

# Popular Investment Screens

Developed & Emerging markets screens monthly update

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■ Our Popular Investment Screens publication is a roundup of our main quant screens. Inside, we track the monthly performance of these screens and provide updated links to spreadsheets containing all the latest scores. These can be filtered and adapted to suit your sector, region or valuation threshold.

■ We provide our screens for developed and emerging markets. Our universe includes FTSE World Developed and FTSE 350 stocks for the developed markets screens and FTSE World Emerging stocks for emerging markets. Overall, we include five screens for each region.

- 1) **Quality Income:** The screen filters for companies with a high dividend yield (4%+), which also satisfy our 'quality' standards (i.e. companies in the top 40% of the universe by Merton's distance-to-default that also score 7 or better with Piotroski's fundamental score).
- 2) **Expensive stocks with poor earnings quality:** We combine our earnings quality score with our value scoring formula to filter for companies that are both expensive and show poor earnings quality. The value score is based on five value factors (PE, FY1 PE, PB, FCF Yield and EV to EBITDA) all taken relative to the sector median. The earnings quality score is based on the average decile rank of ten factors (Total Accruals, Accruals Volatility, Inventory, Receivables, Asset Quality, Asset Turnover, Depreciation, SG&A and R&D expenses, Profit Margin and Leverage).
- 3) **Graham & Rea deep value screen:** This includes companies that score 2.5 or better with both Graham & Rea value and risk criteria. The screen was developed by Benjamin Graham and James Rea. It is a set of ten basic investment criteria, with the first five focusing on value and second five on risk.
- 4) **Greenblatt's screen:** Based on Joel Greenblatt's 'Magic formula', we filter for the companies with the highest return-on-capital (EBIT / net working capital + net fixed assets) and earnings yield (EBIT / Enterprise Value) average rank.
- 5) **High dividend risk:** High yielding companies that score poorly with Merton's distance-to-default. In our work, we have found that the majority of significant dividend cuts have come from companies with poor Merton's scores.

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# Developed Market Screens

## DM – Quality Income stocks

(Click here for spreadsheet with full list of stocks)

### Methodology documents

[Merton's distance-to-default](#)

[Piotroski's F-Score](#)

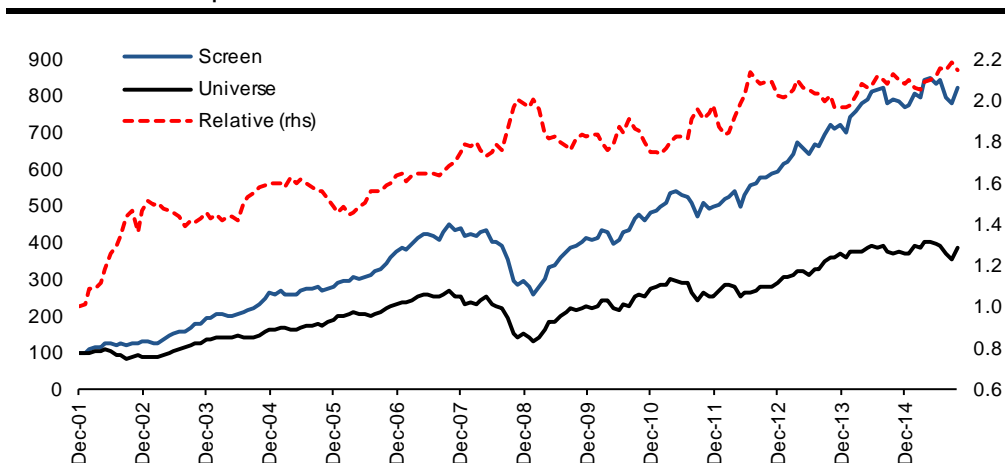
[Quality Income](#)

The screen includes companies with attractive and dividends. To make the screen companies need to rank within the top 2 quintiles by the Merton model, score 7 or better with the Piotroski model and yield more than 4% (consensus estimate for next-12-months). The universe is based on FTSE World Developed and FTSE 350 stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	6.0	11.5	16.5
Universe	7.9	8.3	10.2
<b>Volatility</b>			
Screen		11.6	13.6
Universe		13.7	16.7
<b>Return/Risk</b>			
Screen		0.99	1.22
Universe		0.60	0.61
<b>Max Loss</b>			
Screen		12.7	42.1
Universe		19.9	51.5

### Absolute & relative performance



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### Quality Income stocks – For full list follow the link above (sorted by market cap)

Sedol	Name	Country	Sector	Mcap (mUSD)	Yield	Merton Score	Piotroski Score
0925288	GlaxoSmithKline	United Kingdom	Health Care	105,601	5.9	4	7
B288C92	Iberdrola	Spain	Utilities	45,479	4.3	4	8
B02PY22	Singapore Telecommunications	Singapore	Telecommunications	45,309	4.7	5	7
7108899	ABB	Switzerland	Industrials	42,037	4.1	4	7
4834777	Vivendi	France	Telecommunications	33,109	6.5	4	7
B8KQN82	Eaton Corp PLC	United States	Industrials	25,875	4.1	4	7
2680905	PPL Corporation	United States	Utilities	23,047	4.4	4	7
6097017	CLP Holdings	Hong Kong	Utilities	22,004	4.1	5	7
3208986	Next	United Kingdom	Consumer Services	18,888	4.2	5	7
2696980	Potash Corp. of Saskatchewan	Canada	Basic Materials	16,899	7.6	4	8
BCZM1B2	ProSiebenSat.1 Media SE	Germany	Consumer Services	11,889	4.1	4	7
6066608	Amcort	Australia	Industrials	11,367	4.3	4	7
0682538	Persimmon	United Kingdom	Consumer Goods	9,441	5.6	4	8
B88MHC4	Hugo Boss AG	Germany	Consumer Services	7,278	4.4	4	8
B0LKSK4	Telenet Group Holding NV	Belgium	Telecommunications	6,816	6.7	4	9
B3Z5T14	Garmin Ltd	United States	Technology	6,751	5.8	4	7
5701513	Elisa	Finland	Telecommunications	6,039	4.1	4	7
B01FLG6	G4S	United Kingdom	Industrials	5,816	4.3	4	7
BBH7K66	bpost SA	Belgium	Industrials	5,031	5.6	4	7
6123451	Coca-Cola Amatil	Australia	Consumer Goods	4,963	5.0	5	7
B01G2K0	Mediaset Espana Com	Spain	Consumer Services	4,418	4.5	5	7
6881436	Spark New Zealand	New Zealand	Telecommunications	4,159	7.1	4	8
B0CRCP7	Tatts Group	Australia	Consumer Services	4,136	4.5	4	7
2717483	Questar Corp	United States	Utilities	3,629	4.2	4	7
6218670	Boral	Australia	Industrials	2,860	4.1	4	8

