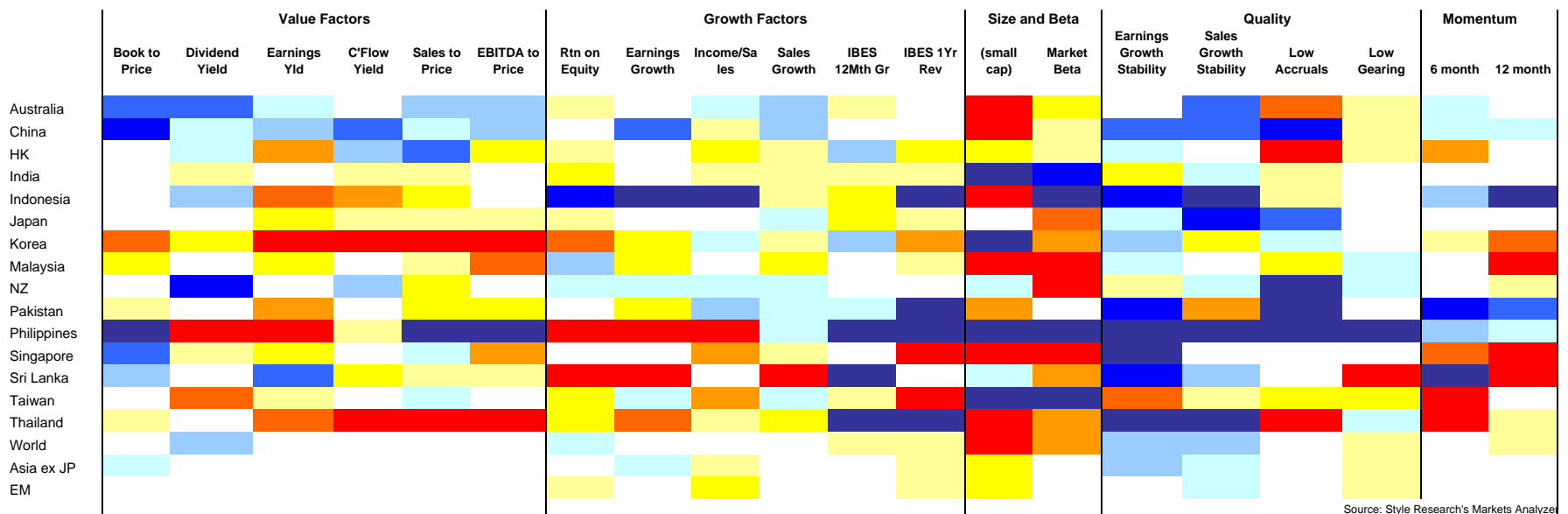


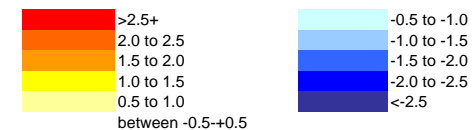
Monthly Style Summary - Asia

January 2011 - end December 2010

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



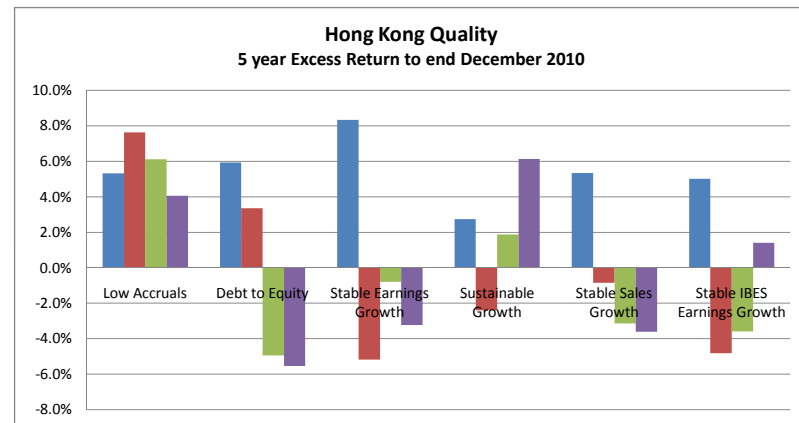
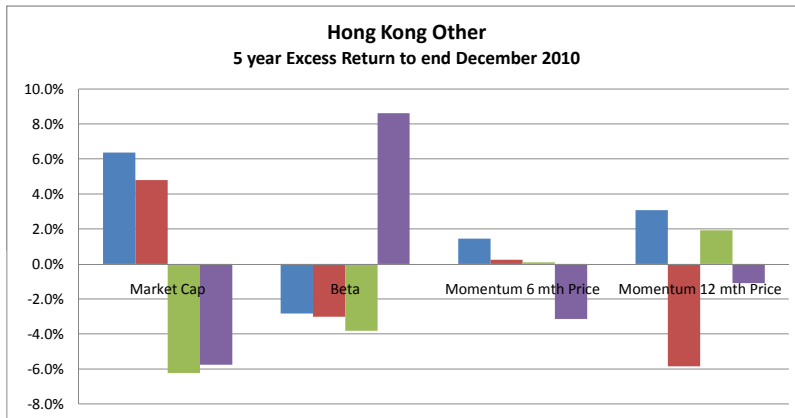
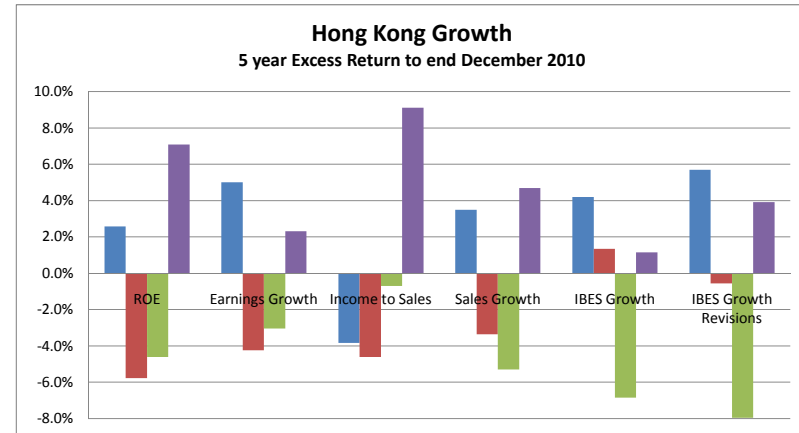
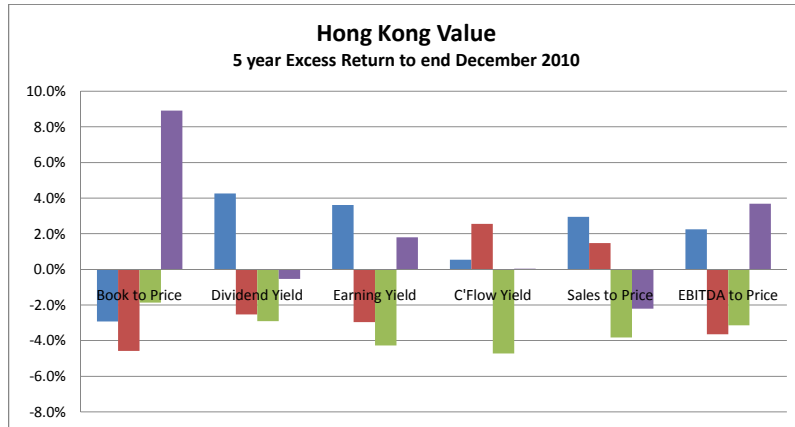
3 month return of factor less market return. Stocks selected within sectors to avoid distortion.
Country returns in local currency, except for World, Asia ex Japan and EM which are in Yen
Portfolio and benchmark market cap weighted, minimum stock size USD 100 million.
Top half of factor except for:
Size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



Like November, the strong market last month, meant small cap, high beta or highly geared stocks performed best in most countries over the region in the last 3 months. Also like November, Quality factors underperformed. Other factors are not so clear. Value is underperforming in Australia, China and Hong Kong, but outperforming in Japan, Korea and Thailand. Historic Growth factors are generally providing positive excess returns. The regional view is different to the global picture where forecast earnings have provided much stronger returns.

A closer look at Hong Kong over the last 5 years shows some Value characteristics (3 of 6) gave good returns while Growth was more consistent with all 6 top quartiles beating the market. Like Thailand and Taiwan in recent newsletters, small cap stocks performed well. Interestingly high stock betas did best over the 5 years while High Quality did not give a clear signal.

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



Source: Style Research's Markets Analyzer

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

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



quant shop pty ltd
 Level 21, 201 Miller St
 North Sydney NSW 2060, Australia

Telephone: +61 2 9939 5655
Facsimile: +61 2 9383 9988
Email: larry@quantshop.com
Website: www.quantshop.com