and bottom-five styles are highlighted. These style indices are based on the Dow Jones Global Indices (developed), MSCI (emerging) and US large cap constituents. Index series and Returns files are available on UBS Neo for these as well as style data based on other (local) benchmarks.

**Figure 15: Developed World - style performance**

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
<b>Small Cap</b>	Size	1.79	0.94	-2.20	2.15	3.06	2.74	0.48	8.68	7.55	8.34
<b>Low 1m Price Momentum</b>	Momentum - Low	2.47	0.85	1.08	0.85	0.22	-0.29	4.45	5.27	3.82	4.1
<b>High Debt To EV</b>	Quality - Low	-1.3	2.17	-1.92	1.87	0.47	1.95	-1.10	3.22	1.39	5.64
<b>High Volatility</b>	Risk - High	2.36	-1.84	-1.36	2.41	0.38	0.87	-0.88	2.79	-3.22	0.03
<b>Low Dividend Cover</b>	Quality - Low	-1.89	2.93	-0.92	0.89	0.05	0.89	0.06	1.90	7.12	5.25
<b>High Dividend Yield</b>	Value - High	-0.55	0.71	-0.21	0.85	0.19	0.72	-0.05	1.71	4.77	3.62
<b>Low Free Cashflow Yield</b>	Value - Low	-1.93	2.52	-0.57	1.65	-0.30	0.29	-0.03	1.6	2.22	2.56
<b>High Free Cashflow Yield</b>	Value - High	1.28	-0.33	0.64	-1.12	0.02	1.13	1.59	1.60	1.00	1.78
<b>Low 12m Price Momentum</b>	Momentum - Low	1.52	-3.14	-1.00	1.60	0.91	1.6	-2.65	1.42	-1.30	1.59
<b>Low Earnings Growth</b>	Growth - Low	-0.50	-0.47	-0.24	1.56	0.20	0.87	-1.20	1.42	1.40	2.03
<b>Low EBIT / EV</b>	Value - Low	-1.69	2.27	-0.35	1.59	-0.46	0.09	0.19	1.4	2.79	2.14
<b>Low Historical EPS Growth</b>	Growth - Low	-0.92	1.4	-0.82	1.3	-0.08	0.50	-0.34	1.39	2.05	2.45
<b>Low Earnings Yield</b>	Value - Low	-1.30	2.05	-0.40	1.44	-0.33	-0.21	0.32	1.22	3.43	2.08
<b>Low Capex / Depreciation</b>	Quality - High	0.23	-0.66	0.46	1.30	0.00	-0.14	0.03	1.19	-1.10	-0.13
<b>High EBIT / EV</b>	Value - High	1.42	-0.39	0.64	-2.35	0.43	1.48	1.67	1.18	0.51	1.27
<b>Low ROIC</b>	Quality - Low	-0.53	0.23	-1.32	2.69	0.07	0.03	-1.62	1.12	-3.48	0.04
<b>Low Earnings Momentum</b>	Momentum - Low	0.94	-2.16	-0.88	1.74	0.53	0.98	-2.10	1.11	-2.02	-0.13
<b>High Sales Yield</b>	Value - High	0.77	-0.56	-0.72	-1.48	1.13	1.75	-0.52	0.89	-1.02	0.77
<b>Low Dividend Growth</b>	Growth - Low	0.66	-0.60	-0.54	1.60	-0.64	0.40	-0.49	0.86	-1.56	-0.21
<b>Low ROE</b>	Quality - Low	-0.88	0.07	-1.19	2.65	0.08	0.13	-1.99	0.83	-2.57	0.34
<b>High PEG</b>	Value - Low	-0.70	0.03	-0.77	1.46	0.01	0.76	-1.44	0.76	0.69	1.40
<b>Low 6m Price Momentum</b>	Momentum - Low	1.99	-3.89	-0.20	1.64	0.31	1.0	-2.17	0.74	-2.10	-0.83
<b>High Book / Price</b>	Value - High	0.15	-1.48	-1.20	2.26	0.59	-0.14	-2.52	0.14	-4.06	-0.72
<b>High 6m Price Momentum</b>	Momentum - High	-1.12	3.41	0.76	-1.60	-0.96	-0.54	3.03	-0.12	2.61	1.78
<b>Low Debt To EV</b>	Quality - High	1.82	-0.64	1.55	-2.62	-0.48	0.30	2.73	-0.14	3.31	-0.92
<b>High Beta</b>	Risk - High	2.26	-4.03	-0.96	2.17	1.56	-1.04	-2.80	-0.19	-8.89	-4.48
<b>Low Dividend Yield</b>	Value - Low	0.91	-0.76	0.57	-0.02	-0.93	-0.17	0.71	-0.41	-2.27	-2.22
<b>Low Sales Yield</b>	Value - Low	-0.90	1.59	0.77	-0.17	-1.49	-0.33	1.45	-0.56	0.94	0.97
<b>Value Composite</b>	Value - High	1.05	-2.1	-0.08	0.05	0.64	-0.15	-1.16	-0.64	-3.27	-1.62
<b>Growth Composite</b>	Value - Low	-1.30	1.42	0.34	0.24	-1.26	-0.08	0.45	-0.66	1.06	0.01
<b>High ROE</b>	Quality - High	0.63	0.02	0.69	-1.77	-0.42	0.20	1.34	-0.68	1.10	-0.22
<b>High Earnings Growth</b>	Growth - High	0.36	-0.07	0.09	-0.1	-0.57	-0.40	0.38	-0.71	-2.88	-1.84
<b>High ROIC</b>	Quality - High	0.75	-0.10	0.94	-2.01	-0.20	-0.07	1.59	-0.72	3.33	-0.46
<b>Low Volatility</b>	Risk - Low	-1.94	2.41	0.46	-0.74	-1.06	0.20	0.89	-0.72	5.16	2.40
<b>Low PEG</b>	Value - High	1.14	-1.2	0.22	-0.14	-0.26	-0.46	0.13	-0.73	-4.55	-2.15
<b>High Earnings Momentum</b>	Momentum - High	-0.46	1.48	0.48	-0.97	-0.63	-0.69	1.50	-0.81	1.38	0.79
<b>Low Beta</b>	Risk - Low	-2.29	3.50	0.51	-1.36	-1.92	0.78	1.65	-0.89	6.26	3.05
<b>Low Book / Price</b>	Value - Low	-0.16	0.66	0.90	-1.54	-0.60	-0.16	1.42	-0.90	1.99	-0.12
<b>High 12m Price Momentum</b>	Momentum - High	-1.0	2.59	1.32	-1.54	-0.98	-1.33	2.91	-1.0	0.95	-0.30
<b>High Dividend Growth</b>	Growth - High	0.33	-0.92	0.39	-1.0	0.14	-0.04	-0.21	-1.12	-2.00	-1.14
<b>Large Cap</b>	Size	-0.32	-0.15	0.23	-0.17	-0.60	-0.23	-0.24	-1.23	-0.80	-0.93
<b>High Earnings Yield</b>	Value - High	1.42	-3.03	0.34	-0.36	0.63	-0.59	-1.32	-1.64	-6.30	-3.51
<b>High Capex / Depreciation</b>	Quality - Low	0.09	-0.55	-0.33	-1.25	-0.15	0.46	-0.79	-1.72	-1.23	-0.82
<b>High Dividend Cover</b>	Quality - High	0.63	-2.15	0.23	-0.93	0.61	-0.42	-1.30	-2.04	-5.38	-3.86
<b>High Historical EPS Growth</b>	Growth - High	1.57	-2.25	0.95	-2.11	-0.23	-0.67	0.22	-2.77	-5.42	-4.10
<b>High 1m Price Momentum</b>	Momentum - High	-2.01	-1.45	-0.93	-0.58	-0.71	0.60	-4.34	-5.00	-2.83	-3.30
<b>0.00</b>		4.76	7.53	3.75	5.30	4.97	4.07	8.79	13.68	16.43	12.82
Key:		Top 5	Bottom 5								

Source: UBS Global Quantitative Research. Data to 29th July 2016



Figure 16: UK - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
High Volatility	Risk - High	2.41	3.20	-4.39	3.82	2.31	4.05	1.04	11.67	-0.10	9.24
Low 1m Price Momentum	Momentum - Low	2.26	4.65	2.20	-0.08	-0.65	-0.73	9.37	7.78	10.56	7.66
High Debt To EV	Quality - Low	-1.44	5.54	-3.54	2.36	1.36	3.25	0.35	7.50	4.48	9.45
Low EBIT / EV	Value - Low	-0.96	6.04	-1.95	0.75	0.68	2.41	2.98	6.97	11.04	10.11
Low Sales Yield	Value - Low	-0.68	5.31	1.29	-1.94	1.45	0.53	5.94	5.95	15.39	7.60
Low Free Cashflow Yield	Value - Low	-1.21	5.17	-1.61	0.87	0.87	1.33	2.22	5.39	8.93	6.25
High Sales Yield	Value - High	-1.44	2.84	-3.02	1.03	1.53	4.27	-1.70	5.15	-0.28	5.88
Low Dividend Growth	Growth - Low	0.12	2.78	-2.00	2.52	1.05	-0.27	0.85	4.20	-1.41	3.41
Low Historical EPS Growth	Growth - Low	-0.77	5.12	-2.38	2.18	-0.09	-0.13	1.84	3.83	-2.06	4.38
Small Cap	Size	3.42	-9.14	1.60	-0.21	7.35	1.45	-4.53	3.74	-5.50	-0.10
Low Dividend Cover	Quality - Low	-0.70	3.43	-0.65	1.77	-0.12	-0.04	2.04	3.68	6.45	5.06
Low Capex / Depreciation	Quality - High	1.36	2.03	-1.93	-0.19	1.40	0.96	1.42	3.63	-1.60	2.82
Low ROIC	Quality - Low	-1.26	2.73	-2.80	3.48	0.02	1.27	-1.40	3.35	-5.75	2.52
Low Earnings Yield	Value - Low	0.71	3.00	-2.21	0.46	0.86	0.32	1.44	3.11	6.27	2.85
Low ROE	Quality - Low	-0.59	1.07	-2.52	3.26	0.87	0.73	-2.06	2.75	-7.63	0.41
Growth Composite	Value - Low	-0.70	4.17	0.76	-2.42	-0.14	0.93	4.24	2.52	10.68	4.67
High 12m Price Momentum	Momentum - High	-1.44	3.94	2.50	-3.04	0.09	-0.06	5.00	1.83	8.62	2.60
Low Book / Price	Value - Low	0.65	3.35	1.49	-2.36	-0.59	-0.81	5.56	1.63	11.49	4.55
Low Earnings Momentum	Momentum - Low	1.37	-4.82	-1.35	3.39	0.69	2.48	-4.81	1.55	-5.48	-0.48
Low Dividend Yield	Value - Low	1.36	0.12	-0.97	-1.57	0.57	2.02	0.51	1.49	-0.58	-0.70
High ROE	Quality - High	0.53	2.30	1.49	-2.22	-0.35	-0.35	4.38	1.35	10.69	3.49
Low 12m Price Momentum	Momentum - Low	-0.19	-0.96	-3.35	3.99	0.68	1.18	-4.46	1.21	-2.68	0.41
Low 6m Price Momentum	Momentum - Low	3.95	-9.11	-0.44	4.17	1.21	1.92	-5.93	1.08	-1.43	-1.08
High ROIC	Quality - High	1.44	0.80	1.88	-2.02	-0.22	-0.84	4.17	0.99	8.54	2.08
Low Debt To EV	Quality - High	2.64	-0.22	1.87	-2.79	-1.40	0.85	4.34	0.86	5.09	0.14
High Earnings Momentum	Momentum - High	-1.38	3.87	-0.03	-1.73	0.76	-0.57	2.41	0.82	5.86	1.41
High 6m Price Momentum	Momentum - High	-1.19	5.03	0.77	-2.54	-0.51	-0.78	4.58	0.60	2.03	2.56
High Dividend Yield	Value - High	-0.56	0.70	-0.25	1.43	-0.66	-0.04	-0.12	0.60	0.25	1.84
Low Earnings Growth	Growth - Low	2.11	-2.94	-1.44	2.28	-0.40	1.07	-2.32	0.57	0.04	-0.17
Low Volatility	Risk - Low	-0.97	3.17	1.66	-2.02	0.40	-1.68	3.86	0.45	7.85	2.31
Low PEG	Value - High	-1.16	2.39	0.48	-1.61	1.35	-1.06	1.69	0.33	-5.18	-1.08
Large Cap	Size	-0.07	0.63	-0.12	-0.16	0.00	-0.04	0.44	0.24	0.85	0.58
High PEG	Value - Low	1.18	-3.16	-1.10	2.48	0.05	0.77	-3.09	0.13	-1.53	-1.03
High Beta	Risk - High	3.04	-4.35	-1.86	3.14	0.50	-0.23	-3.27	0.04	-11.69	-3.86
High Earnings Growth	Growth - High	-0.79	2.35	0.26	-2.29	1.11	-0.85	1.80	-0.27	-4.44	-1.27
Low Beta	Risk - Low	-1.25	3.09	1.85	-2.54	-0.69	-0.91	3.69	-0.55	9.29	2.75
High Book / Price	Value - High	-0.78	-2.33	-1.49	3.14	0.45	0.15	-4.54	-0.97	-10.43	-2.76
High Free Cashflow Yield	Value - High	0.41	-0.62	-0.03	-1.65	0.31	0.31	-0.24	-1.28	-0.16	-0.97
High EBIT / EV	Value - High	4.63	-4.92	0.24	-1.86	-0.20	0.73	-0.29	-1.63	-1.62	-3.56
High Dividend Cover	Quality - High	3.42	-5.19	0.55	-1.35	0.89	-0.05	-1.41	-1.91	-9.73	-7.13
Value Composite	Value - High	0.58	-3.69	-1.12	1.65	-0.04	0.31	-4.22	-2.38	-11.63	-5.14
High Capex / Depreciation	Quality - Low	-0.67	-4.37	2.54	-2.53	-0.04	2.34	-2.60	-2.88	0.45	-2.10
High Earnings Yield	Value - High	1.61	-6.69	1.81	-0.34	-0.31	-1.48	-3.47	-5.52	-11.46	-8.04
High Dividend Growth	Growth - High	1.98	-7.11	1.75	-2.53	-1.73	1.46	-3.61	-6.33	-7.89	-7.12
High Historical EPS Growth	Growth - High	4.63	-11.94	3.57	-2.67	-0.39	-0.06	-4.57	-7.53	-11.29	-13.14
High 1m Price Momentum	Momentum - High	-1.20	-10.16	-2.81	0.07	1.15	0.19	-13.73	-12.51	-11.33	-11.94
0.00		6.07	17.98	7.96	7.21	9.08	5.95	23.11	24.18	27.08	23.31
Key: Top 5 Bottom 5											