Source: SG Cross Asset Research/Equity Quant, FTSE, Factset

## DM - expensive stocks with poor earnings quality

(Click here for spreadsheet with full list of stocks)

### Methodology documents

[SG Value Beta Index](#)

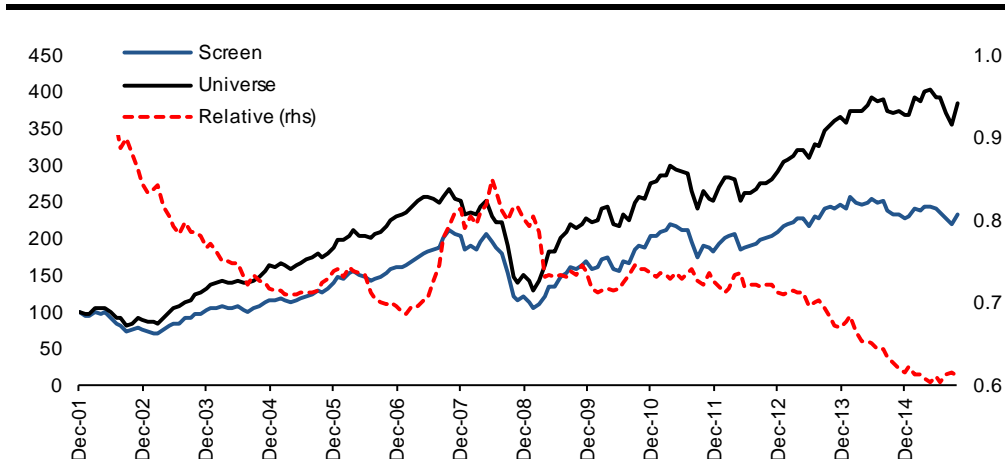
[Earnings Quality](#)

The screen is based on the five value factors included in our SG Value Beta (SGVB) index and the ten factors of our earnings quality score. We rank companies based on the average value and earnings quality decile score. The universe is based on FTSE World Developed and FTSE 350 stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	6.9	4.1	6.3
Universe	7.9	8.3	10.2
<b>Volatility</b>			
Screen		13.2	16.6
Universe		13.7	16.7
<b>Return/Risk</b>			
Screen		0.31	0.38
Universe		0.60	0.61
<b>Max Loss</b>			
Screen		20.2	50.8
Universe		19.9	51.5

### Absolute & relative performance (based on bottom100 companies by earnings quality/value)



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

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### Expensive stocks with poor earnings quality – For full list follow the link above

Sedol	Name	Country	Sector	Mcap (mUSD)	SGVB Score*	Earnings Quality Score*	Average Score
5962309	Lindt & Spruengli - Reg	Switzerland	Consumer Goods	17,103	9.4	9.1	9.3
5962280	Lindt & Spruengli - PC	Switzerland	Consumer Goods	14,077	9.0	9.1	9.1
B2QPKJ1	Fresnillo	United Kingdom	Basic Materials	8,308	10.0	7.8	8.9
2967181	Williams Cos	United States	Oil & Gas	29,571	9.0	8.5	8.8
B1JB4K8	Symrise AG	Germany	Basic Materials	8,590	9.6	7.7	8.7
B29NF31	Franco-Nevada	Canada	Basic Materials	7,950	10.0	7.3	8.6
7187627	Lundin Petroleum	Sweden	Oil & Gas	4,495	10.0	7.2	8.6
B5KKT96	Cable & Wireless Com	United Kingdom	Telecommunications	4,931	9.5	7.7	8.6
4005001	Umicore	Belgium	Basic Materials	4,652	8.6	8.4	8.5
BKX5CN8	Just Eat	United Kingdom	Consumer Services	4,440	8.8	8.1	8.5
BYT3416	Altice NV A	Netherlands	Telecommunications	12,942	8.5	8.4	8.5
B3N3363	Korea Aerospace Industries	Korea	Industrials	7,695	10.0	6.9	8.5
B3ZVCQ8	LinkedIn	United States	Technology	31,400	9.3	7.5	8.4
6198578	REA Group	Australia	Industrials	4,513	9.2	7.5	8.4
4595739	Genmab	Denmark	Health Care	5,878	9.2	7.4	8.3
2823777	Southern Copper Corp.	United States	Basic Materials	21,836	8.8	7.7	8.3
2857817	Netflix Inc	United States	Consumer Services	46,170	9.2	7.3	8.2
BWSRTH6	Goldin Financial Holdings	Hong Kong	Consumer Goods	13,062	9.8	6.7	8.2
2466149	Enbridge	Canada	Oil & Gas	36,741	9.4	7.0	8.2
B5LL299	Level 3 Communications	United States	Telecommunications	18,130	8.6	7.8	8.2
B613DJ9	Hanmi Pharmaceutical	Korea	Health Care	4,630	9.4	6.9	8.2
B0DJ8Q5	Alstom	France	Industrials	10,173	9.0	7.2	8.1
2422806	Hershey Company	United States	Consumer Goods	19,227	7.4	8.8	8.1
B1GHR88	MonotaRO	Japan	Consumer Services	3,202	9.8	6.3	8.1
B0PZN11	Under Armour Class A	United States	Consumer Goods	20,505	9.8	6.3	8.1

Source: SG Cross Asset Research/Equity Quant, FTSE, Factset \* higher scores for expensive stocks/poor earnings quality

## DM – Graham & Rea deep value stocks

(Click here for spreadsheet with full list of stocks)

### Methodology documents

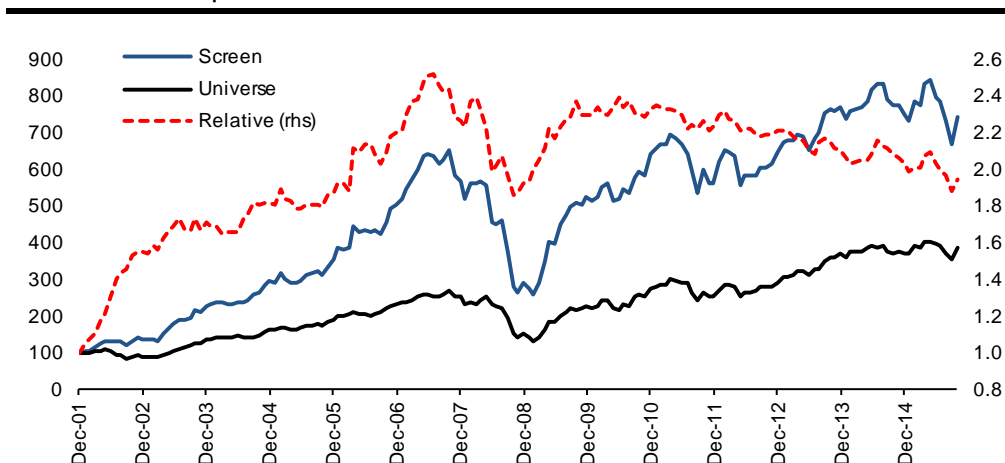
[Graham & Rea](#)

