

GROUP

Banks

Analysis and Synthesis - World



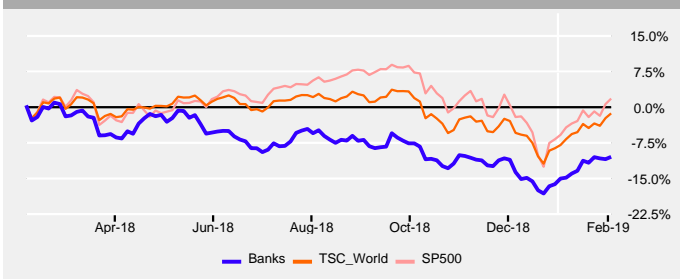
February 5, **2019**



Banks (WO)

Closing price of February 5, 2019

Comparison [February 6, 2018 - February 5, 2019]



The group Banks represents approximately 11% of the World total market capitalization, with 346 of its companies followed regularly by the Screener.

The group Banks is currently trading at 11% below its 52 week high and 10% above its 52 week low (bi-weekly closing).

Performance since February 6, 2018 : -10.8% vs -1.5% for the index TSC_World and 1.6% for the SP500.

56.7% of stocks are currently in a positive Medium Term Technical Trend (MTT).

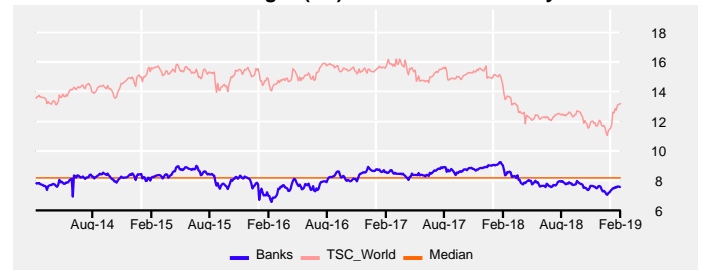
Name	Market Value	Perf YtD	Nb of Stocks	Mkt Cap in \$bn	Stars	Sensitivity	G/PE Ratio	LT P/E	LT Growth	4wk Perf	% of Stocks in Uptrend
Banks (WO)	110.47	6.9%	346	7,716.18	★★★★☆	📈	1.72	7.5	8.4%	-0.6%	56.7%
TSC_World (WO)	287.65	8.0%	5,881	68,624.25	★★★★☆	📈	1.35	13.2	14.8%	5.8%	62.5%
SP500 (US)	2,737.70	9.2%	494	24,220.33	★★★★★	📈	1.00	14.1	11.9%	8.1%	76.3%

Price evaluation rating

In order to assess whether an industry group is correctly valued, we focus on Peter Lynch's broadly accepted methodology of comparing the projected earnings growth and dividend with the estimated PE ratio. Based on this approach, we feel this industry group is currently strongly undervalued.

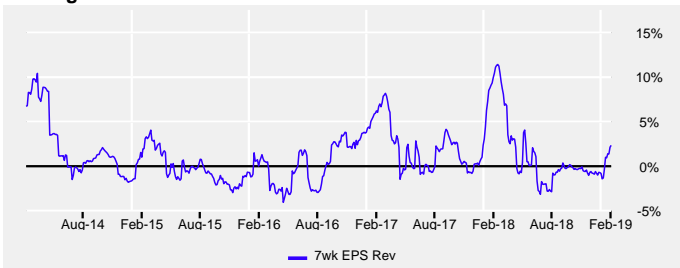
A "Forecasted Growth + Estimated Dividend Yield/ Estimated Price Earnings" ratio higher than 1.6 often suggests the projected growth is a result of a base effect, meaning the industry group can often be in a turn around situation. In this case, the estimated PE is a better indicator of a group's expected growth than the Long Term Growth (LT Growth).

"Price to Estimated Earnings" (PE) - Evolution over five years



The estimated PE is calculated on the basis of the underlying stocks. While the PE of the group Banks is 7.5, the PE of the index (TSC_World) is notably higher (13.2); this indicates that the group is trading lower than its market. Historically speaking, this group is currently trading below its median value of 8.1.