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 17: Europe ex UK - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
<b>Small Cap</b>	Size	2.59	2.50	-3.06	4.88	6.84	4.46	1.94	19.33	12.17	20.09
<b>High Sales Yield</b>	Value - High	0.74	1.12	-1.87	0.44	2.93	2.64	-0.04	6.07	6.01	6.20
<b>Low EBIT / EV</b>	Value - Low	-1.97	6.64	0.05	0.40	-0.43	1.06	4.60	5.67	6.35	7.44
<b>High Free Cashflow Yield</b>	Value - High	1.69	1.92	-0.31	-0.13	1.25	0.31	3.32	4.80	5.95	4.42
<b>Low 1m Price Momentum</b>	Momentum - Low	2.56	0.38	0.80	0.46	0.53	-0.23	3.77	4.57	0.48	3.87
<b>Low Free Cashflow Yield</b>	Value - Low	-1.63	5.32	-0.74	0.51	-0.09	0.92	2.83	4.22	5.08	6.31
<b>Low Earnings Yield</b>	Value - Low	-0.69	5.29	-0.06	-0.70	0.34	-0.50	4.50	3.59	10.98	6.91
<b>High ROE</b>	Quality - High	0.54	1.91	0.17	-1.27	1.17	0.76	2.63	3.29	3.85	3.42
<b>Low Book / Price</b>	Value - Low	-0.55	3.82	0.77	-1.14	0.16	-0.02	4.05	3.01	7.92	5.06
<b>Low Dividend Yield</b>	Value - Low	1.95	1.36	0.60	-1.03	0.47	-0.37	3.96	2.99	4.40	2.92
<b>Low Debt To EV</b>	Quality - High	1.47	0.91	0.55	-1.68	0.96	0.79	2.90	2.95	7.41	3.79
<b>High Debt To EV</b>	Quality - Low	-1.89	3.65	-2.18	1.13	1.08	1.22	-0.52	2.94	2.88	5.52
<b>High EBIT / EV</b>	Value - High	0.96	0.03	-1.54	-0.44	2.33	1.56	-0.56	2.91	4.50	3.08
<b>High Dividend Cover</b>	Quality - High	1.78	0.34	-0.84	-0.91	1.55	0.80	1.27	2.72	3.63	2.21
<b>Low Volatility</b>	Risk - Low	-1.54	4.07	1.80	-0.66	-0.69	-0.24	4.31	2.66	8.94	5.61
<b>Low Sales Yield</b>	Value - Low	-1.35	5.46	1.66	-0.61	-1.57	-0.79	5.77	2.66	3.44	3.88
<b>High 6m Price Momentum</b>	Momentum - High	1.54	2.71	1.07	-2.01	-0.15	-0.54	5.41	2.58	4.98	5.34
<b>High 12m Price Momentum</b>	Momentum - High	0.04	2.88	1.76	-1.59	-0.12	-0.53	4.73	2.40	6.17	3.29
<b>Low Dividend Cover</b>	Quality - Low	-2.00	3.42	-0.98	0.72	0.27	0.65	0.36	2.01	2.25	4.45
<b>Growth Composite</b>	Value - Low	-0.99	3.92	1.36	-1.55	-0.42	-0.33	4.29	1.90	5.56	4.32
<b>Low Historical EPS Growth</b>	Growth - Low	-0.94	2.04	-1.52	1.87	-0.48	0.93	-0.46	1.86	-4.32	0.95
<b>High ROIC</b>	Quality - High	1.06	0.89	0.61	-1.57	0.45	0.40	2.59	1.84	5.28	3.07
<b>High PEG</b>	Value - Low	-1.46	1.51	-0.60	1.53	-0.34	1.06	-0.58	1.66	2.05	3.23
<b>Low Dividend Growth</b>	Growth - Low	-1.14	1.19	-1.29	2.59	-0.16	0.50	-1.25	1.65	-0.07	1.82
<b>Low ROIC</b>	Quality - Low	-0.51	0.36	-1.85	2.30	-0.08	1.00	-2.00	1.17	-5.32	-1.13
<b>Low Earnings Growth</b>	Growth - Low	-1.25	0.63	-0.69	1.65	-0.07	0.89	-1.37	1.14	-0.15	0.95
<b>High Dividend Growth</b>	Growth - High	1.44	1.06	-0.69	-0.85	0.32	-0.17	1.87	1.10	-1.50	0.90
<b>Low Capex / Depreciation</b>	Quality - High	-0.10	1.34	0.64	-0.53	-0.44	0.00	1.89	0.90	-1.00	0.65
<b>High Volatility</b>	Risk - High	2.86	-1.60	-4.59	2.18	0.91	1.30	-3.44	0.86	-7.18	-1.11
<b>High Earnings Momentum</b>	Momentum - High	-0.24	2.11	0.74	-1.90	0.50	-0.61	2.63	0.56	4.31	2.44
<b>Low Beta</b>	Risk - Low	-2.11	5.05	1.51	-1.34	-1.70	-0.69	4.39	0.55	6.06	3.42
<b>Low 6m Price Momentum</b>	Momentum - Low	0.23	-2.38	-1.49	2.16	0.32	1.55	-3.61	0.35	-2.90	-2.29
<b>Low Earnings Momentum</b>	Momentum - Low	0.54	-0.66	-2.21	2.00	-0.52	1.18	-2.34	0.27	-2.25	-1.22
<b>High Capex / Depreciation</b>	Quality - Low	0.64	-0.45	-1.85	1.65	0.05	0.24	-1.67	0.25	-2.52	0.79
<b>Low PEG</b>	Value - High	0.79	0.03	-1.26	-0.04	0.56	0.11	-0.45	0.18	-6.39	-1.92
<b>Large Cap</b>	Size	-0.52	1.07	-0.29	0.05	-0.09	-0.08	0.25	0.13	-0.86	0.30
<b>Low 12m Price Momentum</b>	Momentum - Low	0.20	-1.39	-2.93	1.98	0.49	1.72	-4.09	-0.02	-5.43	-0.92
<b>High Dividend Yield</b>	Value - High	-0.89	-1.40	-1.36	1.69	0.90	0.85	-3.61	-0.26	-4.05	-0.62
<b>High Historical EPS Growth</b>	Growth - High	1.47	-1.85	0.13	-1.30	1.74	-0.42	-0.28	-0.29	-2.22	-1.92
<b>High Earnings Growth</b>	Growth - High	0.67	0.45	-0.96	-0.33	-0.14	-0.52	0.16	-0.84	-4.89	-1.91
<b>High Earnings Yield</b>	Value - High	0.94	-2.87	-1.12	1.08	1.52	-0.48	-3.05	-0.98	-6.98	-3.36
<b>Value Composite</b>	Value - High	-0.03	-2.64	-1.47	1.77	0.60	0.69	-4.04	-1.15	-7.06	-2.81
<b>Low ROE</b>	Quality - Low	-0.76	-0.82	-2.25	2.46	-0.77	0.59	-3.79	-1.61	-7.32	-2.83
<b>High Book / Price</b>	Value - High	0.22	-2.65	-2.16	2.76	-0.69	0.23	-4.54	-2.36	-8.28	-4.48
<b>High 1m Price Momentum</b>	Momentum - High	-1.83	1.84	-2.20	-0.84	-0.05	-0.23	-2.22	-3.31	-0.43	-3.06
<b>High Beta</b>	Risk - High	2.57	-6.17	-1.50	1.27	1.51	-0.73	-5.20	-3.32	-10.56	-8.05
<b>0.00</b>		4.97	12.87	6.40	6.89	8.54	5.26	10.97	22.64	22.72	28.15
Key: Top 5 Bottom 5											

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 18: Europe - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
Small Cap	Size	2.77	-1.16	-1.66	3.41	7.00	3.57	-0.11	14.48	6.97	13.93
Low EBIT / EV	Value - Low	-1.64	6.46	-0.56	0.52	-0.12	1.73	4.13	6.36	8.05	8.54
Low 1m Price Momentum	Momentum - Low	2.66	2.04	1.12	0.29	0.39	-0.41	5.93	6.20	4.00	5.60
High Sales Yield	Value - High	0.09	1.64	-2.23	0.64	2.51	3.14	-0.53	5.85	4.22	6.14
High Volatility	Risk - High	2.72	0.11	-4.50	2.79	1.32	2.30	-1.79	4.63	-4.57	2.48
Low Free Cashflow Yield	Value - Low	-1.55	5.27	-1.00	0.66	0.10	1.15	2.60	4.56	6.22	6.28
High Debt To EV	Quality - Low	-1.83	4.36	-2.65	1.65	1.09	1.95	-0.26	4.53	3.29	6.92
Low Sales Yield	Value - Low	-1.12	5.42	1.54	-1.00	-0.67	-0.44	5.85	3.63	6.88	4.93
Low Earnings Yield	Value - Low	-0.28	4.57	-0.70	-0.34	0.43	-0.15	3.54	3.48	9.60	5.72
High Free Cashflow Yield	Value - High	1.30	1.08	-0.21	-0.59	1.01	0.28	2.18	2.90	3.98	2.70
High ROE	Quality - High	0.43	2.06	0.66	-1.55	0.53	0.42	3.17	2.54	5.98	3.37
Low Book / Price	Value - Low	-0.21	3.66	1.04	-1.51	-0.14	-0.25	4.52	2.54	8.98	4.93
Low Historical EPS Growth	Growth - Low	-0.94	3.09	-1.79	2.02	-0.39	0.61	0.29	2.54	-3.55	2.12
Low Dividend Cover	Quality - Low	-1.62	3.42	-0.82	1.16	-0.05	0.46	0.91	2.51	3.57	4.58
Low Dividend Growth	Growth - Low	-0.81	1.75	-1.52	2.64	0.17	0.27	-0.60	2.47	-0.58	2.36
Low Dividend Yield	Value - Low	1.70	1.00	0.13	-1.20	0.53	0.31	2.85	2.47	3.03	1.82
Low Debt To EV	Quality - High	1.81	0.62	0.87	-2.02	0.43	0.77	3.33	2.46	6.95	2.86
High 12m Price Momentum	Momentum - High	-0.58	3.33	2.03	-2.05	-0.11	-0.44	4.82	2.10	6.66	2.93
Growth Composite	Value - Low	-0.91	3.99	1.18	-1.81	-0.34	0.04	4.26	2.07	6.90	4.40
Low Volatility	Risk - Low	-1.42	3.77	1.76	-1.07	-0.37	-0.69	4.10	1.91	8.53	4.48
Low ROIC	Quality - Low	-0.85	1.19	-2.16	2.71	-0.12	1.16	-1.84	1.87	-5.67	0.14
High EBIT / EV	Value - High	1.90	-1.21	-1.15	-0.85	1.79	1.30	-0.48	1.75	3.08	1.40
Low Capex / Depreciation	Quality - High	0.36	1.55	-0.05	-0.48	0.11	0.15	1.86	1.63	-1.00	1.23
High 6m Price Momentum	Momentum - High	0.04	3.81	0.99	-2.11	-0.42	-0.61	4.88	1.61	3.79	4.12
High ROIC	Quality - High	1.15	0.86	1.03	-1.69	0.14	0.02	3.07	1.48	6.16	2.66
High Dividend Cover	Quality - High	2.28	-1.17	-0.48	-1.07	1.43	0.53	0.59	1.48	-0.15	-0.40
High PEG	Value - Low	-0.65	-0.06	-0.75	1.91	-0.24	1.02	-1.45	1.20	0.85	1.88
Low 6m Price Momentum	Momentum - Low	1.26	-3.87	-1.25	2.65	0.62	1.71	-3.87	0.99	-1.98	-1.49
Low Earnings Growth	Growth - Low	-0.23	-0.51	-0.93	1.89	-0.20	0.98	-1.66	0.97	-0.18	0.60
Low Earnings Momentum	Momentum - Low	0.85	-1.96	-1.94	2.30	-0.15	1.59	-3.04	0.61	-3.46	-1.03
Low PEG	Value - High	0.27	0.85	-0.68	-0.49	0.87	-0.25	0.44	0.56	-5.60	-1.28
High Earnings Momentum	Momentum - High	-0.78	2.72	0.48	-1.75	0.54	-0.63	2.41	0.52	4.72	2.03
Low 12m Price Momentum	Momentum - Low	0.04	-1.25	-3.06	2.55	0.54	1.58	-4.22	0.31	-4.64	-0.53
Large Cap	Size	-0.38	0.94	-0.24	-0.02	-0.05	-0.07	0.31	0.17	-0.33	0.39
Low Beta	Risk - Low	-1.87	4.40	1.63	-1.70	-1.42	-0.73	4.12	0.16	7.08	3.20
High Dividend Yield	Value - High	-0.86	-0.65	-0.96	1.64	0.26	0.59	-2.46	-0.01	-2.68	0.24
Low ROE	Quality - Low	-0.76	-0.18	-2.33	2.76	-0.29	0.71	-3.24	-0.15	-7.75	-1.75
High Earnings Growth	Growth - High	-0.01	1.14	-0.54	-0.88	0.26	-0.60	0.59	-0.63	-4.55	-1.66
High Dividend Growth	Growth - High	1.66	-1.13	-0.11	-1.33	-0.10	0.35	0.40	-0.69	-2.93	-1.07
High Capex / Depreciation	Quality - Low	0.29	-1.60	-0.71	0.43	0.02	0.82	-2.02	-0.77	-1.68	-0.15
Value Composite	Value - High	0.18	-2.95	-1.32	1.67	0.44	0.56	-4.07	-1.49	-8.48	-3.49
High Book / Price	Value - High	-0.15	-2.54	-1.93	2.91	-0.37	0.24	-4.57	-1.92	-9.09	-3.91
High Historical EPS Growth	Growth - High	2.33	-4.39	1.01	-1.70	1.35	-0.42	-1.17	-1.96	-4.19	-4.62
High Earnings Yield	Value - High	1.19	-3.98	-0.35	0.65	1.09	-0.78	-3.17	-2.25	-8.28	-4.67
High Beta	Risk - High	2.72	-5.63	-1.61	1.75	1.26	-0.58	-4.62	-2.30	-10.75	-6.79
High 1m Price Momentum	Momentum - High	-1.73	-0.55	-2.39	-0.67	0.30	0.02	-4.60	-4.94	-2.45	-4.55
0.00		4.64	12.09	6.53	5.52	8.42	4.35	10.55	19.42	20.35	20.72
Key: Top 5 Bottom 5											