The screen shows companies that score 2.5 or better with Graham & Rea value and risk criteria. The universe is based on FTSE World Developed and FTSE 350 stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	11.4	4.6	15.6
Universe	7.9	8.3	10.2
<b>Volatility</b>			
Screen		17.1	21.3
Universe		13.7	16.7
<b>Return/Risk</b>			
Screen		0.27	0.73
Universe		0.60	0.61
<b>Max Loss</b>			
Screen		23.5	60.1
Universe		19.9	51.5

### Absolute & relative performance



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### Graham & Rea – For full list follow the link above (sorted by market cap)

Sedol	Name	Country	Sector	Mcap (mUSD)	G&R (Total)	G&R (Value)	G&R (Risk)
6900643	Toyota Motor	Japan	Consumer Goods	194,789	5.5	3.0	2.5
BW9P816	CK Hutchison Holdings	Hong Kong	Industrials	53,039	5.5	3.0	2.5
2041364	Valero Energy	United States	Oil & Gas	32,770	6.5	2.5	4.0
B5B23W2	Sands China	Hong Kong	Consumer Services	29,309	5.5	2.5	3.0
B3K3L40	Marathon Petroleum	United States	Oil & Gas	27,661	5.5	2.5	3.0
6148272	Hyundai Motor 2nd Pfd.	Korea	Consumer Goods	26,865	5.5	3.0	2.5
6597045	Mitsubishi Electric	Japan	Industrials	22,593	6.5	2.5	4.0
2696980	Potash Corp. of Saskatchewan	Canada	Basic Materials	16,899	5.0	2.5	2.5
4065663	Abertis Infraestructuras	Spain	Industrials	15,517	6.0	3.0	3.0
7101069	Porsche Automobil Holding SE	Germany	Consumer Goods	14,412	8.5	4.0	4.5
B0J7D91	Daiichi Sankyo	Japan	Health Care	13,707	6.5	2.5	4.0
6895675	Tokyo Electron	Japan	Technology	10,661	5.5	2.5	3.0
B4R39F7	Chow Tai Fook Jewellery Group	Hong Kong	Consumer Goods	8,555	8.0	3.0	5.0
6858849	Sumitomo Metal Mining	Japan	Basic Materials	6,905	6.0	2.5	3.5
B3Z5T14	Garmin Ltd	United States	Technology	6,751	6.5	2.5	4.0
6641544	NSK	Japan	Basic Materials	6,469	6.0	2.5	3.5
2420101	Helmerich & Payne	United States	Oil & Gas	6,063	7.0	3.0	4.0
6616508	Seiko Epson	Japan	Industrials	5,506	5.0	2.5	2.5
0090498	Bellway	United Kingdom	Consumer Goods	4,912	7.0	2.5	4.5
B54C017	K+S	Germany	Basic Materials	4,853	6.0	3.0	3.0
B2NR3Y6	SJM Holdings	Hong Kong	Consumer Services	4,722	5.5	3.0	2.5
B05Q3L4	Olam International	Singapore	Consumer Goods	3,961	5.0	2.5	2.5
5713422	Metso Corporation	Finland	Industrials	3,690	5.5	3.0	2.5
2347608	First Quantum Minerals	Canada	Basic Materials	3,676	6.5	3.0	3.5
6490917	KCC Corp	Korea	Industrials	3,510	6.5	3.5	3.0

Source: SG Cross Asset Research\Equity Quant, FTSE, Factset

## DM – Greenblatt Screen

(Click here for spreadsheet with full list of stocks)

### Methodology documents

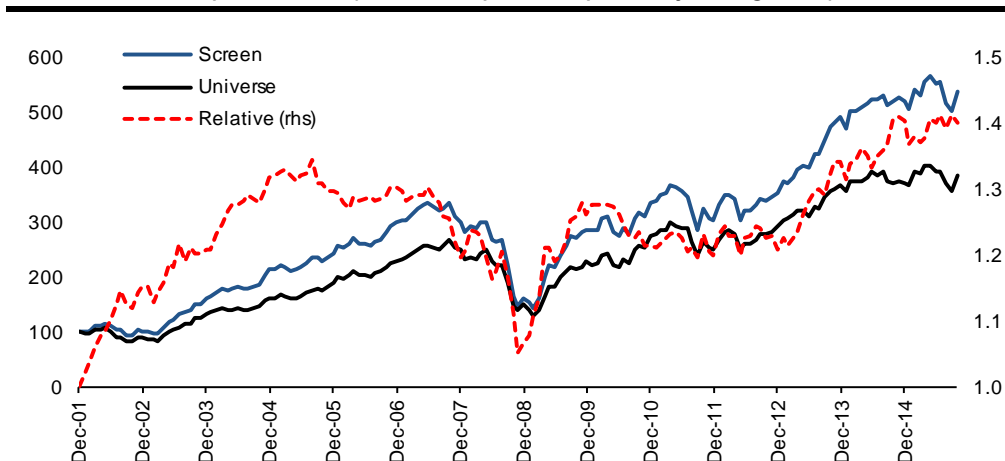
[Greenblatt](#)

The screen ranks companies by the average ranking based on return-on-capital (EBIT/(net working capital +net fixed assets) and earnings yield (EBIT to Enterprise Value). The universe is based on FTSE World Developed and FTSE 350 stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	7.1	11.1	12.9
Universe	7.9	8.3	10.2
<b>Volatility</b>			
Screen		16.0	19.5
Universe		13.7	16.7
<b>Return/Risk</b>			
Screen		0.69	0.66
Universe		0.60	0.61
<b>Max Loss</b>			
Screen		22.2	57.2
Universe		19.9	51.5

### Absolute & relative performance (based on top100 companies by average rank)



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### Greenblatt Screen – For full list follow the link above

