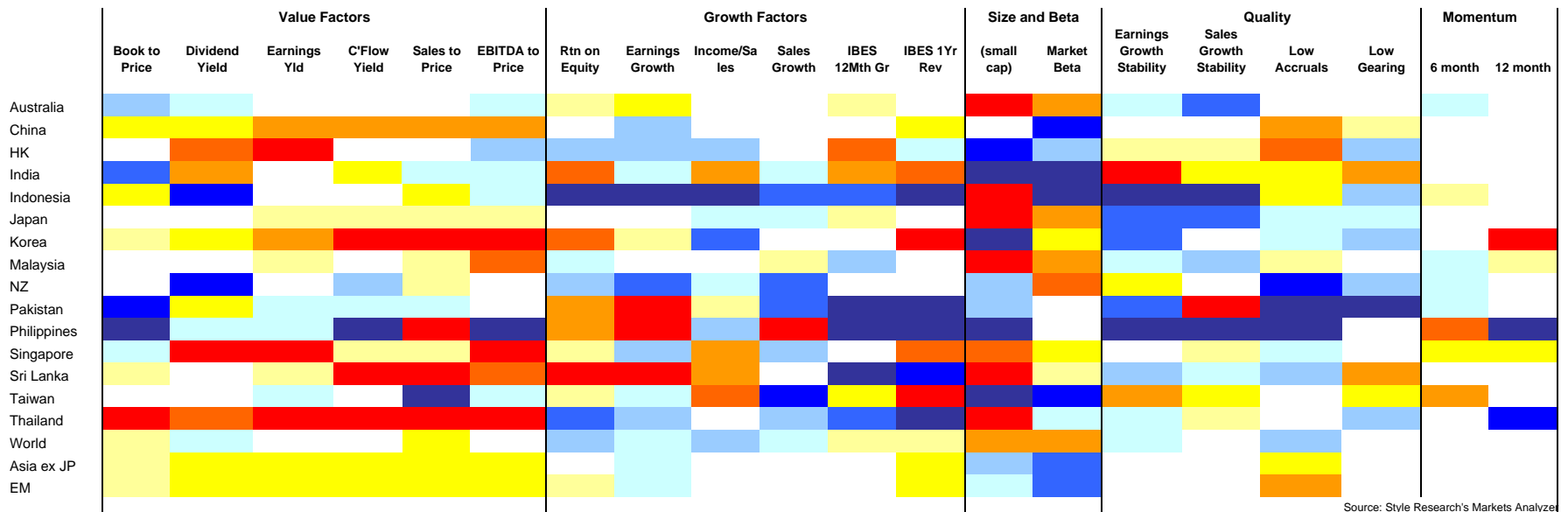
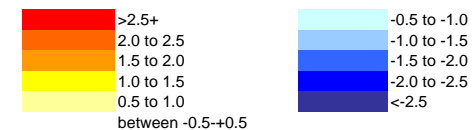