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 19: North America - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	3-Month	1-Year	YTD
<b>Small Cap</b>	Size	2.39	0.01	-2.93	6.63	5.76	5.47	-0.60	18.23	6.70	14.63
Low 1m Price Momentum	Momentum - Low	2.62	1.04	0.63	1.46	0.54	-0.11	4.34	6.32	3.70	4.77
High Debt To EV	Quality - Low	-1.38	3.06	-1.60	1.79	1.09	2.39	0.01	5.36	2.56	8.85
Low 12m Price Momentum	Momentum - Low	1.74	-2.96	-0.44	1.44	1.90	2.23	-1.71	3.86	1.52	4.98
High Dividend Yield	Value - High	-1.18	2.26	-0.46	0.93	0.69	1.25	0.60	3.52	8.98	6.81
Low ROIC	Quality - Low	-1.14	1.49	-1.00	3.14	0.97	-0.17	-0.66	3.27	-0.62	2.70
Low Dividend Cover	Quality - Low	-3.14	4.84	-1.22	0.78	0.81	0.95	0.31	2.87	11.09	7.85
Low Earnings Growth	Growth - Low	-1.09	0.08	-0.27	1.90	1.23	1.02	-1.28	2.87	3.46	4.13
High Volatility	Risk - High	2.47	-2.57	-0.26	2.59	0.11	0.47	-0.42	2.75	-4.03	-1.14
Low Historical EPS Growth	Growth - Low	-1.01	2.09	-0.57	1.23	0.80	0.15	0.48	2.70	6.65	4.37
Low Free Cashflow Yield	Value - Low	-1.86	2.41	-0.87	2.55	0.58	-0.39	-0.37	2.37	0.88	2.66
Low ROE	Quality - Low	-1.53	1.16	-0.82	2.85	1.01	-0.49	-1.20	2.14	-0.41	1.90
High Book / Price	Value - High	-0.48	-0.32	-1.06	2.74	1.29	-0.07	-1.85	2.07	-0.87	2.12
Low Capex / Depreciation	Quality - High	0.25	-1.20	0.79	2.40	0.52	-0.70	-0.17	2.04	-0.50	-0.35
High Free Cashflow Yield	Value - High	1.47	-0.55	0.79	-1.70	-0.02	2.09	1.70	2.04	-0.89	2.07
Low Dividend Growth	Growth - Low	1.12	-0.53	-0.24	1.53	-0.49	0.52	0.34	1.90	-0.68	-0.20
Low Earnings Momentum	Momentum - Low	0.56	-1.62	-0.95	1.93	1.18	0.70	-2.01	1.77	-1.72	0.74
Low 6m Price Momentum	Momentum - Low	2.04	-3.58	0.01	1.36	0.51	1.50	-1.60	1.76	-2.40	1.08
High EBIT / EV	Value - High	1.31	-0.17	0.63	-2.44	0.26	2.08	1.78	1.61	-1.20	1.50
High PEG	Value - Low	-1.35	0.74	-1.10	1.63	0.95	0.66	-1.71	1.51	1.38	2.26
High Beta	Risk - High	1.19	-3.59	-0.59	3.09	1.81	-0.30	-3.01	1.48	-8.96	-3.21
Low Earnings Yield	Value - Low	-1.52	1.65	-0.76	2.34	0.28	-0.95	-0.66	0.99	0.51	0.68
Low EBIT / EV	Value - Low	-1.64	1.32	-0.86	2.40	0.32	-0.95	-1.19	0.54	0.33	-0.20
Value Composite	Value - High	0.90	-1.43	0.18	-0.40	0.93	0.34	-0.36	0.51	-0.78	0.10
High Sales Yield	Value - High	0.53	-0.69	-0.74	-2.39	1.27	2.51	-0.91	0.41	-3.70	-0.02
Low Volatility	Risk - Low	-2.31	3.10	-0.54	-0.45	-0.32	0.67	0.18	0.08	6.48	3.87
Low PEG	Value - High	1.74	-1.71	0.46	-0.04	-0.31	-0.35	0.46	-0.25	-5.77	-2.09
High Earnings Growth	Growth - High	0.83	-0.34	-0.02	0.18	-0.61	-0.45	0.48	-0.41	-4.26	-2.36
Low Beta	Risk - Low	-2.08	3.86	-0.60	-1.10	-1.42	0.98	1.09	-0.47	5.68	3.50
High 6m Price Momentum	Momentum - High	-1.47	3.47	0.20	-1.28	-0.51	-0.90	2.14	-0.59	0.93	0.43
High Earnings Momentum	Momentum - High	0.03	1.00	0.18	-0.56	-0.39	-0.90	1.21	-0.64	-0.58	0.62
<b>Large Cap</b>	Size	-0.29	0.14	-0.11	-0.14	-0.22	-0.12	-0.27	-0.74	-0.37	-0.42
High Dividend Growth	Growth - High	0.34	-1.13	0.26	-0.82	0.65	-0.09	-0.54	-0.82	-2.84	-1.13
High Earnings Yield	Value - High	1.23	-2.53	0.11	-0.34	0.61	0.13	-1.23	-0.83	-6.79	-2.80
Low Debt To EV	Quality - High	2.06	-1.35	1.18	-2.77	-0.16	0.10	1.86	-1.02	0.72	-2.88
Growth Composite	Value - Low	-1.20	1.00	-0.48	1.11	-0.90	-0.54	-0.69	-1.02	-1.58	-1.64
High ROE	Quality - High	1.08	-0.49	0.12	-1.98	-0.19	0.33	0.71	-1.15	-1.40	-1.41
Low Sales Yield	Value - Low	-0.21	0.59	-0.14	0.46	-1.03	-0.93	0.24	-1.27	-2.23	-0.11
High ROIC	Quality - High	0.95	-0.63	0.32	-1.82	-0.12	-0.10	0.64	-1.40	2.09	-1.74
Low Dividend Yield	Value - Low	1.41	-2.02	0.39	0.55	-1.17	-0.63	-0.25	-1.49	-6.20	-4.98
High Capex / Depreciation	Quality - Low	0.05	0.07	-0.70	-1.91	0.25	0.74	-0.58	-1.51	-2.24	-0.55
Low Book / Price	Value - Low	0.59	-0.17	0.26	-1.80	0.12	-0.58	0.68	-1.59	-1.24	-2.00
High 12m Price Momentum	Momentum - High	-0.73	2.52	0.50	-1.36	-0.72	-2.05	2.28	-1.91	-2.34	-1.95
High Dividend Cover	Quality - High	0.36	-3.04	0.39	-1.03	0.91	-0.31	-2.32	-2.74	-9.00	-5.49
High Historical EPS Growth	Growth - High	1.64	-2.32	0.51	-2.36	-0.34	-0.87	-0.21	-3.75	-8.75	-5.52
High 1m Price Momentum	Momentum - High	-2.45	-1.76	-0.71	-0.73	-0.11	0.71	-4.84	-4.98	-2.71	-2.97
<b>0.00</b>		5.76	8.43	4.11	9.40	7.18	7.52	9.18	23.21	20.10	20.15
Key: Top 5 Bottom 5											

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 20: Japan - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
Low Earnings Yield	Value - Low	-2.62	3.72	-0.24	0.54	-0.74	4.85	0.76	5.42	8.12	7.30
Growth Composite	Value - Low	-2.23	3.00	0.37	0.30	-0.90	4.37	1.07	4.85	5.69	5.61
Low Book / Price	Value - Low	-2.83	2.92	0.19	0.64	-0.06	3.69	0.20	4.50	5.93	5.08
Low Dividend Yield	Value - Low	-2.15	2.21	1.49	0.27	-0.20	2.73	1.51	4.35	2.76	4.91
Low Beta	Risk - Low	-3.96	5.74	-0.19	-0.63	-1.18	4.68	1.36	4.20	11.52	8.48
Low Dividend Cover	Quality - Low	0.23	1.65	-1.59	-0.06	-0.25	4.25	0.25	4.19	8.63	6.79
High 6m Price Momentum	Momentum - High	-3.65	4.92	0.65	0.04	-0.10	2.38	1.75	4.10	6.58	6.79
Low 1m Price Momentum	Momentum - Low	3.52	-0.59	0.65	0.26	1.45	-1.24	3.58	4.04	4.35	1.49
Low EBIT / EV	Value - Low	-2.29	4.43	0.22	-0.43	-0.94	3.08	2.27	3.99	5.33	6.93
Small Cap	Size	2.61	-1.83	0.92	-0.22	1.46	0.84	1.67	3.79	11.48	4.48
High 12m Price Momentum	Momentum - High	-4.38	5.28	1.01	-0.02	0.29	1.28	1.69	3.27	3.89	4.97
Low Debt To EV	Quality - High	3.02	-0.05	0.81	-1.36	0.17	0.62	3.80	3.20	2.79	2.20
High Volatility	Risk - High	2.23	-2.95	0.98	1.06	1.18	0.47	0.19	2.94	0.36	0.69
Low Historical EPS Growth	Growth - Low	-0.55	0.15	-0.80	0.77	-0.08	3.02	-1.20	2.49	2.56	3.15
Low Capex / Depreciation	Quality - High	-0.81	1.00	-0.58	0.85	-0.02	1.75	-0.40	2.18	3.97	3.42
Low Earnings Momentum	Momentum - Low	4.10	-3.77	0.56	-0.63	1.36	0.67	0.73	2.13	-0.55	0.56
Low Free Cashflow Yield	Value - Low	-3.45	2.88	-0.22	0.65	-0.79	3.01	-0.89	1.95	1.32	2.32
Low Dividend Growth	Growth - Low	1.95	-0.58	-0.15	-0.03	-0.73	1.13	1.20	1.56	1.15	0.97
Low Sales Yield	Value - Low	-3.52	3.16	-0.83	0.16	-1.52	4.15	-1.29	1.45	2.86	3.05
High ROIC	Quality - High	0.63	2.00	-0.93	-0.61	0.62	-0.55	1.69	1.13	0.58	0.02
Low ROE	Quality - Low	0.05	-1.03	-0.66	1.21	0.07	0.95	-1.64	0.57	-0.90	-0.02
High ROE	Quality - High	0.12	0.64	0.01	-0.52	0.26	0.05	0.77	0.56	1.91	1.64
Low 12m Price Momentum	Momentum - Low	4.38	-4.52	0.08	-0.28	0.65	-0.06	-0.26	0.05	2.15	0.27
High Earnings Momentum	Momentum - High	-3.55	3.70	0.12	-0.25	-1.38	1.26	0.14	-0.25	1.66	1.99
High Earnings Growth	Growth - High	-1.56	0.04	-0.31	0.50	0.57	0.48	-1.83	-0.30	-0.28	-1.37
High PEG	Value - Low	1.90	-1.34	0.04	-0.85	-0.96	0.86	0.58	-0.38	-1.34	0.31
High Free Cashflow Yield	Value - High	0.96	-1.10	0.52	-0.64	1.17	-1.80	0.37	-0.92	1.83	-0.11
Large Cap	Size	0.14	-0.34	-0.13	-0.27	-0.21	-0.18	-0.33	-0.99	-2.46	-1.43
Low 6m Price Momentum	Momentum - Low	5.00	-4.80	0.16	-0.20	0.87	-1.92	0.13	-1.14	-2.74	-3.49
High Dividend Cover	Quality - High	-0.28	-0.66	0.83	-0.12	0.03	-1.01	-0.11	-1.22	-4.38	-2.93
High Capex / Depreciation	Quality - Low	1.05	-0.70	-0.39	-1.33	0.54	-0.44	-0.05	-1.29	-0.69	-1.11
Low Earnings Growth	Growth - Low	2.11	-1.18	-0.09	-1.01	-1.05	-0.09	0.81	-1.35	-4.14	-1.72
High Historical EPS Growth	Growth - High	1.79	-0.95	0.03	-1.15	0.22	-1.30	0.86	-1.38	-1.45	-1.43
Low PEG	Value - High	0.28	-1.55	-0.45	0.90	0.70	-1.62	-1.72	-1.76	-1.71	-3.55
High Debt To EV	Quality - Low	-1.42	-0.23	-1.31	0.82	-0.41	0.72	-2.94	-1.84	-1.99	-1.35
High Dividend Growth	Growth - High	-2.45	0.51	0.28	-0.05	0.63	-1.26	-1.68	-2.36	-3.13	-2.49
High Dividend Yield	Value - High	2.55	-2.61	-0.57	-0.99	0.03	-0.86	-0.69	-2.48	-1.08	-2.27
High Sales Yield	Value - High	2.57	-2.47	0.69	-1.25	1.24	-3.34	0.74	-2.65	-3.83	-4.11
Low Volatility	Risk - Low	-1.09	1.84	-1.27	-0.86	-1.39	-0.06	-0.55	-2.83	-1.83	-1.83
High 1m Price Momentum	Momentum - High	-3.09	-0.44	-0.30	-0.67	-1.89	3.51	-3.81	-2.97	-6.42	-0.81
High Beta	Risk - High	4.39	-4.96	0.40	-0.75	1.36	-3.85	-0.39	-3.65	-9.71	-7.01
High EBIT / EV	Value - High	4.18	-3.96	1.30	-1.88	0.54	-4.27	1.36	-4.27	-2.69	-4.65
Low ROIC	Quality - Low	1.98	-3.09	0.23	-0.32	-0.29	-3.90	-0.94	-5.38	-7.33	-7.13
High Book / Price	Value - High	2.18	-4.23	-0.51	-0.36	0.64	-3.17	-2.65	-5.47	-9.80	-7.69
High Earnings Yield	Value - High	3.42	-4.85	0.87	-0.72	0.56	-4.64	-0.74	-5.50	-8.84	-7.52
Value Composite	Value - High	2.95	-4.53	0.03	-0.58	0.87	-4.46	-1.69	-5.80	-8.61	-7.61
0.00		9.38	10.70	3.08	3.09	3.35	9.48	7.61	11.22	21.33	16.11
Key:		Top 5	Bottom 5								