Earnings revision trend

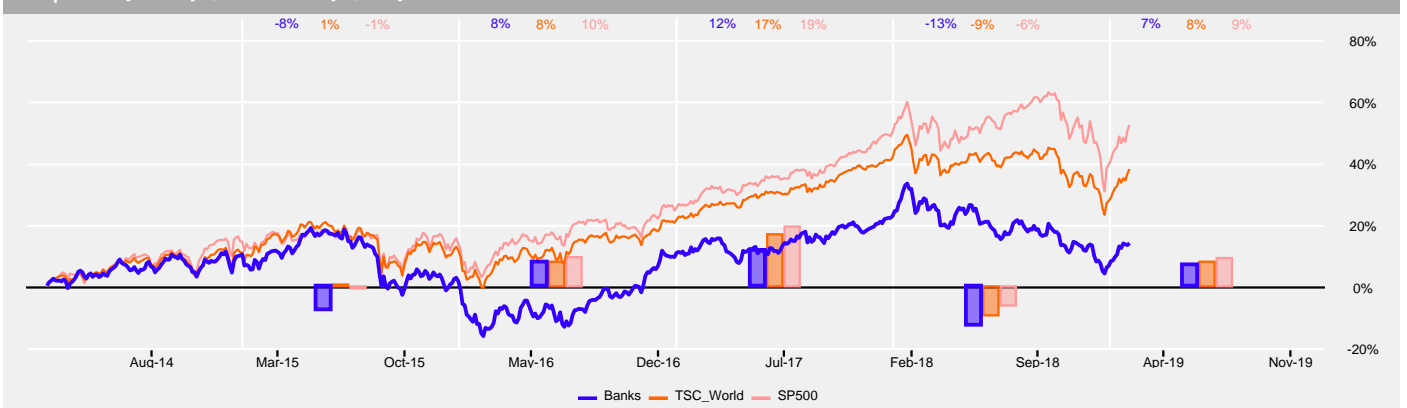


Compared to seven weeks ago, the analysts have raised (2.3%) their earnings estimates. This positive trend began January 25, 2019 at a price of 110.4.

Technical trend

The 40-day Medium Term Technical Trend has been positive since January 18, 2019. The confirmed Technical Reverse point (Tech Reverse - 1.75%) is currently 4% lower. This positive technical trend is confirmed by the percentage of stocks trading above their average, as this number is currently 56.7%. This would indicate that the majority of the stocks in this group are currently trading up.

Comparison [February 7, 2014 - February 5, 2019]



Performance over 5 years

On a 5 year moving average the performance of the group Banks is 13.8%, vs 38.0% for the index TSC_World and 52.3% for the SP500. During this period, the high was reached on January 2018 and the low on February 2016.

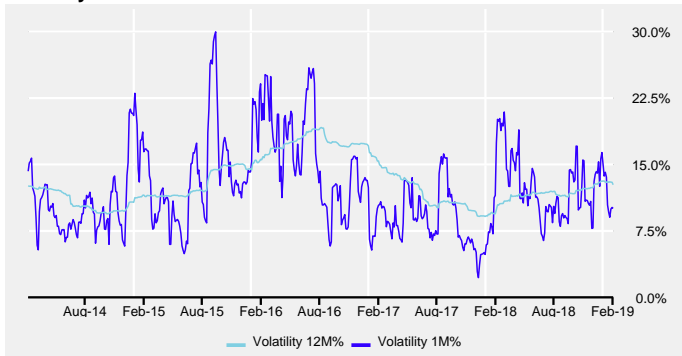


Banks (WO)

Closing price of February 5, 2019

Name	Market Value	Perf YtD	Nb of Stocks	Mkt Cap in \$bn	Stars	Sensitivity	G/PE Ratio	LT P/E	LT Growth	4wk Perf	% of Stocks in Uptrend
Banks (WO)	110.47	6.9%	346	7,716.18	★★★★★		1.72	7.5	8.4%	-0.6%	56.7%

Volatility



Volatility is also used as a sensitivity factor. It measures the magnitude of upward and downward movements of a stock or index. The higher the volatility, the more a stock is considered as sensitive to market fluctuations.

As of the last update, the monthly volatility of (10.0%) is lower than the last few years' average of (12.1%). The low magnitude of short term price fluctuations indicates a lull in the market.

On the other hand, long term volatility 12.6% of the group is similar to that of the index TSC_World (12.2%), reflecting almost identical price variations between the group and the market to which it belongs.

The sensitivity factor in declining markets

The "Bear Market Factor" measures the behavior of a group in declining markets. In this context, the group Banks has a tendency to drop in the same proportion as the index TSC_World.

This behaviour proves the average sensitivity of the group during market corrections.

The sensitivity factor in rising markets

The "Bad News Factor" measures a group's corrections in a rising market phase.

