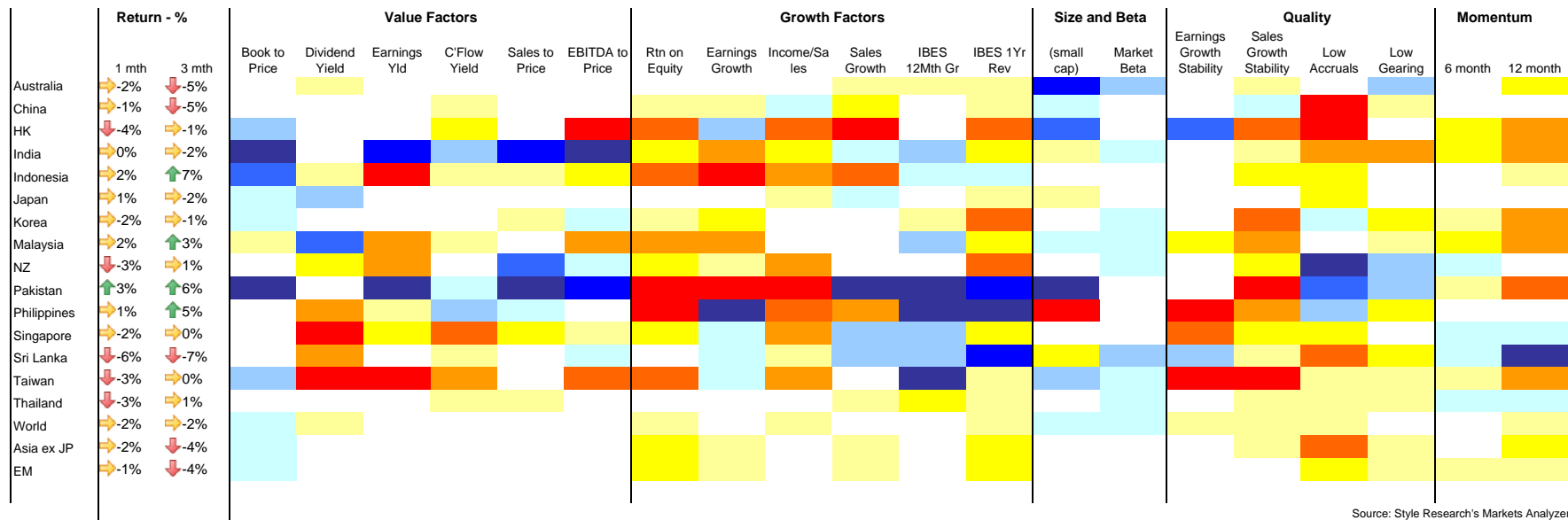
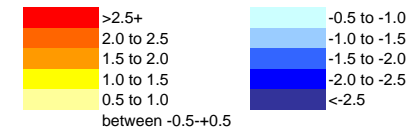


Style Reward Patterns over the last 3 months - Percentage Relative Gain



Source: Style Research's Markets Analyzer

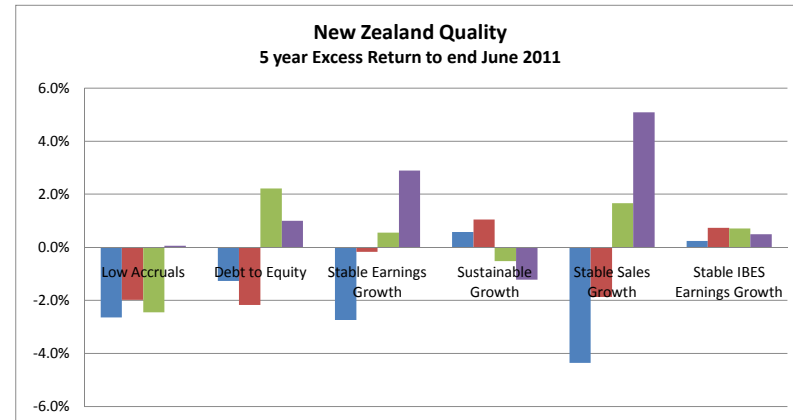
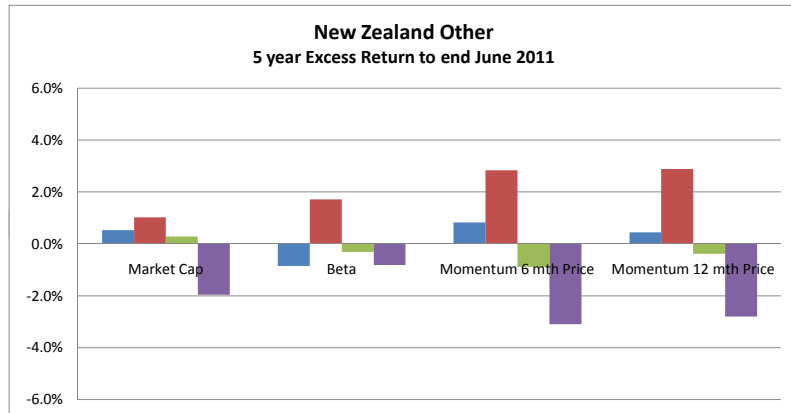
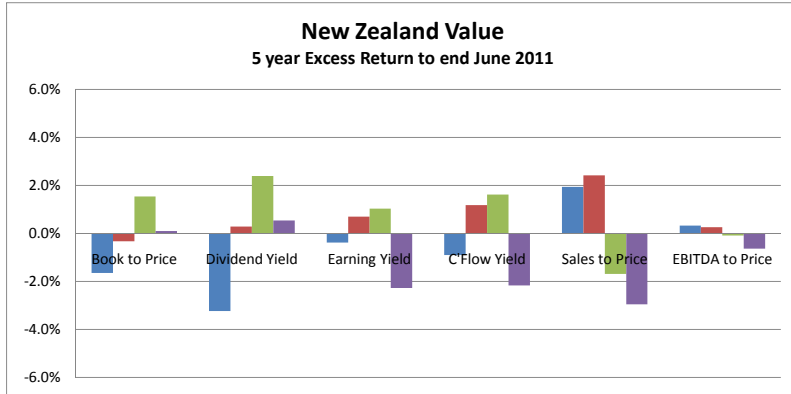
3 month return of factor less market return. Stocks selected within sectors to avoid distortion.
Country returns in local currency, except for World, Asia ex Japan and EM which are in Yen
Portfolio and benchmark market cap weighted, minimum stock size USD 100 million.
Top half of factor except for:
Size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



With almost all markets in the region remaining a least steady in the last 1 and 3 months, the general shift towards Growth evident last month has continued. Quality factors are also performing well. This pattern possibly reflects general optimism amongst investors, although not expecting boom conditions where small cap, high beta and Value stocks would be expected to perform. This is similar to the global picture where Growth has performed well, although unlike global markets high beta stocks underperformed - you can read more this in the global analysis.

A closer look at New Zealand over the last 5 years shows steady sales growth gave the best excess returns. Other factors generally gave unclear to mixed results. Interesting, returns to most factors in New Zealand were small over the last 5 years, sector adjusted.

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



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