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 21: Pacific Basin ex Japan - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
High Free Cashflow Yield	Value - High	1.53	2.26	-0.21	-0.17	0.57	4.42	3.61	8.62	9.13	11.01
High Book / Price	Value - High	1.30	1.42	-2.05	0.79	1.61	3.22	0.64	6.38	4.31	6.90
Value Composite	Value - High	2.21	0.95	-0.85	0.18	1.76	1.69	2.31	6.05	4.83	6.31
Low 6m Price Momentum	Momentum - Low	0.45	-0.13	-1.25	1.79	1.18	3.27	-0.94	5.37	7.44	4.21
High EBIT / EV	Value - High	1.11	2.48	0.19	-3.10	1.47	3.07	3.81	5.21	5.77	7.76
High Debt To EV	Quality - Low	0.03	0.43	-3.60	3.34	0.41	4.53	-3.15	5.04	3.44	7.74
Low ROIC	Quality - Low	0.78	0.28	-3.03	3.14	-0.11	3.99	-2.00	4.99	1.60	6.13
High Earnings Yield	Value - High	1.52	0.62	0.06	-1.31	2.12	1.25	2.21	4.29	5.59	4.95
High Sales Yield	Value - High	2.22	1.23	-1.83	-1.44	1.12	2.82	1.58	4.11	9.84	7.47
Low ROE	Quality - Low	1.34	0.43	-3.37	2.51	0.03	3.20	-1.65	4.08	4.19	6.82
Low 1m Price Momentum	Momentum - Low	1.43	-0.67	0.79	0.05	0.61	1.34	1.55	3.60	5.02	5.41
High Beta	Risk - High	1.83	-0.55	-1.97	1.46	2.48	0.16	-0.73	3.38	-1.89	2.02
Low Earnings Momentum	Momentum - Low	0.41	-1.26	-1.53	1.27	1.30	3.23	-2.38	3.38	3.78	3.99
Low Capex / Depreciation	Quality - High	1.25	-0.42	-1.27	0.76	0.51	2.18	-0.45	3.01	-0.54	3.19
High Dividend Yield	Value - High	1.45	-0.65	0.01	0.67	0.12	1.23	0.80	2.85	2.06	3.34
High PEG	Value - Low	0.59	0.15	-1.90	1.29	-0.31	2.56	-1.17	2.36	0.89	3.00
Low Earnings Growth	Growth - Low	0.56	-0.04	-1.50	1.16	-0.05	2.23	-0.99	2.34	-0.09	3.00
High Earnings Growth	Growth - High	0.92	1.12	-0.82	1.02	-0.01	0.06	1.27	2.29	8.30	6.58
Low PEG	Value - High	0.90	1.02	-1.30	0.08	0.30	1.26	0.61	2.27	6.08	5.37
Low Volatility	Risk - Low	-0.14	0.80	0.43	-0.22	-1.91	3.18	1.09	2.08	2.73	5.58
Low Dividend Growth	Growth - Low	1.06	-0.84	-1.32	0.45	0.42	2.13	-1.11	1.88	-2.37	3.72
Low 12m Price Momentum	Momentum - Low	0.79	-1.25	-1.37	0.70	0.64	2.30	-1.78	1.82	-2.72	1.69
Large Cap	Size	0.78	0.52	-0.36	0.08	0.37	0.31	0.94	1.71	1.57	2.38
Low EBIT / EV	Value - Low	-0.48	0.07	-1.53	3.56	-1.37	1.49	-1.94	1.65	8.24	6.58
Low Debt To EV	Quality - High	0.31	2.69	0.95	-3.01	-0.50	1.26	3.99	1.62	8.22	5.71
High Dividend Growth	Growth - High	0.86	1.07	-0.63	-1.48	0.30	1.41	1.30	1.52	3.59	4.02
Low Dividend Cover	Quality - Low	1.02	-0.74	-0.94	1.19	-0.04	0.94	-0.67	1.43	2.31	2.51
High ROIC	Quality - High	0.71	0.82	0.85	-1.58	0.40	0.05	2.40	1.24	6.45	2.70
Low Sales Yield	Value - Low	-0.93	1.43	1.81	-1.78	-1.59	1.45	2.31	0.32	7.46	5.12
High Historical EPS Growth	Growth - High	0.53	0.23	1.86	-2.31	-1.42	1.45	2.63	0.27	4.94	3.38
High Earnings Momentum	Momentum - High	0.78	2.00	-0.41	-0.65	-1.29	-0.19	2.37	0.20	4.14	3.28
High ROE	Quality - High	0.00	0.39	1.69	-1.47	-1.38	0.87	2.09	0.13	7.27	3.90
Low Earnings Yield	Value - Low	-0.61	0.46	-0.97	2.04	-1.62	0.80	-1.13	0.05	2.34	3.93
High 6m Price Momentum	Momentum - High	0.91	1.13	0.27	-1.93	-1.65	0.82	2.32	-0.49	4.83	4.36
Low Historical EPS Growth	Growth - Low	0.44	-0.63	-3.54	1.11	0.17	1.97	-3.73	-0.57	-0.29	2.01
High 12m Price Momentum	Momentum - High	0.43	0.51	0.94	-0.69	-1.53	-0.33	1.89	-0.70	5.29	3.13
Low Beta	Risk - Low	-1.12	1.33	0.91	-0.89	-3.06	2.17	1.10	-0.76	6.43	4.64
Small Cap	Size	-0.32	-0.22	-1.16	0.19	-1.52	2.28	-1.69	-0.78	3.50	2.30
Low Dividend Yield	Value - Low	-0.08	1.57	-0.94	-0.48	-0.34	-0.62	0.53	-0.91	2.61	1.87
High 1m Price Momentum	Momentum - High	0.60	0.71	-1.55	-0.02	-2.25	1.38	-0.26	-1.17	0.32	0.65
High Dividend Cover	Quality - High	0.12	0.59	-1.38	-0.63	0.90	-0.86	-0.67	-1.27	2.82	1.55
High Volatility	Risk - High	0.32	-0.35	-2.48	1.13	-0.47	0.50	-2.52	-1.38	0.65	0.84
Low Book / Price	Value - Low	-0.71	0.42	1.51	-0.99	-2.50	0.83	1.21	-1.49	5.40	3.00
Growth Composite	Value - Low	-1.26	0.54	-0.50	1.44	-1.99	0.05	-1.22	-1.74	2.45	2.04
High Capex / Depreciation	Quality - Low	-0.53	-0.41	-0.30	-0.35	-0.56	-0.40	-1.24	-2.52	3.86	-0.37
Low Free Cashflow Yield	Value - Low	-1.35	0.01	-1.24	-0.86	-1.40	0.86	-2.57	-3.94	3.54	1.02
0.00		3.57	3.95	5.46	6.66	5.54	5.39	7.72	12.57	12.56	11.31
Key: Top 5 Bottom 5											

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 22: US Large Cap - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
Small Cap	Size	1.95	-1.64	-1.36	3.08	3.18	2.03	-1.10	7.32	-2.75	4.3
High Volatility	Risk - High	2.57	-2.32	0.73	4.57	2.06	-0.77	0.92	6.87	-1.38	1.4
Low 1m Price Momentum	Momentum - Low	3.56	0.65	0.64	1.4	0.49	-0.12	4.90	6.78	5.83	4.9
Low Earnings Momentum	Momentum - Low	1.22	-2.59	-0.73	3.89	1.73	0.92	-2.12	4.39	0.71	2.7
High Debt To EV	Quality - Low	-1.25	3.03	-1.46	0.40	1.65	1.68	0.26	4.03	5.48	7.0
High Free Cashflow Yield	Value - High	1.49	-0.63	0.41	-1.62	0.80	2.43	1.27	2.87	1.38	3.5
Low Earnings Growth	Growth - Low	-0.50	-0.02	-0.82	1.60	1.52	1.07	-1.34	2.86	3.94	4.6
High Earnings Dispersion	Quality - Low	-0.32	0.46	-0.73	3.40	1.11	-1.10	-0.59	2.79	-1.02	0.5
Low 12m Price Momentum	Momentum - Low	2.57	-3.83	-1.28	0.78	2.44	2.15	-2.62	2.69	-0.77	2.9
Low ROIC	Quality - Low	-1.67	2.39	-0.65	2.48	0.69	-0.70	0.02	2.49	1.13	0.2
Low 6m Price Momentum	Momentum - Low	1.60	-3.91	0.45	0.99	1.82	1.48	-1.94	2.33	-1.9	0.6
Low Share Buyback	Value - Low	0.03	1.83	0.29	0.84	-0.15	-0.66	2.16	2.19	3.25	2.7
Low Dividend Cover	Quality - Low	-3.18	4.97	-1.4	0.77	0.67	0.53	0.20	2.19	10.28	7.4
High Dividend Yield	Value - High	-1.03	2.28	-0.44	0.1	0.04	1.20	0.78	2.13	7.45	4.8
Low ROE	Quality - Low	-1.49	0.48	-1.16	3.43	1.46	-0.80	-2.17	1.84	-3.74	0.6
High PEG	Value - Low	-1.43	1.05	-1.56	2.03	1.19	0.59	-1.95	1.82	2.86	3.7
Low EPS LTG	Growth - Low	-1.22	1.36	-1.05	0.96	0.39	1.18	-0.94	1.59	4.38	4.5
Low Dividend Growth	Growth - Low	2.10	-1.17	-0.32	0.47	0.70	-0.20	0.59	1.56	-1.95	-1.5
High EBIT / EV	Value - High	0.49	-0.01	-0.60	-2.18	1.20	2.63	-0.12	1.49	-1.46	1.6
Low Asset Growth	Growth - Low	-1.73	1.90	-1.72	1.98	-0.19	0.99	-1.58	1.18	5.33	3.5
High Beta	Risk - High	0.80	-3.78	-1.14	3.79	1.32	0.05	-4.12	0.88	-10.22	-3.8
Low EBIT / EV	Value - Low	-0.58	0.84	0.16	2.95	-0.84	-1.63	0.41	0.84	-0.37	-1.2
Value Composite	Value - High	0.10	-1.40	-0.12	0.47	1.52	0.26	-1.42	0.81	-3.30	-0.4
High Earnings Variability	Quality - Low	-0.29	0.03	-0.30	1.16	0.59	-0.44	-0.56	0.73	-1.63	-1.
Low Free Cashflow Yield	Value - Low	-0.67	0.87	-0.28	1.69	-0.05	-0.82	-0.08	0.72	1.37	1.
High Sales Yield	Value - High	0.29	-0.42	-2.52	0.1	0.88	2.24	-2.64	0.53	-4.08	-1.0
Low Volatility	Risk - Low	-1.3	1.99	-0.46	-0.58	-0.32	1.23	0.19	0.51	5.47	3.7
Low Earnings Variability	Quality - High	-0.10	0.10	0.15	-0.1	-0.70	1.11	0.15	0.44	4.80	1.8
Low Earnings Dispersion	Quality - High	-1.2	1.7	-0.34	0.09	-0.89	1.11	0.13	0.43	1.04	1.5
Low Earnings Yield	Value - Low	-1.18	1.37	-0.50	2.21	0.07	-1.57	-0.33	0.34	0.93	0.6
High Book / Price	Value - High	-0.47	-1.55	-0.82	2.94	1.23	-1.02	-2.82	0.24	-2.53	-0.3
Low Accruals	Quality - High	0.30	0.56	-0.63	-1.06	0.07	0.66	0.23	-0.1	3.18	1.5
High True Yield	Value - High	-0.45	-0.35	-0.20	-0.27	0.63	0.52	-1.00	-0.13	1.2	0.9
Low Capex / Depreciation	Quality - High	0.64	-1.51	1.30	1.12	-0.54	-1.10	0.40	-0.14	-3.84	-2.8
Low True Yield	Value - Low	0.77	-0.17	0.79	-0.04	-0.42	-1.29	1.39	-0.37	-1.5	-1.5
High 6m Price Momentum	Momentum - High	-1.43	3.21	0.32	-1.16	-0.53	-0.85	2.06	-0.51	2.00	0.0
High Earnings Yield	Value - High	1.44	-2.74	0.19	-0.27	0.64	0.16	-1.15	-0.63	-6.36	-3.0
High Accruals	Quality - Low	-0.28	1.09	0.08	0.37	-0.52	-1.49	0.89	-0.77	-3.02	-2.4
Low Debt To EV	Quality - Low	2.78	-1.17	1.40	-2.77	-0.50	-0.47	3.00	-0.82	0.64	-1.5
High Capex / Depreciation	Quality - Low	-2.02	1.34	-1.68	0.76	0.27	0.53	-2.38	-0.84	-0.26	0.7
Low Beta	Risk - Low	-2.16	3.62	-0.55	-0.91	-1.42	0.64	0.83	-0.88	7.09	3.
Low Dividend Yield	Value - Low	2.34	-2.76	0.90	0.56	-0.89	-0.96	0.40	-0.90	-5.13	-4.5
High ROE	Quality - High	0.74	-0.44	0.04	-1.12	-0.08	-0.06	0.34	-0.92	0.35	-1.0
High EPS LTG	Growth - High	0.42	-1.10	0.47	0.57	-0.54	-0.75	-0.22	-0.95	-4.81	-3.6
Large Cap	Size	-0.23	0.09	-0.01	-0.20	-0.33	-0.36	-0.15	-1.04	-0.03	-0.6
High Share Buyback	Value - High	-0.01	-0.87	-0.55	-0.27	-0.07	0.70	-1.42	-1.07	-2.85	-1.5
Low PEG	Value - High	1.11	-2.05	0.41	-0.13	0.18	-0.76	-0.56	-1.26	-4.42	-3.3
Low Sales Yield	Value - Low	0.49	0.51	0.30	-0.18	-1.21	-1.2	1.3	-1.30	0.62	-0.9
High Asset Growth	Growth - High	1.37	-0.80	0.94	-2.43	0.22	-0.78	1.50	-1.52	-5.27	-3.6
Growth Composite	Value - Low	0.49	0.03	0.18	-0.06	-0.79	-1.38	0.71	-1.53	0.54	-1.7
High Earnings Momentum	Momentum - High	-0.07	0.72	0.30	-0.72	-0.86	-1.10	0.95	-1.73	-1.39	-0.4
High Earnings Growth	Growth - High	0.52	-0.99	0.38	-0.30	0.08	-1.44	-0.09	-1.75	-4.54	-3.9
Low Book / Price	Value - Low	0.21	0.12	0.35	-1.99	-0.14	-0.60	0.68	-2.05	0.89	-1.5
High ROIC	Quality - High	1.03	-1.36	0.35	-2.37	0.03	0.14	0.01	-2.18	-0.21	-1.6
High 12m Price Momentum	Momentum - High	-0.61	2.33	0.47	-1.64	-0.86	-1.84	2.19	-2.19	-1.40	-2.4
High Dividend Growth	Growth - High	0.42	-1.32	0.51	-1.12	0.1	-0.85	-0.41	-2.25	-4.36	-2.6
High Dividend Cover	Quality - High	0.53	-3.19	0.1	-1.38	0.67	-0.05	-2.57	-3.33	-10.06	-6.3
High 1m Price Momentum	Momentum - High	-2.63	-2.03	-0.57	-0.57	-0.12	0.14	-5.16	-5.68	-2.18	-3.3
Spread (Best - Worst)		6.74	8.88	3.92	7.33	4.60	4.48	10.06	13.00	20.49	13.8
Key:		Top 5	Bottom 5								



Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 23: Emerging Markets - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
High Beta	Risk - High	1.63	1.10	-0.93	1.41	3.62	-0.29	1.79	6.65	-2.37	2.24
High Book / Price	Value - High	1.07	1.23	-2.01	0.91	3.23	1.19	0.26	5.68	2.93	3.64
High Volatility	Risk - High	1.82	1.11	-3.59	2.32	3.39	0.06	-0.75	5.05	0.05	3.54
Low Capex / Depreciation	Quality - High	1.36	1.33	0.11	0.59	-0.12	1.02	2.82	4.37	4.36	5.31
Small Cap	Size	1.75	0.23	-0.44	1.21	0.93	0.24	1.53	3.97	5.57	6.43
High Dividend Yield	Value - High	0.49	1.55	-0.37	0.19	0.41	1.44	1.68	3.76	0.97	5.07
High EBIT / EV	Value - High	1.60	1.69	-0.28	-1.32	0.38	1.53	3.02	3.60	6.80	4.46
High Free Cashflow Yield	Value - High	0.76	2.40	0.80	-1.59	-0.24	1.35	4.01	3.49	8.22	5.23
Value Composite	Value - High	1.06	1.55	-1.86	0.11	1.57	0.93	0.72	3.37	1.50	2.67
Low 6m Price Momentum	Momentum - Low	-0.76	-0.37	-0.80	1.33	2.39	1.59	-1.93	3.36	0.30	-0.19
Low 1m Price Momentum	Momentum - Low	-1.04	0.79	1.62	0.90	0.41	0.53	1.35	3.23	-0.23	2.43
Low ROIC	Quality - Low	0.65	-0.60	-3.34	2.45	1.61	2.44	-3.29	3.14	-1.14	1.63
Low Dividend Cover	Quality - Low	-0.38	1.66	0.27	0.37	-0.91	2.12	1.55	3.13	4.20	6.70
High Debt To EV	Quality - Low	0.34	-0.44	-3.82	2.47	1.88	2.67	-3.91	2.99	-0.13	3.52
Low PEG	Value - High	0.71	0.03	0.25	1.48	0.90	-0.62	1.00	2.78	0.28	0.93
Low 12m Price Momentum	Momentum - Low	1.20	-1.26	-2.55	1.30	3.01	1.02	-2.62	2.65	-0.29	1.20
High ROIC	Quality - High	0.31	0.63	2.62	-0.09	0.15	-0.99	3.59	2.62	7.33	4.71
Low Historical EPS Growth	Growth - Low	0.91	1.03	-2.63	1.08	1.06	1.18	-0.73	2.61	1.67	3.46
Low Earnings Momentum	Momentum - Low	0.44	-0.09	-2.40	1.26	1.97	1.10	-2.06	2.24	2.61	1.80
High Earnings Yield	Value - High	0.78	0.87	-1.36	-0.43	2.08	0.21	0.27	2.13	3.18	0.85
Low ROE	Quality - Low	0.88	0.11	-3.31	0.25	2.13	1.22	-2.36	1.20	1.28	0.68
High Earnings Growth	Growth - High	0.67	-0.81	0.92	1.43	-0.11	-0.94	0.77	1.14	0.84	0.27
High Historical EPS Growth	Growth - High	0.24	-0.31	1.47	-0.74	0.41	-0.12	1.41	0.94	-0.13	-0.12
High Sales Yield	Value - High	1.33	0.02	-1.25	-1.49	0.88	1.30	0.08	0.74	4.34	1.18
High Dividend Growth	Growth - High	-0.36	0.48	1.30	-0.16	-0.24	-0.47	1.42	0.53	2.82	0.14
High Earnings Momentum	Momentum - High	0.34	0.47	2.20	-1.51	-0.61	-0.51	3.02	0.33	3.82	2.14
High PEG	Value - Low	-0.49	0.71	-1.53	0.26	0.14	0.98	-1.32	0.06	-0.90	-0.46
High 1m Price Momentum	Momentum - High	1.37	-0.34	-2.47	0.90	0.07	0.54	-1.46	0.03	3.10	0.23
Low Earnings Growth	Growth - Low	-0.54	0.32	-1.44	0.26	0.19	1.22	-1.66	-0.01	0.27	-0.21
Large Cap	Size	-0.26	0.34	0.20	-0.20	0.04	-0.28	0.28	-0.15	-0.73	-0.35
High ROE	Quality - High	-0.47	-0.29	2.86	-0.71	-0.90	-0.97	2.09	-0.52	0.44	0.88
High Dividend Cover	Quality - High	-0.29	-0.24	0.48	0.23	0.20	-1.21	-0.06	-0.84	3.58	-1.33
Low Free Cashflow Yield	Value - Low	0.10	-0.43	-2.26	1.46	1.01	-0.76	-2.58	-0.92	-2.52	-0.50
Low Debt To EV	Quality - High	0.16	0.21	3.02	-2.20	-0.69	-1.41	3.40	-0.98	5.23	-0.10
Low Sales Yield	Value - Low	-0.67	-0.58	4.11	-1.12	-1.43	-1.37	2.81	-1.17	3.86	0.44
High Capex / Depreciation	Quality - Low	-1.20	-0.63	-0.48	0.31	0.84	-0.25	-2.29	-1.41	-3.70	-3.13
High 6m Price Momentum	Momentum - High	0.01	1.60	0.85	-0.88	-2.16	-0.83	2.47	-1.44	-0.02	0.59
Low Volatility	Risk - Low	-0.76	-0.88	2.86	-1.29	-1.71	0.29	1.17	-1.55	2.84	0.68
Low EBIT / EV	Value - Low	-0.65	-0.96	1.35	0.98	-1.49	-0.89	-0.28	-1.68	0.41	-2.31
Low Dividend Yield	Value - Low	0.09	-2.23	1.06	1.21	-0.82	-1.56	-1.10	-2.28	1.39	-3.05
Low Earnings Yield	Value - Low	-0.42	-1.71	1.09	0.87	-1.07	-1.14	-1.06	-2.39	-1.22	-1.72
Low Dividend Growth	Growth - Low	-0.47	-1.31	-0.97	-0.28	-0.36	0.31	-2.73	-3.06	-7.34	-4.48
High 12m Price Momentum	Momentum - High	-1.45	-0.51	3.06	-0.50	-1.60	-2.01	1.05	-3.06	-1.12	-1.52
Growth Composite	Value - Low	-0.85	-1.05	2.11	-0.01	-1.37	-1.95	0.16	-3.15	-1.45	-2.72
Low Book / Price	Value - Low	-1.22	-1.61	3.64	-0.77	-1.90	-2.11	0.73	-4.03	-2.00	-2.58
Low Beta	Risk - Low	-1.47	-0.14	1.35	-1.38	-3.46	0.67	-0.28	-4.43	0.20	-0.64
Spread (Best - Worst)		3.29	4.63	7.93	4.67	7.08	4.78	7.92	11.06	15.56	11.1
Key:		Top 5	Bottom 5								

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 24: Emerging Europe - style performance

	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
Low 1m Price Momentum	Momentum - Low	-1.63	3.58	4.13	3.47	1.85	0.62	6.09	12.50	15.91	14.90
Low Capex / Depreciation	Quality - High	0.26	3.42	2.82	1.02	-1.26	-0.19	6.61	6.14	9.44	7.79
High 6m Price Momentum	Momentum - High	-0.08	3.15	3.31	1.59	-1.04	-1.98	6.47	4.93	15.66	6.40
High Volatility	Risk - High	2.09	1.83	0.72	1.19	1.79	-2.77	4.71	4.86	11.01	5.98
High Earnings Growth	Growth - High	-0.63	1.11	1.04	2.18	0.51	-0.24	1.51	4.00	6.70	3.18
High Dividend Growth	Growth - High	-0.69	1.41	0.94	1.22	1.10	-0.44	1.66	3.57	9.25	3.33
Low Beta	Risk - Low	3.13	1.48	-0.87	-0.42	-4.85	5.26	3.75	3.48	3.55	1.68
Low Earnings Momentum	Momentum - Low	-0.38	-0.32	-2.38	3.68	0.54	2.31	-3.06	3.39	-1.33	4.01
Low PEG	Value - High	-0.64	1.39	0.90	2.41	0.02	-0.78	1.64	3.30	8.02	3.66
Low ROIC	Quality - Low	0.45	-0.39	-2.48	2.22	1.03	2.49	-2.41	3.29	2.82	1.59
High 12m Price Momentum	Momentum - High	-1.41	1.21	4.59	0.55	0.09	-2.01	4.36	2.92	8.26	3.62
Small Cap	Size	3.11	-2.88	0.28	0.56	3.68	-1.85	0.42	2.76	0.09	4.69
High Earnings Yield	Value - High	-1.73	-0.88	-0.60	2.41	0.77	2.47	-3.17	2.39	8.16	3.77
High Dividend Cover	Quality - High	-2.28	1.17	2.01	1.55	-0.31	0.25	0.84	2.34	11.64	2.17
High ROIC	Quality - High	0.43	1.44	2.30	0.01	-0.05	-1.89	4.22	2.22	-1.43	4.50
High Dividend Yield	Value - High	0.54	1.55	-3.49	2.31	-0.48	1.13	-1.47	1.50	-3.86	3.73
Low Sales Yield	Value - Low	0.64	0.91	5.14	-2.30	-0.32	-2.54	6.78	1.35	3.01	-0.67
High Debt To EV	Quality - Low	-0.96	0.32	-3.77	4.63	-1.27	2.14	-4.39	0.87	8.04	5.79
High EBIT / EV	Value - High	-1.69	-0.06	-3.47	4.26	0.19	1.38	-5.16	0.43	7.65	4.23
High Free Cashflow Yield	Value - High	-0.27	2.68	-1.18	1.07	-1.73	-0.29	1.19	0.21	7.58	6.65
High ROE	Quality - High	0.52	0.98	4.66	-1.59	-0.66	-3.59	6.24	0.14	-2.36	-1.07
Low Book / Price	Value - Low	1.17	0.88	3.51	-1.56	-0.74	-3.04	5.63	0.07	-1.35	-2.07
High Beta	Risk - High	0.06	-2.26	0.52	2.14	0.97	-1.31	-1.69	0.06	-0.92	1.22
Low Dividend Yield	Value - Low	-1.44	-0.82	4.02	-1.44	0.91	-1.22	1.69	-0.09	5.28	-1.48
Value Composite	Value - High	-1.22	0.37	-4.05	2.11	0.75	2.07	-4.87	-0.11	3.53	2.34
High Historical EPS Growth	Growth - High	1.85	0.37	2.04	-2.59	1.06	-2.72	4.31	-0.12	-3.06	-1.30
Low ROE	Quality - Low	1.44	-1.89	-2.02	-0.62	1.75	1.22	-2.48	-0.19	0.10	1.11
Low Historical EPS Growth	Growth - Low	0.23	-0.95	-1.28	1.31	-1.20	1.58	-2.00	-0.36	2.70	1.27
High Sales Yield	Value - High	0.59	-0.36	-2.09	0.79	0.57	0.16	-1.86	-0.37	8.17	4.31
High Book / Price	Value - High	-1.97	-2.29	-2.51	1.97	2.56	1.60	-6.62	-0.79	2.44	0.67
Growth Composite	Value - Low	0.47	1.22	2.85	-3.61	0.25	-1.87	4.60	-0.82	-0.95	-3.47
Low EBIT / EV	Value - Low	0.99	1.99	3.37	-3.77	1.32	-4.47	6.48	-0.82	2.21	-3.87
Low Free Cashflow Yield	Value - Low	-0.15	-1.24	1.72	-0.43	1.35	-2.04	0.31	-0.84	2.99	-1.58
Large Cap	Size	-1.00	0.47	0.59	-0.41	-0.20	-0.42	0.05	-0.98	-0.32	-0.59
Low Debt To EV	Quality - High	0.58	0.72	5.58	-4.25	0.58	-3.89	6.96	-1.00	0.39	-1.11
Low Earnings Yield	Value - Low	0.88	0.28	1.85	-3.77	0.29	-2.08	3.03	-2.64	-1.48	-4.35
Low 6m Price Momentum	Momentum - Low	1.12	-2.27	-2.47	-0.86	0.86	0.69	-3.61	-2.96	-10.29	-5.19
Low Dividend Growth	Growth - Low	-0.65	-2.06	-0.36	-1.15	-1.25	1.84	-3.05	-3.62	-9.59	-5.27
High PEG	Value - Low	-1.34	-1.46	-0.27	-1.55	-0.67	1.64	-3.04	-3.63	-9.25	-3.96
Low Earnings Growth	Growth - Low	-2.00	-0.83	-0.25	-1.21	-1.16	1.74	-3.05	-3.69	-7.73	-3.36
Low 12m Price Momentum	Momentum - Low	2.68	-1.88	-4.11	-1.95	0.75	0.67	-3.39	-3.93	-14.29	-5.39
Low Dividend Cover	Quality - Low	-0.47	-1.07	-1.68	-0.36	-1.60	0.44	-3.19	-4.67	-10.09	-4.72
Low Volatility	Risk - Low	-1.63	-3.27	-1.19	0.65	-2.31	2.87	-5.98	-4.90	-7.00	-6.65
High Earnings Momentum	Momentum - High	-1.19	-1.12	3.67	-3.04	-1.01	-2.68	1.29	-5.39	2.62	-5.84
High 1m Price Momentum	Momentum - High	3.64	-2.89	-3.63	-1.71	-1.55	0.07	-3.02	-6.09	-5.05	-7.25
High Capex / Depreciation	Quality - Low	-2.21	-3.62	-0.15	-0.64	0.43	-0.55	-5.90	-6.61	-6.71	-8.18
Spread (Best - Worst)		5.92	7.20	9.68	8.88	8.53	9.73	13.58	19.11	30.20	23.08
Key:		Top 5	Bottom 5								

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 25: Emerging Asia - style performance