**Style Reward Patterns over the last 3 months - Percentage Relative Gain**



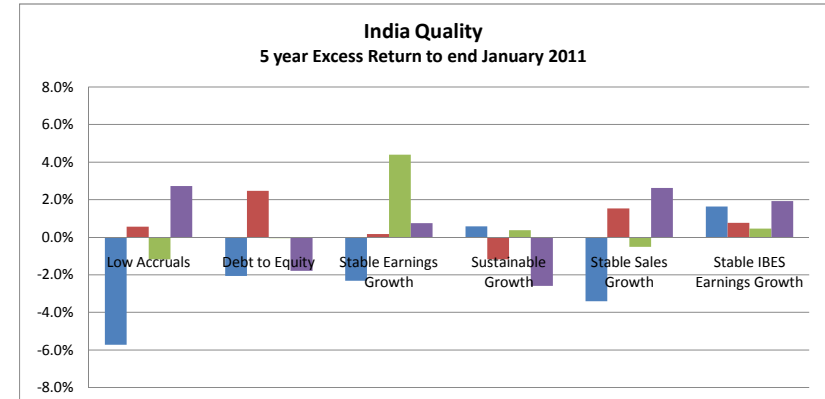
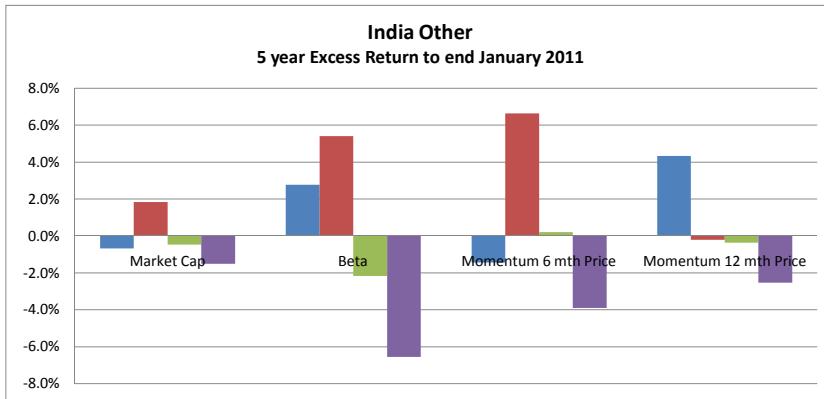
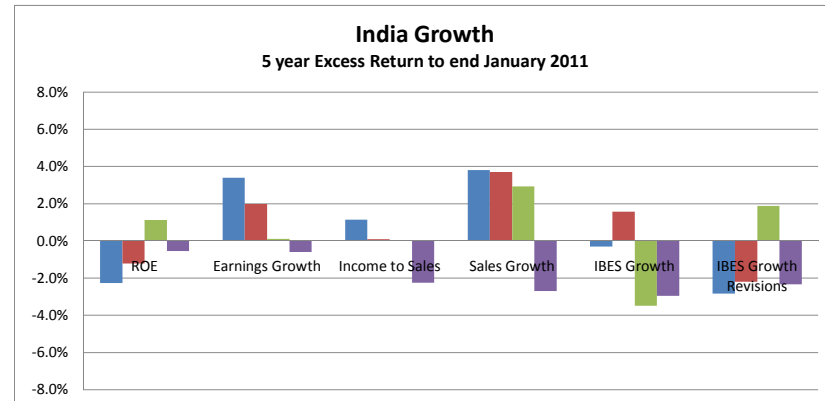
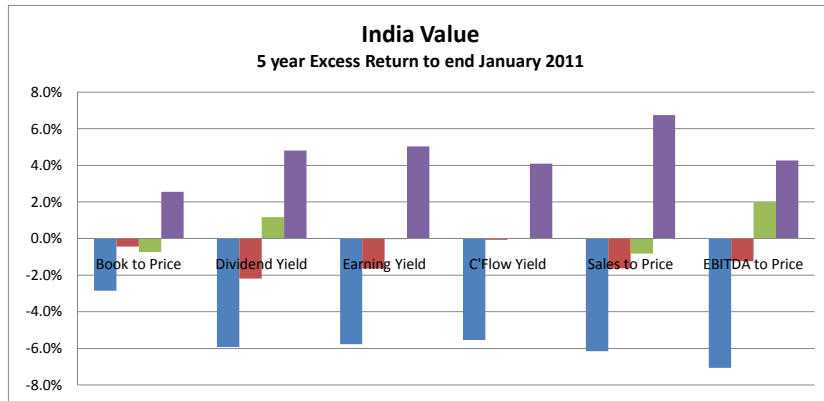
3 month return of factor less market return. Stocks selected within sectors to avoid distortion.  
Country returns in local currency, except for World, Asia ex Japan and EM which are in Yen  
Portfolio and benchmark market cap weighted, minimum stock size USD 100 million.  
Top half of factor except for:  
Size bottom 20% (small cap)  
Low Accruals bottom 50% (high quality)  
Low Gearing bottom 50% (high quality)



In general countries that have declined in recent months (China, India, Indonesia, Philippines and Thailand) are showing the strongest returns to Value as investors move out of Growth, high beta and small cap stocks. Although Value also performed well in Japan, Malaysia and Korea where market returns have been strong, the difference is that small cap and high beta stocks have done well in these countries. The strong returns to Value are in common with the global picture, where forecast earnings have also provided strong returns.

A closer look at India over the last 5 years shows high Value characteristics (6 of 6) gave good returns while overweighting Growth was not a useful strategy over the period. Unlike countries covered in recent newsletters, the size of a stock does not generate differential returns.

## Style Reward Patterns over the last 5 years - Percentage Relative Gain



■ bottom quartile      ■ 3rd quartile  
■ 2nd quartile      ■ top quartile

Source: Style Research's Markets Analyzer

5 year return of factor less market return by quartile. Stocks selected within sectors to avoid distortion. Portfolio and benchmark are market cap weighted, minimum stock size USD 100 million



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