Sedol	Name	Country	Sector	Mcap (mUSD)	ROC Rank	EY Rank	Average Rank
BRS65X6	Indivior	United Kingdom	Health Care	2,282	6	14	10.0
2767228	Rockwell Collins	United States	Industrials	11,427	36	1	18.5
2200530	Chicago Bridge & Iron	United States	Industrials	4,775	13	47	30.0
7107250	OPAP	Greece	Consumer Services	2,837	1	94	47.5
6266301	Delek Automotive Systems	Israel	Industrials	884	56	57	56.5
6949431	Seven West Media	Australia	Consumer Services	728	110	29	69.5
B0LLFT5	GameStop Corp	United States	Consumer Services	4,860	71	87	79.0
B84B5K9	COLOPL	Japan	Technology	2,025	99	64	81.5
2369174	Gilead Sciences	United States	Health Care	162,087	119	49	84.0
B0C5VF4	Sky Network Television	New Zealand	Consumer Services	1,195	82	88	85.0
B3D7KG4	Discovery Communications C	United States	Consumer Services	11,837	26	152	89.0
B3D7K31	Discovery Communications A	United States	Consumer Services	12,663	27	151	89.0
B0SRLF4	Viacom (New) Class B	United States	Consumer Services	19,615	32	194	113.0
B7341C6	Michael Kors Holdings	United States	Consumer Goods	7,474	209	28	118.5
0736554	Carillion	United Kingdom	Industrials	2,030	63	186	124.5
3169889	William Hill	United Kingdom	Consumer Services	4,329	22	228	125.0
2692632	Altria Group	United States	Consumer Goods	118,562	2	257	129.5
6220501	CyberAgent	Japan	Consumer Services	2,597	147	125	136.0
2214832	CA Inc	United States	Technology	12,158	77	226	151.5
2861078	Symantec Corp	United States	Technology	14,094	143	160	151.5
2046251	Apple Inc.	United States	Technology	666,252	35	273	154.0
B0539H3	Herbalife	United States	Consumer Goods	5,183	95	215	155.0
0060800	Atkins (WS)	United Kingdom	Industrials	2,131	135	187	161.0
BBH7K66	bpost SA	Belgium	Industrials	5,031	200	128	164.0
2313405	Emerson Electric	United States	Industrials	31,037	156	173	164.5

Source: SG Cross Asset Research/Equity Quant, FTSE, Factset

## DM - high dividend risk companies

(Click here for spreadsheet with full list of stocks)

### Methodology documents

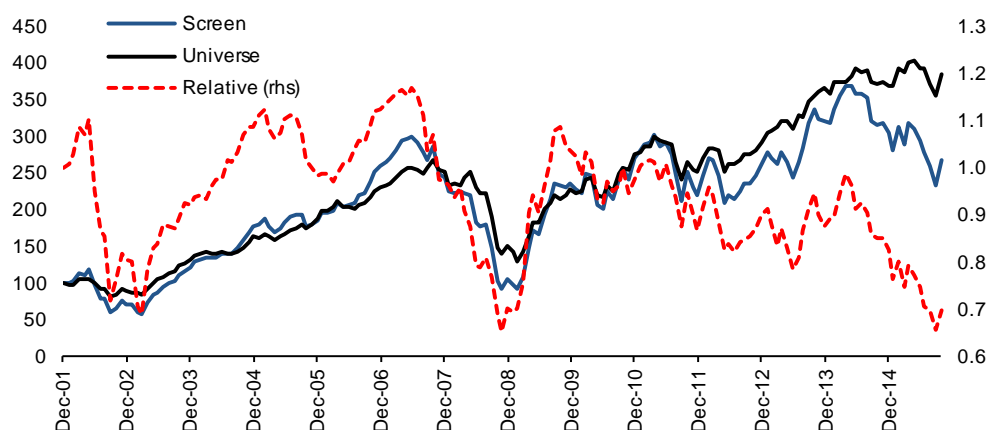
[Merton's distance-to-default](#)

The screen includes companies with a dividend yield (consensus estimate for next-12-months) greater than 4% and weak balance sheets (bottom quintile by our Merton model). The universe is based on FTSE World Developed and FTSE 350 stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	14.5	0.7	7.4
Universe	7.9	8.3	10.2
<b>Volatility</b>			
Screen		25.8	30.1
Universe		13.7	16.7
<b>Return/Risk</b>			
Screen		0.03	0.24
Universe		0.60	0.61
<b>Max Loss</b>			
Screen		37.0	69.6
Universe		19.9	51.5

### Absolute & relative performance



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### High yielding stocks in the lowest Merton quintile – For full list follow the link above

Sedol	Name	Country	Sector	Mcap (mUSD)	Distance to default	Merton Score	Dividend Yield (%)
6949431	Seven West Media	Australia	Consumer Services	728	2.9	1	10.2
B67C8W8	Crescent Point Energy	Canada	Oil & Gas	6,787	3.1	1	9.2
B1XZS82	Anglo American	United Kingdom	Basic Materials	11,834	2.3	1	8.5
3327706	Vedanta Resources	United Kingdom	Basic Materials	2,055	1.5	1	8.3
2197933	Frontier Communications	United States	Telecommunications	6,005	2.9	1	8.2
5669354	Repsol	Spain	Oil & Gas	17,751	3.5	1	8.1
6562474	WorleyParsons Ltd.	Australia	Oil & Gas	1,140	2.4	1	7.7
2130109	ONEOK Inc	United States	Oil & Gas	7,095	3.4	1	7.4
B0NJJ17	Electricite de France (EDF)	France	Utilities	34,796	4.1	1	7.2
BFG3KF2	Noble Corporation	United States	Oil & Gas	3,259	2.4	1	6.9
2967181	Williams Cos	United States	Oil & Gas	29,571	2.6	1	6.9
B01CLC3	Noble Group	Singapore	Industrials	2,380	1.0	1	6.8
B4YCDF5	TalkTalk Telecom Group	United Kingdom	Telecommunications	3,732	4.0	1	6.6
6465573	Downer Group	Australia	Industrials	1,096	3.7	1	6.5
B0C2CQ3	Engie	France	Utilities	42,921	4.1	1	6.3
B05NXN7	Xinyi Glass Holding	Hong Kong	Consumer Goods	2,039	3.3	1	6.2
0028262	Amec Foster Wheeler	United Kingdom	Oil & Gas	4,282	4.0	1	6.1
4178419	Casino Guichard Perrachon	France	Consumer Services	6,545	3.3	1	5.8
B00HLY1	Huabao International Holdings	Hong Kong	Basic Materials	1,303	2.4	1	5.8
5698790	TDC	Denmark	Telecommunications	4,214	3.9	1	5.6
7145056	Eni	Italy	Oil & Gas	59,113	4.1	1	5.6
4942904	E.ON	Germany	Utilities	21,213	2.7	1	5.3
4768962	RWE	Germany	Utilities	8,594	2.0	1	5.3
B2NR3Y6	SJM Holdings	Hong Kong	Consumer Services	4,722	3.8	1	5.0
B0H2K53	Petrofac	United Kingdom	Oil & Gas	4,504	2.9	1	5.0