	Type	Monthly						Cumulative				
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD	
High Free Cashflow Yield	Value - High	1.49	3.08	0.11	-1.05	0.66	2.13	4.73	6.53	11.27	8.37	
High EBIT / EV	Value - High	1.99	2.12	0.02	-1.84	1.27	1.89	4.17	5.46	8.93	6.65	
Low Capex / Depreciation	Quality - High	1.53	1.32	-0.26	0.51	0.55	1.37	2.60	5.12	5.20	6.24	
Low PEG	Value - High	1.10	0.29	0.04	1.87	1.99	-0.65	1.43	4.70	1.87	1.44	
High Sales Yield	Value - High	2.05	0.75	-1.92	-0.86	1.93	1.9	0.85	3.86	7.81	4.09	
Low Dividend Cover	Quality - Low	-0.06	1.80	0.57	0.09	-1.66	3.06	2.32	3.79	5.00	8.34	
Low 6m Price Momentum	Momentum - Low	-0.54	1.05	-0.28	1.63	0.52	1.29	0.22	3.70	3.24	-0.18	
Value Composite	Value - High	1.54	1.64	-1.76	0.12	1.40	0.72	1.39	3.67	3.00	3.36	
Low Historical EPS Growth	Growth - Low	0.68	1.61	-2.64	0.84	1.50	1.30	-0.39	3.27	3.07	4.66	
High Beta	Risk - High	0.86	0.41	-0.12	0.17	2.55	-0.76	1.16	3.13	-5.02	-2.37	
High Book / Price	Value - High	1.07	1.41	-2.21	0.24	2.11	0.51	0.23	3.12	1.24	1.05	
High ROIC	Quality - High	0.48	0.43	2.46	-0.09	0.25	-0.72	3.39	2.80	9.35	4.88	
Low Volatility	Risk - Low	0.08	0.74	1.76	-0.57	-0.02	0.72	2.59	2.72	5.99	5.57	
High Debt To EV	Quality - Low	-0.12	-0.84	-2.78	1.69	1.72	2.86	-3.72	2.43	0.16	3.39	
High Dividend Yield	Value - High	0.54	1.56	-0.28	-0.38	-0.74	1.62	1.82	2.31	0.38	3.73	
High Earnings Momentum	Momentum - High	0.45	1.12	1.45	-0.60	-0.91	0.22	3.04	1.72	5.01	4.19	
High Earnings Growth	Growth - High	1.02	-1.43	1.54	1.93	0.19	-1.56	1.11	1.65	2.39	0.14	
High Earnings Yield	Value - High	1.42	1.08	-1.74	-0.76	2.07	-0.52	0.74	1.52	2.43	0.00	
Low Debt To EV	Quality - High	0.51	0.52	1.38	-1.23	0.30	-0.25	2.43	1.22	6.99	2.26	
High Dividend Cover	Quality - High	0.89	0.23	-0.11	0.33	1.48	-1.68	1.00	1.12	4.65	0.25	
Small Cap	Size	0.86	0.32	-1.59	0.93	-0.12	0.71	-0.43	1.09	4.41	3.95	
High 1m Price Momentum	Momentum - High	0.34	1.08	-1.18	-0.06	-0.69	1.30	0.22	0.77	3.77	1.14	
Low 12m Price Momentum	Momentum - Low	0.24	-0.21	-1.36	0.76	0.95	0.40	-1.33	0.77	1.64	-0.46	
Low Earnings Momentum	Momentum - Low	0.22	-0.08	-2.16	0.56	1.30	0.95	-2.02	0.76	3.94	0.1	
Low Sales Yield	Value - Low	-0.86	-0.14	3.46	-0.61	-0.75	-0.33	2.43	0.71	5.81	2.98	
High ROE	Quality - High	-0.40	-0.61	3.05	-0.41	-0.92	-0.17	2.02	0.48	3.94	2.32	
Large Cap	Size	-0.10	0.44	0.29	-0.19	0.06	-0.16	0.63	0.34	-0.04	0.01	
High Historical EPS Growth	Growth - High	-0.07	-0.72	1.78	-0.65	-0.35	0.21	0.98	0.19	1.19	-1.20	
Low ROIC	Quality - Low	-0.11	-1.29	-3.08	1.62	0.93	2.12	-4.44	0.09	-3.36	-0.53	
Low EBIT / EV	Value - Low	-1.18	-1.49	1.37	2.10	-1.26	0.22	-1.32	-0.30	-0.17	-0.81	
High Dividend Growth	Growth - High	-0.04	-0.19	1.22	-0.53	-0.28	-0.57	0.99	-0.40	0.04	-1.38	
Low ROE	Quality - Low	0.01	0.23	-3.45	-0.26	2.01	1.05	-3.22	-0.49	0.70	-0.88	
Low 1m Price Momentum	Momentum - Low	-0.39	-1.83	0.49	0.71	0.73	-0.84	-1.74	-1.16	-4.66	-2.48	
Low Beta	Risk - Low	-1.04	0.80	0.45	-0.33	-2.22	0.81	0.20	-1.55	1.37	3.21	
High 6m Price Momentum	Momentum - High	-0.17	0.07	0.88	-1.10	-1.29	-0.10	0.78	-1.71	-2.92	0.35	
High PEG	Value - Low	-0.97	0.12	-1.29	-0.46	-1.05	1.45	-2.13	-2.21	-3.11	-2.12	
Growth Composite	Value - Low	-1.25	-1.53	2.20	1.28	-1.32	-1.66	-0.61	-2.32	-0.75	-1.67	
Low Earnings Growth	Growth - Low	-0.86	-0.01	-1.30	-0.55	-0.91	1.26	-2.16	-2.36	-1.78	-1.83	
High 12m Price Momentum	Momentum - High	-1.00	-0.33	2.06	-0.02	-1.10	-1.99	0.71	-2.40	-2.58	-1.25	
Low Earnings Yield	Value - Low	-1.16	-2.11	1.82	1.63	-1.56	-1.10	-1.48	-2.52	-1.11	-1.32	
Low Book / Price	Value - Low	-1.18	-1.93	3.59	-0.16	-1.50	-1.55	0.39	-2.80	-0.16	-0.94	
Low Dividend Growth	Growth - Low	-0.71	-1.24	-1.08	0.14	-0.61	0.54	-3.00	-2.93	-6.20	-4.15	
Low Dividend Yield	Value - Low	0.35	-2.68	0.93	1.69	-1.37	-2.21	-1.43	-3.32	0.19	-4.10	
High Capex / Depreciation	Quality - Low	-1.68	-0.42	-0.32	0.00	-0.42	-0.77	-2.41	-3.57	-5.51	-5.14	
Low Free Cashflow Yield	Value - Low	-1.08	-1.30	-1.66	0.22	-0.27	-0.74	-3.98	-4.74	-5.19	-3.32	
High Volatility	Risk - High	-0.21	-2.07	-2.50	-0.10	-0.09	-0.57	-4.71	-5.43	-7.82	-7.88	
Spread (Best - Worst)		3.73	5.76	7.04	3.94	4.77	5.27	9.44	11.97	19.09	16.25	
Key:		Top 5	Bottom 5									

Source: UBS Global Quantitative Research. Data to 29th July 2016

Figure 26: Emerging Latin America - style performance

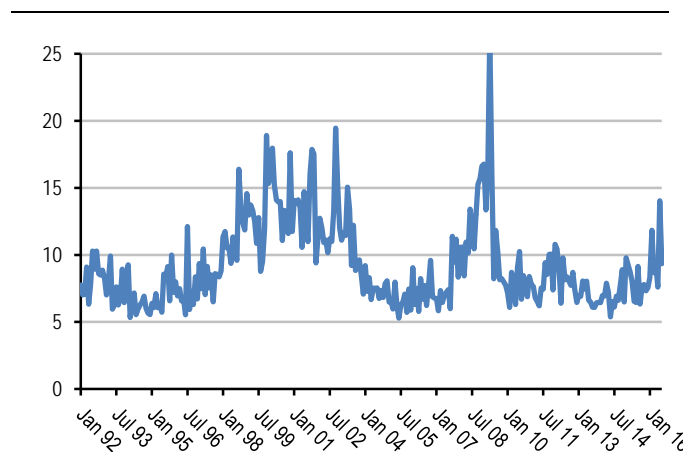
	Type	Monthly						Cumulative			
		Jul-16	Jun-16	May-16	Apr-16	Mar-16	Feb-16	3-Month	6-Month	1-Year	YTD
High Volatility	Risk - High	7.06	8.55	-6.32	6.11	14.36	4.80	8.87	38.45	11.00	31.53
Small Cap	Size	5.60	8.63	4.15	4.74	5.70	2.88	19.48	36.09	31.85	36.20
High Beta	Risk - High	6.87	7.68	-5.75	5.73	13.47	4.29	8.45	35.70	13.99	29.73
High Book / Price	Value - High	4.59	4.67	-4.02	4.41	11.51	5.94	5.07	29.60	9.45	23.49
Low ROIC	Quality - Low	4.36	2.39	-4.11	5.40	5.52	3.95	2.45	18.44	6.46	10.58
Low Earnings Growth	Growth - Low	2.32	2.86	-4.90	4.81	9.95	2.34	0.09	18.04	12.43	13.00
High PEG	Value - Low	2.59	3.61	-5.52	4.96	9.66	-0.47	0.43	15.05	15.12	11.24
High Capex / Depreciation	Quality - Low	2.32	2.43	-2.17	2.03	6.10	2.20	2.53	13.44	7.12	10.16
Low ROE	Quality - Low	4.65	2.13	-5.40	4.78	4.27	2.66	1.12	13.41	5.45	9.51
Low Free Cashflow Yield	Value - Low	4.73	3.83	-6.04	6.07	3.49	-0.34	2.17	11.77	-0.49	5.96
Low 12m Price Momentum	Momentum - Low	3.48	-5.98	-5.40	4.39	11.32	4.32	-7.95	11.56	-1.50	8.82
High Dividend Yield	Value - High	0.34	1.02	0.12	2.05	5.83	1.80	1.48	11.57	6.24	11.61
Value Composite	Value - High	1.01	3.07	-2.22	-0.44	5.83	3.15	1.80	10.64	-6.86	4.68
Low Earnings Momentum	Momentum - Low	2.16	-1.28	-3.37	2.67	7.91	1.36	-2.55	9.43	4.62	7.33
High 1m Price Momentum	Momentum - High	4.73	-4.00	-3.65	6.06	7.75	-3.37	-3.13	6.98	17.23	7.72
Low Dividend Cover	Quality - Low	-1.96	3.08	-1.71	4.17	3.95	-0.88	-0.66	6.62	15.37	9.53
High Earnings Yield	Value - High	0.26	1.73	-1.21	-1.36	4.57	2.30	0.75	6.31	1.26	4.76
High ROIC	Quality - High	-0.55	2.07	1.93	0.12	2.32	-0.55	3.48	5.41	4.81	8.50
Low 6m Price Momentum	Momentum - Low	-3.88	-6.42	0.11	1.85	10.37	2.63	-9.96	3.87	-5.13	0.30
High Historical EPS Growth	Growth - High	-0.31	0.27	1.25	-0.27	2.03	0.79	1.21	3.80	-1.51	3.91
Low Historical EPS Growth	Growth - Low	3.14	0.43	-5.52	2.90	2.16	0.89	-2.14	3.78	-4.64	0.51
High Debt To EV	Quality - Low	3.14	-1.44	-6.07	2.26	4.03	1.39	-4.51	2.99	-9.00	-2.42
High Dividend Growth	Growth - High	-1.51	1.18	4.04	-0.66	-2.51	0.31	3.69	0.72	9.98	1.66
Low 1m Price Momentum	Momentum - Low	-3.43	4.08	2.97	-4.38	-4.48	6.30	3.49	0.48	-6.70	-0.45
High EBIT / EV	Value - High	2.46	1.87	-2.97	-0.91	-1.94	1.69	1.27	0.07	-9.78	-3.18
High Earnings Momentum	Momentum - High	1.98	1.87	0.03	-2.84	0.17	-1.72	3.92	-0.60	-4.41	0.87
Low Dividend Yield	Value - Low	1.06	-1.49	0.08	1.47	-1.81	-0.27	-0.35	-0.99	4.67	-1.82
Low Capex / Depreciation	Quality - High	1.78	-1.40	-2.87	2.07	-1.92	1.19	-2.53	-1.27	-5.33	-2.43
Low Earnings Yield	Value - Low	1.33	-2.06	-1.59	2.55	-1.58	-0.91	-2.33	-2.32	2.24	-1.81
Large Cap	Size	-0.22	-0.36	-1.22	0.12	-0.02	-0.85	-1.79	-2.52	-5.49	-2.80
Low Dividend Growth	Growth - Low	0.94	-1.38	-2.18	-1.23	0.75	-1.19	-2.61	-4.24	-9.24	-5.67
High ROE	Quality - High	-2.17	-0.35	2.06	-1.86	-2.02	-2.16	-0.51	-6.39	-8.45	-4.30
High Earnings Growth	Growth - High	0.76	-1.73	2.79	-4.43	-4.76	-1.17	1.79	-8.45	-9.29	-8.09
High Free Cashflow Yield	Value - High	-2.77	-1.31	0.35	-3.60	-1.59	0.01	-3.70	-8.64	-11.68	-9.21
Low Debt To EV	Quality - High	-2.92	0.78	5.94	-1.76	-5.84	-4.78	3.65	-8.70	0.08	-5.70
Low PEG	Value - High	0.74	-2.73	2.09	-3.92	-4.20	-0.88	0.03	-8.73	-11.68	-8.52
High 6m Price Momentum	Momentum - High	1.36	6.69	-2.90	-1.83	-9.17	-3.40	5.01	-9.54	-6.68	-7.13
Low EBIT / EV	Value - Low	-0.18	-2.20	0.12	1.27	-7.94	-2.53	-2.26	-11.13	1.16	-10.01
Growth Composite	Value - Low	-0.97	-1.49	1.82	-1.66	-4.73	-4.57	-0.67	-11.19	-3.94	-8.89
Low Sales Yield	Value - Low	-1.07	-3.68	4.38	-0.29	-5.61	-5.52	-0.54	-11.56	-5.04	-8.66
High Sales Yield	Value - High	-1.90	-3.35	1.20	-5.69	-3.79	-0.45	-4.05	-13.33	-17.12	-15.03
High Dividend Cover	Quality - High	-4.05	-4.49	1.66	-2.70	-6.26	-0.50	-6.83	-15.45	-12.60	-14.23
High 12m Price Momentum	Momentum - High	-4.46	-3.10	5.70	-3.56	-7.91	-3.14	-2.15	-15.82	-7.11	-13.14
Low Book / Price	Value - Low	-4.44	-3.70	3.65	-2.52	-5.65	-4.66	-4.61	-16.36	-11.18	-13.39
Low Volatility	Risk - Low	-5.79	-7.93	6.06	-3.16	-9.60	-2.86	-8.01	-21.77	-8.79	-18.33
Low Beta	Risk - Low	-7.04	-6.64	5.70	-6.13	-8.15	-3.58	-8.26	-23.73	-11.20	-19.86
Spread (Best - Worst)		14.10	16.56	12.38	12.24	23.96	11.82	29.44	62.18	48.97	56.06
Key:		Top 5	Bottom 5								

Source: UBS Global Quantitative Research. Data to 29th July 2016

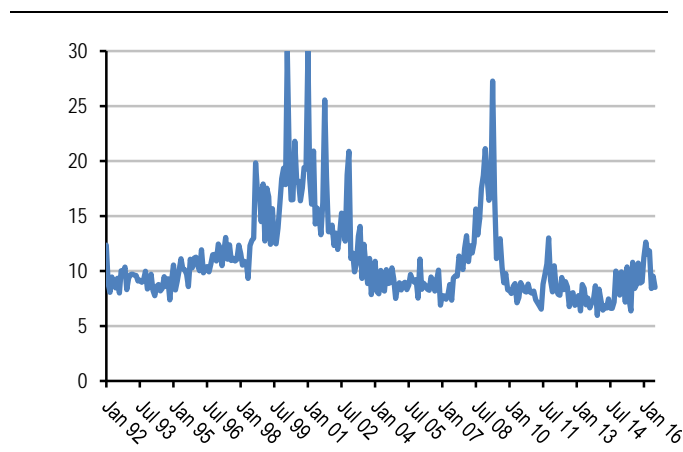
# Cross-sectional Dispersion

The charts below show the cross-sectional dispersion of returns for five developed regions and the emerging markets. This is calculated as the simple, un-weighted standard deviation of the monthly returns of stocks in the relevant Dow Jones World Index (MSCI for EM). This data is available in the [UBS Market Statistics](#) file.

