



What Worked - Asia

Mixed bag with no style really standing out this week

10th Mar 2017
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What Worked

ROE driving returns in China & India

High ROE and Sales growth names did well this week in China. Sunac China Holdings is up 13% and China Maple Leaf Educational System is up 13%. In Hong Kong it was more about Value with high dividend yield names doing the best. Shimao Property Holdings is up 15% and Country Garden Holding is up 15%. In India, high ROE names did well and low PBR names were hurt this week. High ROE names that did well were Astral Poly Technik up 10% and Delta Corp up 13%.

Div. Yield reverses in Singapore

In Singapore there was slight selloff in high dividend names and a move into low Debt to Equity names. Far East Orchard is up 7% and TalkMed Group is up 7%. In South Korea, quality names were the strongest this week. Youngone Corp is up 9% and Korea Kolmar is up 6%. In the Philippines there was a slight selloff in large-cap names and a move into high Beta names.

Who Moved

Spikes distributed across the region

216 names moved on volume this week. At the Country level, the spikes look to be well distributed. However, close to a quarter of the spikes were in the Financial Sector. On the positive side, China Overseas Grand Oceans Group is up 28%, Agile Group Holdings is up 19% and China Regenerative Medicine International is up 19%. On the other side, Group Lease Public is down 52%, Macronix International is down 12% and Alibaba Health Information Technology is down 14%.

Summary

Week Ending 10 Mar 2017
Universe: Asia ex Japan

| Signal | 0.0% | | -1.1% | | 0.8% | | 5.4% | | -0.7% | |
|---------------------------------|-------|--------|--------|--------|-------|--------|-------|--------|-------|--------|
| | IC | Spread | IC | Spread | IC | Spread | IC | Spread | IC | Spread |
| Value & Growth | | | | | | | | | | |
| PER (Forward) | 3.4% | 1.4% | 1.2% | -0.8% | 4.5% | 2.3% | 2.9% | 5.1% | 3.3% | 8.4% |
| PER (Trailing) | 5.0% | 1.4% | 0.8% | -1.0% | 4.2% | 1.9% | 2.0% | 3.1% | 3.4% | 6.4% |
| Div. Yield | -2.1% | 1.2% | 5.5% | -1.8% | 0.7% | -0.0% | -0.4% | -1.5% | 2.7% | -0.1% |
| PBR | 1.2% | 0.9% | -3.3% | -0.8% | 4.4% | 2.4% | 3.1% | 4.6% | 2.2% | 8.9% |
| Sales Growth | 6.5% | 0.3% | -3.2% | -1.2% | -0.2% | 0.0% | 1.0% | 1.8% | -2.9% | -2.2% |
| OP Growth | 1.1% | 0.1% | -2.2% | -1.6% | -1.4% | -0.8% | 1.4% | 1.5% | -1.2% | -0.9% |
| Quality | | | | | | | | | | |
| ROE | 6.8% | 0.9% | 2.6% | -1.7% | 0.2% | -0.8% | 0.9% | -0.8% | -0.6% | -3.6% |
| * ROIC | 7.0% | 0.5% | 6.7% | -1.3% | 1.8% | -0.0% | 0.0% | -1.2% | 0.7% | -2.8% |
| * Debt/Equity | 3.4% | 0.6% | 3.6% | -1.2% | 1.1% | -0.3% | -1.8% | -4.3% | 0.6% | -3.8% |
| * Net Debt/Equity | -0.9% | 0.2% | -3.1% | -1.1% | -1.2% | -1.1% | 0.9% | 0.0% | -0.9% | 0.2% |
| Momentum & Technical | | | | | | | | | | |
| 1 Week Mom. | -6.9% | -0.3% | -8.5% | -0.9% | -5.0% | -0.4% | -3.1% | -0.5% | -9.1% | -8.0% |
| 1 Month Mom. | 5.9% | 0.8% | -10.4% | -0.2% | 0.2% | 2.1% | -1.0% | 2.5% | -4.0% | -1.9% |
| 3 Month Mom. | 3.9% | 0.4% | -3.2% | -0.2% | 0.7% | 1.2% | -4.2% | -3.0% | -1.6% | -3.7% |
| 12 Month Mom. | -0.2% | 0.7% | 3.7% | -0.7% | -1.6% | -0.8% | 1.1% | 2.2% | 0.2% | 1.7% |
| Stochastic Oscillator | 7.3% | 0.6% | -5.7% | -0.1% | 1.9% | 1.6% | -0.8% | 1.2% | -3.2% | -3.1% |
| Other | | | | | | | | | | |
| Size | 2.0% | 0.2% | -4.5% | -1.5% | 1.4% | -1.0% | 3.2% | -1.1% | -0.6% | -4.6% |
| Beta | -0.6% | 0.6% | -1.0% | -0.7% | -1.5% | 0.4% | 4.8% | 8.5% | -1.3% | 6.6% |
| EPS Revisions (1M) | -0.2% | 0.6% | 3.2% | -1.7% | 0.6% | -0.3% | 0.7% | 0.5% | 3.6% | 3.5% |
| EPS Revisions (3M) | 0.7% | 0.4% | 4.5% | -1.4% | 2.1% | 0.0% | 1.4% | 1.1% | 3.4% | 4.6% |

* ex Financials
+ Compound weekly spread return over the specified period
Spread is defined as the Long/Short return of the quintiles (i.e. top 20% - bottom 20%, equal weighted)





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