Source: SG Cross Asset Research/Equity Quant, FTSE, Factset

# Emerging Market Screens



## EM – Quality Income stocks

(Click here for spreadsheet with full list of stocks)

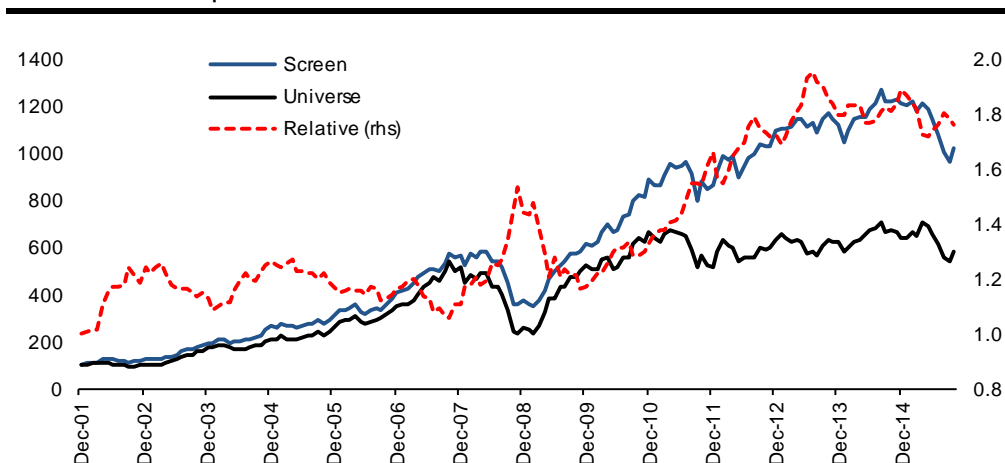
**Methodology documents**  
[Merton's distance-to-default](#)  
[Piotroski's F-Score](#)  
[Quality Income](#)

The screen includes companies with attractive and sustainable dividends. To make the screen companies need to rank within the top 2 quintiles by the Merton model, score 7 or better with the Piotroski model and yield more than 4% (consensus estimate for next-12-months). The universe is based on FTSE World Emerging stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	5.7	4.5	18.3
Universe	7.1	-1.9	13.5
<b>Volatility</b>			
Screen		15.0	16.8
Universe		17.9	21.8
<b>Return/Risk</b>			
Screen		0.30	1.09
Universe		-0.11	0.62
<b>Max Loss</b>			
Screen		24.4	40.2
Universe		24.0	57.2

### Absolute & relative performance



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### Quality Income stocks – For full list follow the link above (sorted by market cap)

Sedol	Name	Country	Sector	Mcap (mUSD)	Yield	Merton Score	Piotroski Score
6438564	Hon Hai Precision Industry	Taiwan	Technology	42,426	4.2	4	8
B5B1TX2	MMC NORILSK NICKEL	Russia	Basic Materials	23,364	10.7	4	7
2299453	Enersis	Chile	Utilities	12,963	12.0	4	7
B247XZ6	Manila Electric	Philippines	Utilities	7,824	4.0	5	7
B59FPC7	Novolipetsk Steel	Russia	Basic Materials	7,341	6.7	4	8
BKXLD77	Intouch Holdings	Thailand	Technology	6,761	7.5	5	7
6284864	Globe Telecom	Philippines	Telecommunications	6,464	4.4	4	9
B07C763	Tractebel Energia	Brazil	Utilities	5,752	5.3	5	8
B1G8KX7	Transmissora Alianca Eletrica	Brazil	Utilities	5,351	10.9	5	8
6454861	Indocement Tunggal Prakarsa	Indonesia	Industrials	4,841	5.2	4	7
B03MS97	Eregli Demir Ve Celik	Turkey	Basic Materials	4,823	6.8	4	8
6916628	United Microelectronics	Taiwan	Technology	4,625	4.3	4	8
B03MSR5	Ford Otosan	Turkey	Consumer Goods	4,134	4.7	4	7
6752349	BAT (Malaysia)	Malaysia	Consumer Goods	4,109	5.1	5	9
B83J214	AES Gener S.A.	Chile	Utilities	4,065	8.0	4	7
B7W5GK3	Astro Malaysia Holdings	Malaysia	Consumer Services	3,465	4.7	5	7
2311238	Aguas Andinas S.A. A	Chile	Utilities	3,221	6.0	5	7
B196FC2	E.ON Russia JSC	Russia	Utilities	2,999	13.3	4	8
B1RMFT9	TAV Havalimanlari Holding AS	Turkey	Industrials	2,857	5.0	4	7
6040958	AVI	South Africa	Industrials	2,045	4.4	5	7
4577469	Magyar Telekom Telecom	Hungary	Telecommunications	1,452	5.4	5	7
B3PRV4	Multiplus SA	Brazil	Industrials	1,450	8.3	4	8
B057555	Synthos	Poland	Industrials	1,268	5.4	4	8
5978953	Asseco Poland SA	Poland	Technology	1,231	4.6	4	7
B03MN81	Akansa Cimento	Turkey	Industrials	901	9.5	4	7

Source: SG Cross Asset Research\Equity Quant, FTSE, Factset

## EM - expensive stocks with poor earnings quality

(Click here for spreadsheet with full list of stocks)

### Methodology documents

[SG Value Beta Index](#)

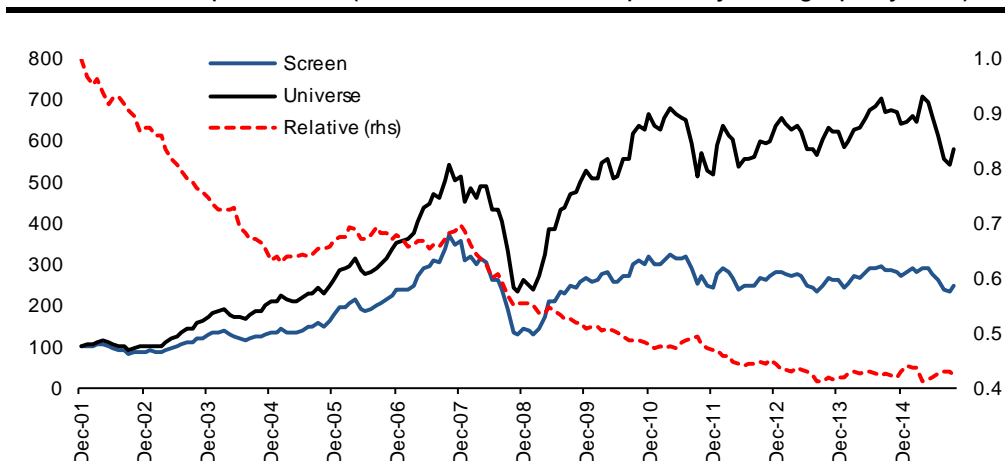
[Earnings Quality](#)