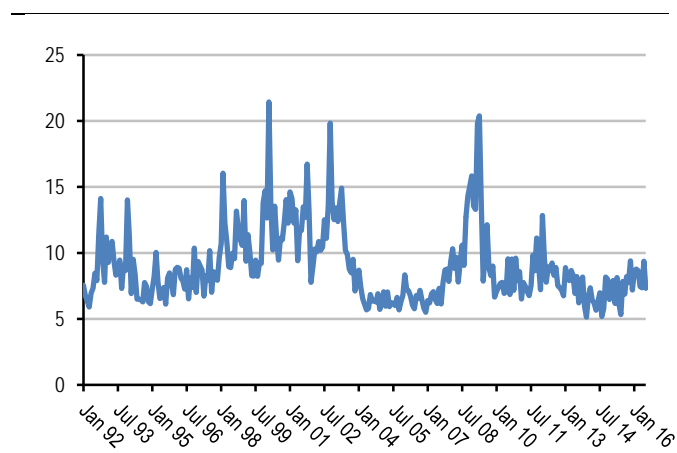
**Figure 27: UK**



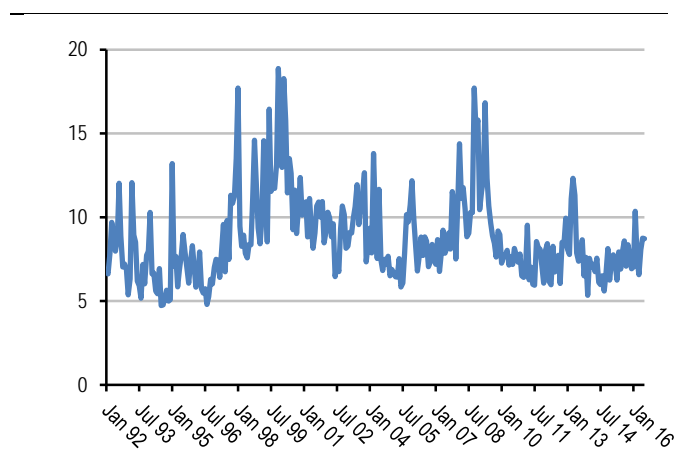
**Figure 28: North America**



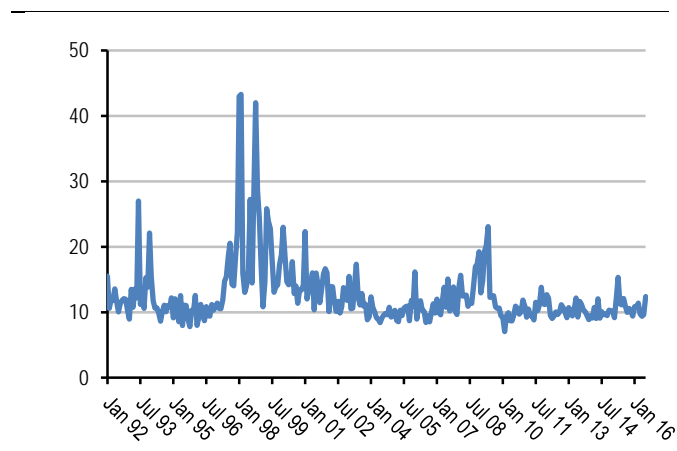
**Figure 29: Europe ex UK**



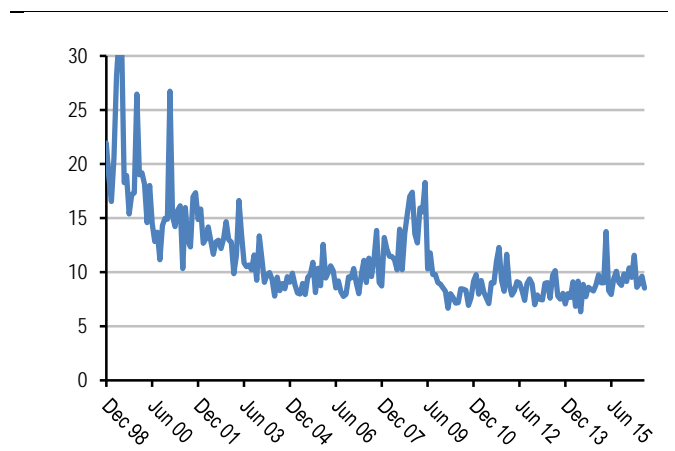
**Figure 30: Japan**



**Figure 31: Pacific Basin ex Japan**



**Figure 32: Emerging**

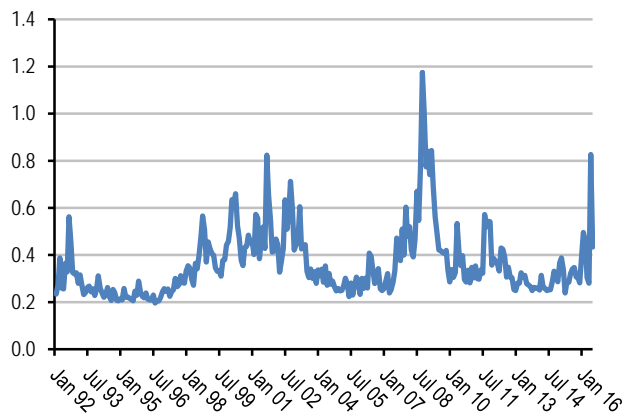


Source: UBS Global Quantitative Research. Data to 29th July 2016

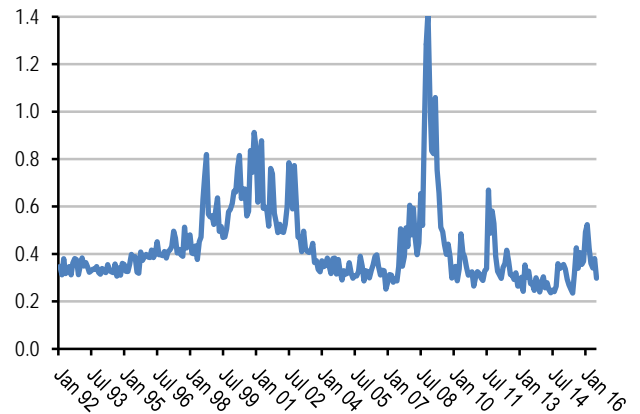
# Average Volatility

The charts below show the average volatility for selected regions. This is calculated based on the daily returns in the month of the stocks in the relevant Dow Jones World Index (MSCI for EM). This data is available in the [UBS Market Statistics](#) file.

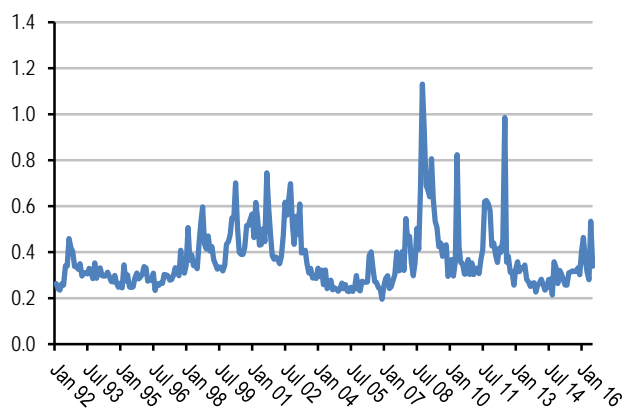
**Figure 33: UK**



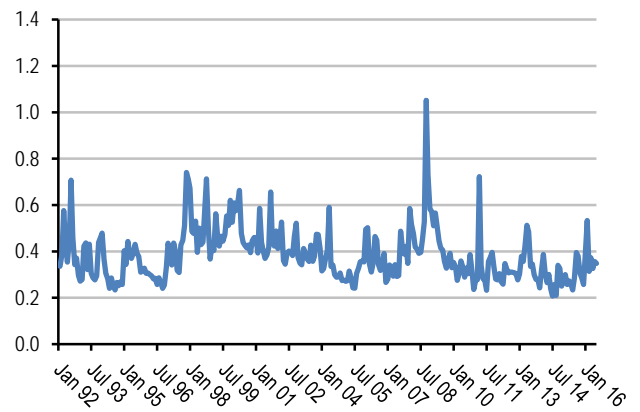
**Figure 34: North America**



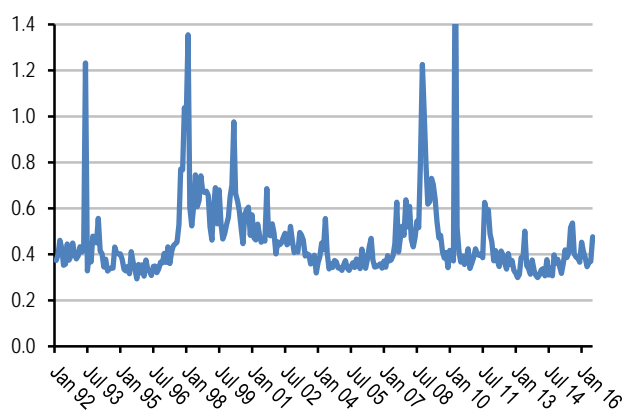
**Figure 35: Europe ex UK**



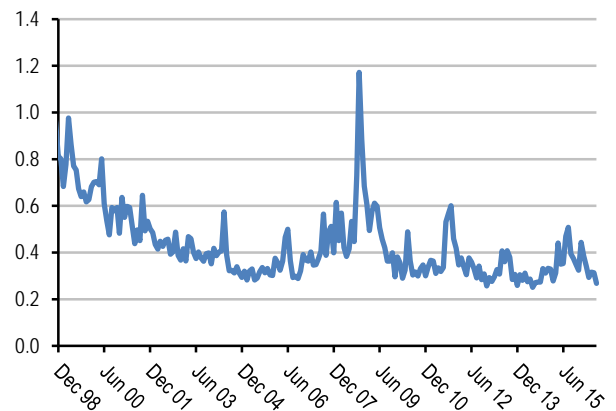
**Figure 36: Japan**



**Figure 37: Pacific Basin ex Japan**



**Figure 38: Emerging**

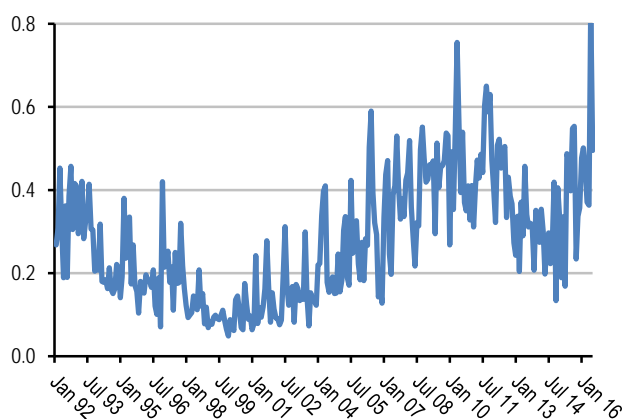


Source: UBS Global Quantitative Research. Data to 29th July 2016

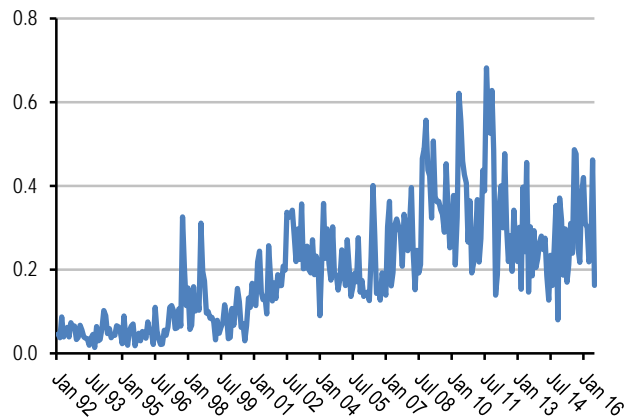
# Average Pair-wise Correlation

The charts below show the average pair-wise correlation for selected regions. This is calculated based on the correlation of daily returns over the month of each pair of stocks in the relevant Dow Jones World Index (MSCI for EM). This data is available in the [UBS Market Statistics](#) file.

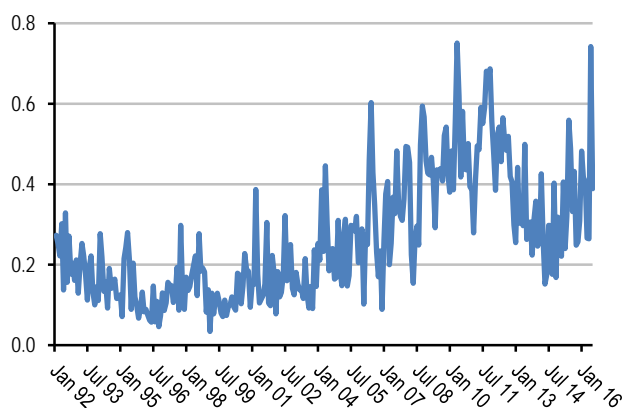
**Figure 39: UK**



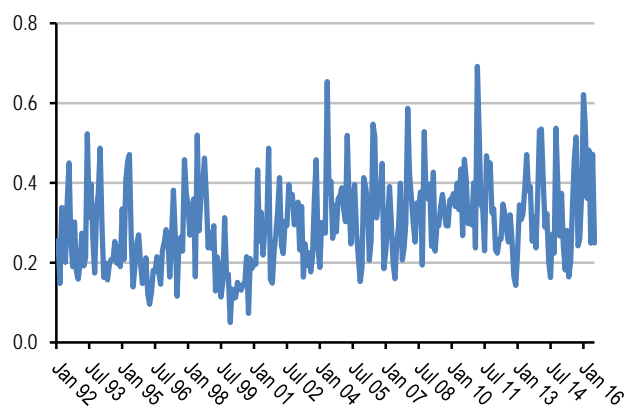
**Figure 40: North America**



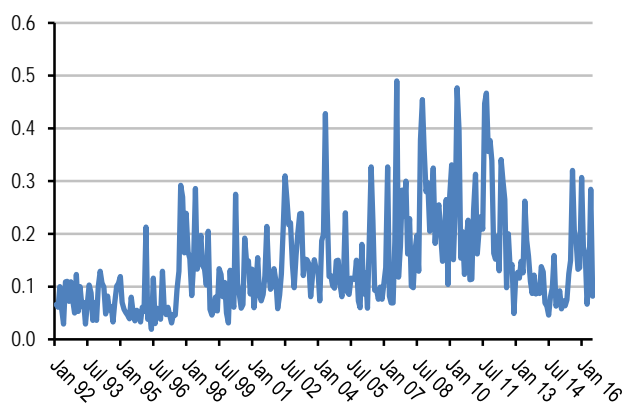
**Figure 41: Europe ex UK**



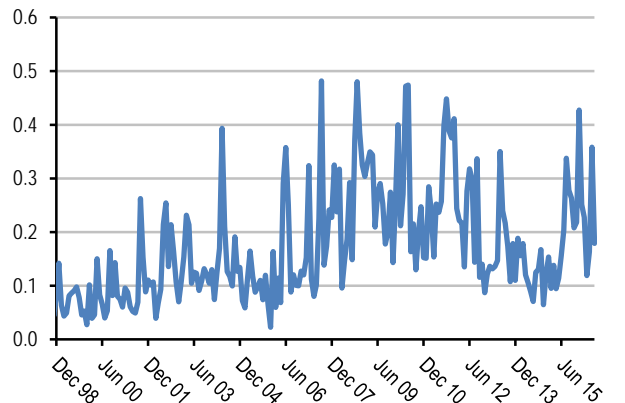
**Figure 42: Japan**



**Figure 43: Pacific Basin ex Japan**



**Figure 44: Emerging**



Source: UBS Global Quantitative Research. Data to 29th July 2016



# Style Definitions

## Style Basket Allocation

The stock sorting process assigns each stock as being in the high, medium or low basket for the style in relation to its peer group – generally a subset of the benchmark for the style ‘product’. These subsets are generally based on size and region but may also be based on sector and region for our Industrial Classification Benchmark (ICB) sector-based styles.

For our ‘Global’ – developed markets - style product, stocks are categorised into large, medium or small market cap bands in each of six sub-regions: UK, Europe ex UK, North America, Latin America, Japan and Pacific Basin ex Japan (PBXJA). The thresholds for the size bands move with the relevant regional benchmark and were based at \$5.0bn or greater for large caps and less than \$1.5bn for Small Cap as at 31st December 1999. The equivalent values used for our ‘Emerging Markets’ styles are \$2.5bn or greater for large caps and less than \$1.25bn for Small Cap re-based from 31st December 2001. Different thresholds are used for our ‘local’ (Asia Pacific, UK, Japan, Australia, South Africa and US) style products. The current market cap thresholds for our developed and emerging markets’ styles are shown in the ‘Size Bands’ section on page 34.

Stocks in each size:region peer group are then sorted by the relevant style factor value and allocated to 3 groups, the precise method depending on the style and the factor values to take account of null or extreme values etc. The stocks in each high, medium and low style baskets are then ‘rolled-up’ for each market cap band to give an ‘All Cap’ evaluation. Finally each of these regional groups is summarized over the regions to give a ‘WORLD’ view. Country and other Regional summaries are also possible. The sorting routine for our Global – developed markets’ - product is summarised in the diagram below for the UK.

UK =	Large cap	+	Medium Cap	+	Small Cap	=	All Cap
	=		=		=		=
	High	+	High	+	High	+	UK High
	+		+		+		+
	Medium	+	Medium	+	Medium	+	UK Medium
	+		+		+		+
	Low	+	Low	+	Low	+	UK Low

The process is repeated for the other five regions and the baskets are ‘rolled-up’ to build up a ‘Global’ set of stocks for, for example, World : Large Cap : High. These baskets are then used to calculate the style indices. This methodology is adopted to ensure that roughly the same proportion of the peer group is preserved over time in the large, medium and Small Cap baskets; though, of course, the proportions of these size baskets that fall into the high, medium and low style baskets may be more volatile. The process seeks to reduce any regional or size tilts. Also, with the exception of the ‘size’ style, this means there is generally no pre-determined threshold to identify high, medium or low stocks in a style.

This sorting and style basket assignment process is repeated at each month-end.

Price and total (for some of our style products) return indices are calculated daily on a market cap weighted basis. In addition, we calculate indices on an equal weighted basis for our US style product.

## Style Factor Value definitions

We currently maintain data for styles based on the following factors. Further factors are available for our US style product and on a bespoke basis for back-testing. Additional style factors are regularly assessed for future inclusion.

Style Factor	Data definition, sources and notes
Book / Price	The universe is ranked by the inverse of the P/BV multiple. Values are returned from the source cascade: HOUSE (12 months trailing time-weighted) then WLDScope (latest actual). We 'cascade' through the sources until a style factor value is found then use that value.
Beta	Beta value of the stock calculated over 60 monthly returns. Null values are filled with country-sector or country returns. All values are adjusted for risk free rates.
Capex / Depreciation	The universe is ranked by the ratio Capital Expenditure to Depreciation. Values are obtained from the cascade: HOUSE (12 months forward time-weighted then 12 months trailing time-weighted) then WLDScope (latest actual).
Debt /EV	The universe (excluding financials) is ranked by the ratio (core) Net Debt to EV (see below). Values are obtained from the cascade: HOUSE (12 months forward time-weighted then 12 months trailing time-weighted) then WLDScope (latest actual).
Dividend Cover	The universe is ranked by the ratio EPS/DPS. Values are obtained from the cascade: HOUSE (12 months forward time-weighted), IBES (12 months forward time-weighted) WIRE (12 months trailing time-weighted), IBES (12 months trailing time-weighted) and finally WLDScope (latest actual). Further test that DPS is non-zero.
Dividend Growth	The universe is ranked by the percentage change of the 12 months forward (time-weighted) DPS over the 12 months trailing (time-weighted) DPS. Values are obtained from the cascade: HOUSE then IBES. Test that the 12 months trailing (time-weighted) DPS is neither 'null' nor 0
Dividend Yield	The universe is ranked by the 12 months trailing dividend yield. Values are obtained from the cascade: HOUSE (12 months trailing time-weighted), IBES (12 months trailing time-weighted) then WLDScope (latest actual).
EBIT Yield	The universe (excluding financials) is ranked by the ratio (core) EBIT to EV (see below). Values are obtained from the cascade: HOUSE (12 months forward time-weighted then 12 months trailing time-weighted) then WLDScope (latest actual).
Historical EPS Growth	The universe is ranked by the ratio: (EPS (0-12 months trailing,) – EPS (60-72 months trailing)) / SUM (absolute(EPS) for 2 – 5 years trailing). Values are obtained from the cascade: HOUSE, IBES, WLDScope, COMPUSTAT(for US) and EDS(for JP). Notes: 1) This method allows for any change of EPS sign between the two periods and distinguishes between patterns of growth between the end points. 2) The time-weighting process may result in very small values especially where the underlying data changes sign, potentially leading to extreme values of the ratio.

Forecast EPS Growth	The universe is ranked by the (absolute) percentage change of the 12 months forward (time-weighted) EPS over the 12 months trailing (time-weighted) EPS. Values are obtained from the cascade: HOUSE, then IBES. Notes: see Historical EPS Growth.
Earnings Momentum	The universe is ranked by the weighted average of the percentage changes in the 12 months forward forecast (time weighted) EPS as at the 'latest' month-end compared with the forecasts for the same period as available 1, 2 and 3 months ago. The revisions are weighted at 60%, 30% and 10% for 1, 2 and 3 months ago respectively. Values are obtained from IBES.
Earnings Yield	The universe is ranked by the inverse of the P/E multiple. Values are obtained from the cascade: HOUSE (12 months forward time-weighted) then IBES (12 months forward time-weighted).
Free Cash-flow Yield	The universe is ranked by the ratio free cash-flow / market capitalisation. Free cash-flow = trading profit + depreciation + net interest – tax charge - (abs) capex. Values are obtained from the cascade: HOUSE (12 months forward time-weighted then 12 months trailing time-weighted) then WLDScope (latest actual). Additionally at each cascade level we test that each component has a value before accepting the resultant FCF.
Growth - Value Composite	The universe is ranked by a composite of rank scores of the Book / Price, Dividend Yield, EBIT Yield and Earnings Yield factors, plus supplementary tests on Sales Yield, for extreme values and to 'interpret' the factor values.
Market Capitalisation	These baskets are split up according to the market capitalisation thresholds used for each style product. The thresholds are generally adjusted monthly in line with market movements. Our South Africa and US style products preserve a number of stocks in the size baskets. The Asia ex Japan style product maintains stocks to a weight threshold in the size baskets.
PEG	The universe is ranked by $1/PEG = \text{Earnings Yield} * \text{Forecast EPS Growth}$ (see above). There is also a check that where both components of the PEG are less than zero then a low value (-9999) is set.
RoE	The universe is ranked by Return on Equity, $RoE = \text{Earnings Yield} / (\text{Book} / \text{Price})$ (see above). There is also a check that where both components of the RoE are less than zero a low value (-9999) is set.
ROIC	The universe is ranked by Return on Invested Capital ( $RoIC = \text{EBIT} / \text{invested capital (non-financials) or PBT} / \text{shareholders' funds (financials)}$ ). Values are obtained from the cascade: HOUSE (12 months forward time-weighted then 12months trailing time-weighted) then WLDScope (latest actual). There is also a check that both components of the ratio are positive.
12 Month Price Momentum	The universe is ranked by the –12 months to -1 month (adjusted – local currency) price return, for the 'current' month end.

Medium-Term Price Momentum	The universe is ranked by the -7 months to -1 month (adjusted – local currency) price return, for the ‘current’ month end.
Short-Term Price Momentum	The universe is ranked on the monthly (adjusted – local currency) price return, for the ‘current’ month end.
Sales Yield	The universe (excluding financials) is ranked by the ratio (core) Sales to EV (see below). Values are obtained from the cascade: House (12 months forward time-weighted then 12 months trailing time-weighted) then WLDScope (latest actual).
Volatility	Volatility is based on the sum of the squares of the daily price returns in US\$ of the stock over the preceding 12 months. If a stock doesn't have 12 months of daily returns history it will be in the medium basket
Enterprise Value	House: Market Cap + (Core) Net Debt + Pensions Provisions + Minority Buy-outs - Peripheral Assets (UBS House), or  WLDScope: Market Cap + Short-term Debt + Long-term Debt Excluding Leases - Cash & Short Term Investments + Minority Interest.  Additionally we test that the EV is greater than 10% of the Market Cap before accepting results at any level of the cascade.

## Sector-neutral, equal weighted styles (page 10).

For these equally weighted, sector-neutral factors the performance is shown on a long/short basis. Our US universe is composed of the largest 1000 companies according to the Centre for Research on Security Prices (CRSP) and in Europe we use the constituents of the Dow Jones Global Index as our starting point and select the largest 500 stocks. The five composite factors shown are:

**Value (Forward and Trailing)** the composite value score of each company is calculated using the earnings yield, the dividend yield and the book to price factor scores. We track the returns of two value composites, one based on 1-year trailing data and the other using 12 months forecast earnings and dividend yields.

**Growth** is the equal weighted combination of the 1 year trailing and the 12 months' forward earnings growth rates.

**Momentum** is based on the 12-month price momentum and the 3-month earnings revisions scores.

**Quality** is based on the gross profit margin, the return on invested capital and the 12 months volatility scores.

**Composite V + Q + M** is a naïve approximation of what many quantitative equity investors do. It is a composite score based on the Value (trailing), Quality and Momentum composites above.

## US style returns (page 22)

We also include a table of returns for our US styles (Figure 22) which are based on the 1000 largest stocks in the US – the top 3000 is also available. This table includes some factors that are not in our other style products. For each factor:

Factor	Data definition, sources and notes
Asset Growth	Change in total assets (%) over the 'latest' year, values from COMPUSTAT..
Earnings Dispersion	Standard deviation of the EPS forecast divided by its mean, values from IBES.
Earnings Variability	Standard deviation of the EPS / average over the 'latest' five years, values from COMPUSTAT.
EPS Long-term Growth	EPS long-term growth forecast, values from IBES
Share Buybacks	Change in adjusted shares (%) annualised over 'latest' three years, values from CRSP.
True Yield	Dividend yield + share buybacks (above).

## Style data

The style indices are available on our web site and constituent lists are available on request. Further details of these factors are available on request.

## Market Cap Size bands

Mid cap defined as Market Cap between (\$m) as at 29th July 2016:

**Figure 45: Cap Size Thresholds**

Developed Markets (Dow Jones Global Indices based)	
UK	1365.15 and 4550.52
Europe Ex UK	1680.86 and 5602.86
North America	2405.01 and 8016.69
Latin America	3311.10 and 11037.0
Japan	1254.92 and 4183.06
Asia-Pacific Ex Japan	2722.84 and 9076.13
World	1965.79 and 6552.64
Emerging Markets (MSCI based)	
Latin America	3411.68 and 6823.36
Europe	2922.82 and 5845.64
Asia	3557.49 and 7114.98
Emerging World	3439.95 and 6879.89

Source: UBS Global Quantitative Research. Data as at 29th July 2016

# UBS Equity Quantitative Research

## Team

### UK – London

Nick Baltas	+44-20-7568 3072
Maylan Cheung	+44-20-7568 4477
Ian Francis	+44-20-7568 1872
Josie Gerken	+44-20-7568 3560
Simon Iley	+44-20-7568 6327
David Jessop	+44-20-7567 9882
Claire Jones	+44-20-7568 1873
Manoj Kothari	+44-20-7568 1997
Simon Stoye	+44-20-7568 1876
Christine Vargas	+44-20-7568 2409

### Hong Kong

Josh Holcroft	+852-2971 7705
Shanle Wu	+852-2971 7513

### Australia– Sydney

Oliver Antrobus	+61-3-9242 6467
Luke Brown	+61-2-9324 3620
Pieter Stoltz	+61-2-9324 3779
Paul Winter	+61-2-9324 2080

## Research Publications

Monographs, Keys and Q-Series		Academic Research Monitor	
Title	Date	Topic	Date
<a href="#">Follow the smart money</a>	Jul-16	<a href="#">Portfolio Construction and Overfitting</a>	Jun-16
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<a href="#">Where are the attractive dividend paying stocks?</a>	Mar-16	<a href="#">European Quantitative Conference 2015 Highlights</a>	Apr-16
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Buy	FSR is > 6% above the MRA.	47%	32%
Neutral	FSR is between -6% and 6% of the MRA.	38%	25%
Sell	FSR is > 6% below the MRA.	15%	21%
Short-Term Rating	Definition	Coverage <sup>3</sup>	IB Services <sup>4</sup>
Buy	Stock price expected to rise within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%
Sell	Stock price expected to fall within three months from the time the rating was assigned because of a specific catalyst or event.	<1%	<1%

Source: UBS. Rating allocations are as of 30 June 2016.

1:Percentage of companies under coverage globally within the 12-month rating category.

2:Percentage of companies within the 12-month rating category for which investment banking (IB) services were provided within the past 12 months.

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