The screen is based on the five value factors included in our SG Value Beta (SGVB) index and the ten factors of our earnings quality score. We rank companies based on the average value and earnings quality decile score. The universe is based on FTSE World Emerging stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	6.1	-4.6	6.7
Universe	7.1	-1.9	13.5
<b>Volatility</b>			
Screen		17.3	22.4
Universe		17.9	21.8
<b>Return/Risk</b>			
Screen		-0.27	0.30
Universe		-0.11	0.62
<b>Max Loss</b>			
Screen		28.0	65.2
Universe		24.0	57.2

### Absolute & relative performance (based on bottom100 companies by earnings quality/value)



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### Expensive stocks with poor earnings quality – For full list follow the link above

Sedol	Name	Country	Sector	Mcap (mUSD)	SGVB Score*	Earnings Quality Score*	Average Score
B1BFBC9	Godrej Industries	India	Basic Materials	2,010	10.0	7.7	8.9
B84XBP2	Infraestructura Energetica Nova	Mexico	Utilities	5,561	9.8	7.4	8.6
6661519	Oriental Union Chemical	Taiwan	Basic Materials	654	9.2	7.5	8.4
BWFGD63	Tech Mahindra	India	Technology	7,937	8.4	8.3	8.4
6294863	Cummins India	India	Industrials	4,557	9.4	7.2	8.3
B03MWWY0	Petkim	Turkey	Basic Materials	1,477	9.2	7.3	8.3
6393317	CSSC Offshore and Marine (H)	China	Industrials	3,498	9.0	7.3	8.2
B038WK4	The Spar Group	South Africa	Industrials	2,495	7.8	8.5	8.2
6205122	Infosys	India	Technology	39,736	8.6	7.6	8.1
BCRWL65	Asian Paints	India	Basic Materials	12,164	9.6	6.3	8.0
6152217	Essar Oil Ltd	India	Oil & Gas	4,232	9.0	6.8	7.9
6474494	Jollibee Foods	Philippines	Consumer Services	4,704	8.4	7.4	7.9
B15T569	Siemens India	India	Industrials	7,234	9.4	6.3	7.9
B0JJV59	Pidilite Industries	India	Basic Materials	4,405	9.6	6.1	7.9
B83J214	AES Gener S.A.	Chile	Utilities	4,065	9.2	6.4	7.8
B56HH42	Sany Heavy Equipment (P Chip)	China	Industrials	859	7.8	7.8	7.8
6126773	EOH Holdings Ltd.	South Africa	Technology	1,463	9.3	6.3	7.8
6630940	China Everbright International	China	Industrials	7,255	8.8	6.6	7.7
2297628	Entel	Chile	Telecommunications	2,190	8.6	6.8	7.7
2434760	Mexichem SAB de CV	Mexico	Basic Materials	5,318	8.6	6.8	7.7
6315344	Charoen Pokphand Indonesia	Indonesia	Consumer Goods	2,995	6.8	8.5	7.7
B1QY745	ISAGEN	Colombia	Utilities	2,894	9.2	6.1	7.6
6100357	Shree Cements	India	Industrials	6,572	9.2	6.1	7.6
B614LY3	Cielo SA	Brazil	Industrials	17,852	8.2	6.9	7.5
BYM8TY6	True	Thailand	Telecommunications	13,976	9.4	5.7	7.5

Source: SG Cross Asset Research/Equity Quant, FTSE, Factset \* higher scores for expensive stocks/poor earnings quality

## EM – Graham & Rea deep value stocks

(Click here for spreadsheet with full list of stocks)

### Methodology documents

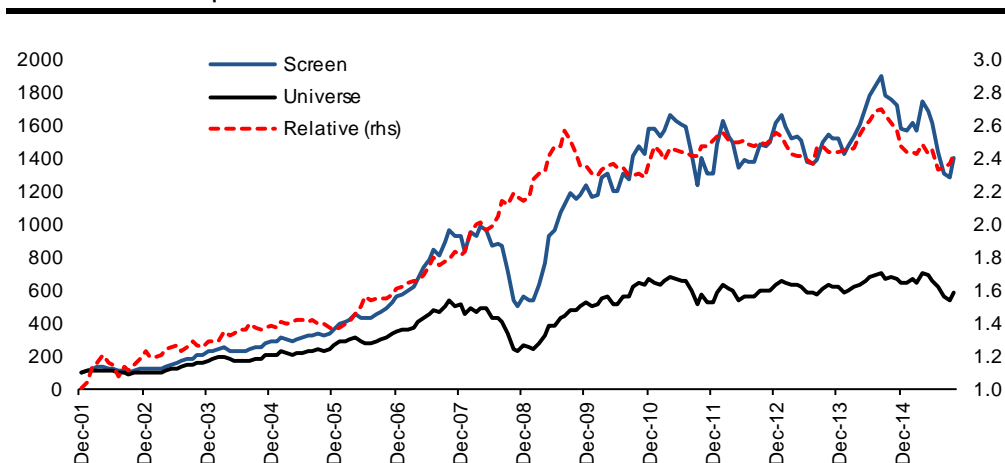
[Graham & Rea](#)

The screen shows companies that score 2.5 or better with Graham & Rea value and risk criteria. The universe is based on FTSE World Emerging stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	9.7	-1.0	21.1
Universe	7.1	-1.9	13.5
<b>Volatility</b>			
Screen		20.9	24.2
Universe		17.9	21.8
<b>Return/Risk</b>			
Screen		-0.05	0.87
Universe		-0.11	0.62
<b>Max Loss</b>			
Screen		32.4	48.9
Universe		24.0	57.2

### Absolute & relative performance



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### Graham & Rea – For full list follow the link above (sorted by market cap)

Sedol	Name	Country	Sector	Mcap (mUSD)	G&R (Total)	G&R (Value)	G&R (Risk)
B00G0S5	CNOOC (Red Chip)	China	Oil & Gas	50,062	5.5	2.5	3.0
B59L4L7	OAQ Gazprom	Russia	Oil & Gas	48,855	6.5	4.0	2.5
B09N7M0	China Shenhua Energy (H)	China	Basic Materials	33,671	5.5	2.5	3.0
B5BHQP1	Surgutneftegaz	Russia	Oil & Gas	20,024	7.5	3.0	4.5
6080396	Anhui Conch Cement (H)	China	Industrials	16,240	5.5	2.5	3.0
2458771	Itaúsa PN	Brazil	Industrials	12,659	6.0	2.5	3.5
6372480	MediaTek	Taiwan	Technology	12,259	6.0	3.0	3.0
6718255	Great Wall Motor Company (H)	China	Consumer Goods	11,165	5.5	2.5	3.0
B0L9113	Polskie Gornictwo Naftowe	Poland	Oil & Gas	10,507	5.5	2.5	3.0
6159478	Chongqing Changan Auto (B)	China	Consumer Goods	8,634	5.0	2.5	2.5
B1WJ4X2	Belle International (P Chip)	China	Consumer Goods	8,206	8.0	3.0	5.0
6051046	Asustek Computer Inc	Taiwan	Technology	6,658	5.5	3.0	2.5
B5B1TJ8	TATNEFT PFD	Russia	Oil & Gas	6,434	7.5	2.5	5.0
B4PLX17	Pegatron	Taiwan	Technology	6,399	7.0	3.0	4.0
6148119	NMDC	India	Basic Materials	6,064	8.0	3.0	5.0
6560995	China Oilfield Services (H)	China	Oil & Gas	5,332	5.5	2.5	3.0
6719764	Perusahaan Gas Negara	Indonesia	Oil & Gas	5,313	6.0	2.5	3.5
B03MS97	Eregli Demir Ve Celik	Turkey	Basic Materials	4,823	5.5	2.5	3.0
B1G2NN0	Cairn India	India	Oil & Gas	4,407	8.0	3.5	4.5
6808877	Siliconware Precision Industries	Taiwan	Technology	4,133	5.5	2.5	3.0
6801779	Foxconn Technology	Taiwan	Industrials	3,670	8.0	3.0	5.0
B01Z8S7	GOME Electrical Appliances (P)	China	Consumer Services	3,130	5.5	2.5	3.0
B1HVJ16	China Communications (H)	China	Telecommunications	2,788	7.0	2.5	4.5
2205706	Interconexion Electrica SA	Colombia	Utilities	2,659	5.0	2.5	2.5
B3VZ220	China Zhongwang Holdings (P)	China	Basic Materials	2,412	5.5	3.0	2.5

Source: SG Cross Asset Research/Equity Quant, FTSE, Factset

## EM – Greenblatt Screen

(Click here for spreadsheet with full list of stocks)

### Methodology documents

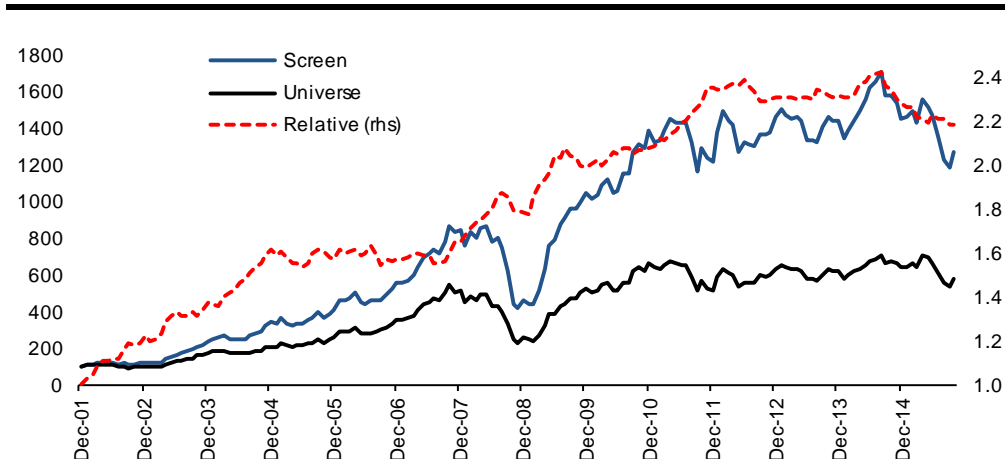
[Greenblatt](#)

The screen ranks companies by the average ranking based on return-on-capital (EBIT/(net working capital +net fixed assets) and earnings yield (EBIT to Enterprise Value). The universe is based on FTSE World Emerging stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	7.3	-0.8	20.2
Universe	7.1	-1.9	13.5
<b>Volatility</b>			
Screen		17.9	22.8
Universe		17.9	21.8
<b>Return/Risk</b>			
Screen		-0.04	0.88
Universe		-0.11	0.62
<b>Max Loss</b>			
Screen		30.7	52.0
Universe		24.0	57.2

### Absolute & relative performance (based on top100 companies by average rank)



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### Greenblatt Screen – For full list follow the link above

Sedol	Name	Country	Sector	Mcap (mUSD)	ROC Rank	EY Rank	Average Rank
B1R9JX2	Sidi Kerir Petrochemicals Co	Egypt	Basic Materials	868	23	17	20.0
B3NWLD3	OHL Mexico SAB de CV	Mexico	Industrials	2,277	7	36	21.5
B128R96	Equatorial Energia S/A Ord	Brazil	Utilities	1,776	29	41	35.0
B1YBRG0	Cemig PN	Brazil	Utilities	2,344	61	16	38.5
B1YBRK4	Cemig ON	Brazil	Utilities	2,210	62	15	38.5
6283601	Nanya Technology	Taiwan	Technology	2,995	35	58	46.5
6332741	Fauji Fertilizer Co	Pakistan	Basic Materials	1,513	26	76	51.0
6045180	Anhui Expressway (H)	China	Industrials	1,427	13	94	53.5
B5720R0	EcoRodovias Infraestrutura	Brazil	Industrials	861	5	102	53.5
B5B1TX2	MMC NORILSK NICKEL	Russia	Basic Materials	23,364	69	49	59.0
B5VGS74	PAO De Acucar CBD PN	Brazil	Consumer Services	3,504	101	18	59.5
6331566	Berjaya Sports Toto	Malaysia	Consumer Services	1,009	16	104	60.0
B29SK75	Indo Tambangraya Megah	Indonesia	Basic Materials	700	126	3	64.5
6346333	Novatek Microelectronics	Taiwan	Technology	2,081	99	45	72.0
B59MFL7	Uralkali	Russia	Basic Materials	5,405	104	42	73.0
B3PRV4	Multipus SA	Brazil	Industrials	1,450	6	145	75.5
6218089	Lenovo Group (Red Chip)	China	Technology	10,377	8	143	75.5
B5B9C59	Severstal JSC	Russia	Basic Materials	9,736	106	46	76.0
B1VZ1Q3	Global Telecom Holding	Egypt	Telecommunications	1,222	98	55	76.5
6732716	Oil & Gas Development	Pakistan	Oil & Gas	5,623	125	33	79.0
B97PYY2	Smiles S.A. ON	Brazil	Consumer Services	964	28	136	82.0
6196077	Lao Feng Xiang (B)	China	Consumer Goods	2,255	82	83	82.5
6718255	Great Wall Motor Company (H)	China	Consumer Goods	11,165	109	57	83.0
B1G4262	Kumba Iron Ore	South Africa	Basic Materials	1,398	167	2	84.5
B6QPBP2	ALROSA ao	Russia	Basic Materials	5,923	146	24	85.0

Source: SG Cross Asset Research/Equity Quant, FTSE, Factset

## EM - high dividend risk companies

(Click here for spreadsheet with full list of stocks)

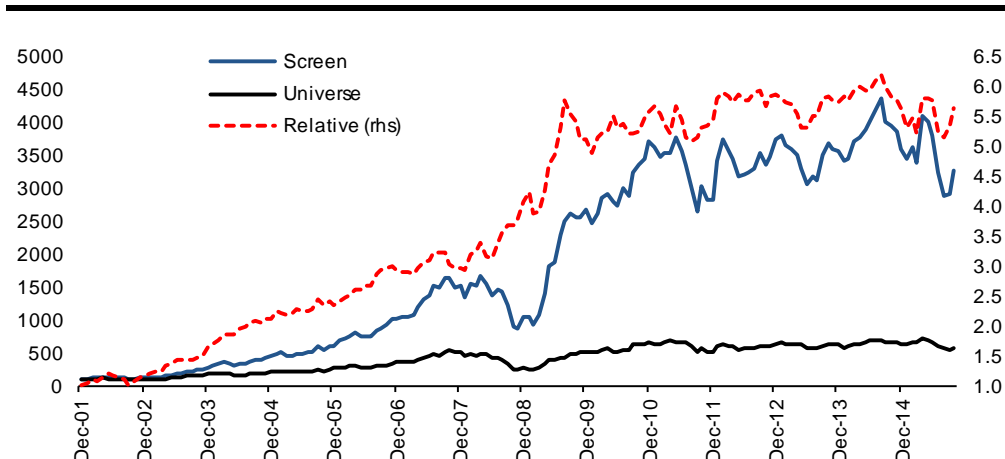
### Methodology documents [Merton's distance-to-default](#)

The screen includes companies with a dividend yield (consensus estimate for next-12-months) greater than 4% and weak balance sheets (bottom quintile by our Merton model). The universe is based on FTSE World Emerging stocks. All financial companies are excluded from the screen and the universe. Performance is shown on US\$ gross total return basis and assumes monthly rebalancing.

### Last month & annualized return

	Last Month	Last 5 years	Since 2002
<b>Return</b>			
Screen	12.9	-0.4	28.7
Universe	7.1	-1.9	13.5
<b>Volatility</b>			
Screen		25.0	29.7
Universe		17.9	21.8
<b>Return/Risk</b>			
Screen		-0.02	0.97
Universe		-0.11	0.62
<b>Max Loss</b>			
Screen		34.0	47.4
Universe		24.0	57.2

### Absolute & relative performance



Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S

Source: SG Cross Asset Research/Equity Quant, FactSet, FTSE, I/B/E/S. Past performance is not indicative of future performance. Portfolio presented assumes no transaction costs. For additional details on portfolio performance please contact us.

### High yielding stocks in the lowest Merton quintile – For full list follow the link above

Sedol	Name	Country	Sector	Mcap (mUSD)	Distance to default	Merton Score	Dividend Yield (%)
B1G4262	Kumba Iron Ore	South Africa	Basic Materials	1,398	2.0	1	9.3
2684532	Petrobras PN	Brazil	Oil & Gas	26,166	2.0	1	8.3
2308445	Centrais Eletricas Brasileiras B	Brazil	Utilities	3,319	2.4	1	8.1
2311120	Centrais Eletricas Brasileiras	Brazil	Utilities	1,767	2.4	1	8.0
2257127	Vale Do Rio Doce PN A	Brazil	Basic Materials	18,811	2.4	1	7.8
6225744	Compal Electronics	Taiwan	Technology	2,766	2.6	1	7.2
2196286	Vale Do Rio Doce	Brazil	Basic Materials	22,873	2.4	1	7.0
B44ZV94	China Hongqiao Group (P Chip)	China	Basic Materials	3,328	1.6	1	6.7
6672481	Wistron Corp	Taiwan	Technology	1,271	2.4	1	6.6
6080716	Datang International Power (H)	China	Utilities	4,929	2.5	1	6.5
6142780	Huadian Power International (H)	China	Utilities	7,254	1.9	1	6.2
B92NYC9	Sinopec Engineering (H)	China	Industrials	3,828	2.5	1	5.7
B5720R0	EcoRodovias Infraestrutura	Brazil	Industrials	861	2.6	1	5.6
B02ZKQ8	China Power International	China	Utilities	4,620	2.3	1	5.1
6990763	Zhejiang Expressway (H)	China	Industrials	5,369	2.5	1	4.8
B0CC0M5	Innolux	Taiwan	Industrials	3,357	2.7	1	4.7
6491318	Kingboard Chemical Holdings	China	Basic Materials	1,453	2.7	1	4.6
B3BQFC4	Adaro Energy PT	Indonesia	Basic Materials	1,390	2.1	1	4.6
6196077	Lao Feng Xiang (B)	China	Consumer Goods	2,255	2.6	1	4.5
6718255	Great Wall Motor Company (H)	China	Consumer Goods	11,165	2.3	1	4.4
B94VG58	China Machinery Engineering	China	Industrials	3,599	1.9	1	4.3
B2RJKP8	Shandong Chenming Paper (H)	China	Basic Materials	1,084	1.8	1	4.2
6159478	Chongqing Changan Auto(B)	China	Consumer Goods	8,634	2.1	1	4.2
6725299	Zijin Mining Group (H)	China	Basic Materials	5,810	2.3	1	4.1
B0774N4	Braskem S.A. PN	Brazil	Basic Materials	4,511	2.1	1	4.0

Source: SG Cross Asset Research\Equity Quant, FTSE, Factset

## APPENDIX

### **ANALYST CERTIFICATION**

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