In this configuration, the market slightly sanctions the group Banks when there is specific pressure in this particular economic activity.

When the group declines in a rising market its average deviation is -1.30%.

Sensitivity analysis summary

Generally speaking, the Banks group shows an average sensitive behaviour illustrated by a low Bear Market factor.

Checklist (Banks)

Stars	★★★★★	Strong interest since February 1, 2019.
Earnings Rev Trend		★ Analysts positive since January 25, 2019
Valuation Rating		★ Strongly undervalued
MT Tech Trend		★ Market positive since January 18, 2019
4wk Rel Perf	-0.6%	★ vs. TSC_World
Sensitivity		Moderate, no change over 1 year.
Bear Mkt Factor		Average sensitivity to market corrections
Bad News Factor		Slight market sanction in case of specific pressure

AUT:Automobiles & Parts
BAN:Banks
BAS:Basic Resources

CHE:Chemicals
CON:Construction & Materials
ENE:Energy

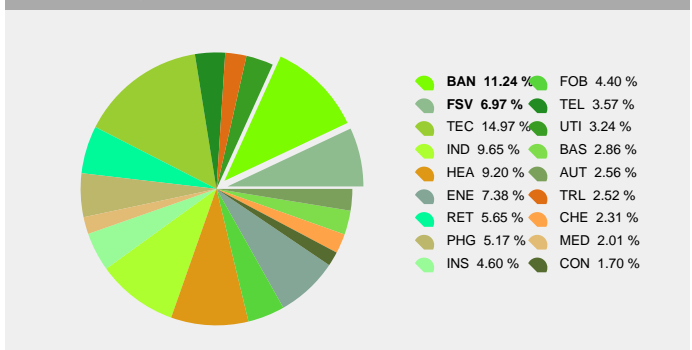
FOB:Food & Beverage
FSV:Financial Services
HEA:Health Care

IND:Industrial Goods & Services
INS:Insurance
MED:Media

PHG:Personal & Household Goods
RET:Retail
TEC:Technology

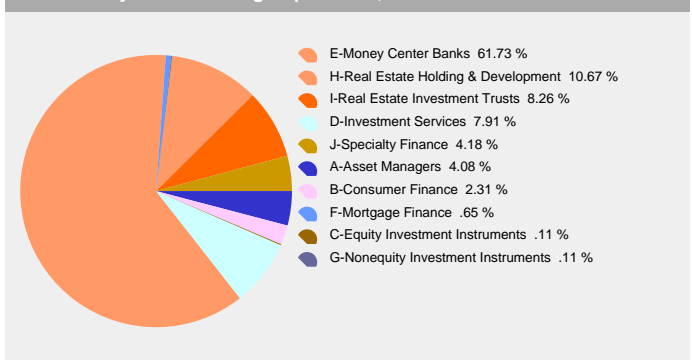
TEL:Telecommunications
TRL:Travel & Leisure
UTI:Utilities

Allocation by group, of the World market



In terms of market capitalization, the largest group, Technology, represents 15.0% of the market World. In size order these groups then follow: Banks with 11.2% Industrial Goods & Services with 9.6%.

Allocation by sector of the groups Banks, Financial Services



The largest sector in terms of market capitalization Money Center Banks represents 61.7% of the Banks and Financial Services groups. In size order, these sectors follow: Real Estate Holding & Development with 10.7% Real Estate Investment Trusts with 8.3%.

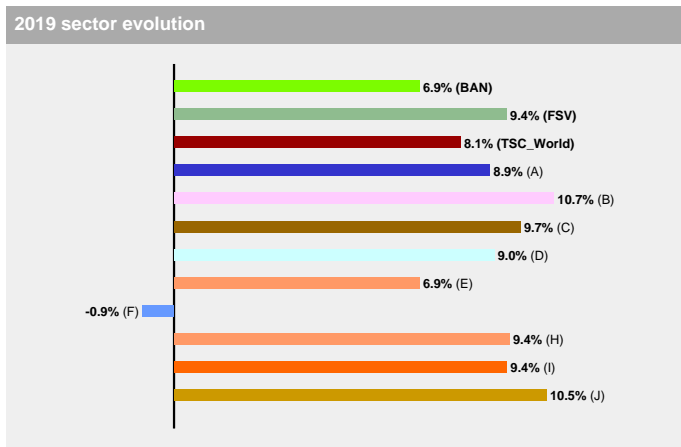


Banks (WO)

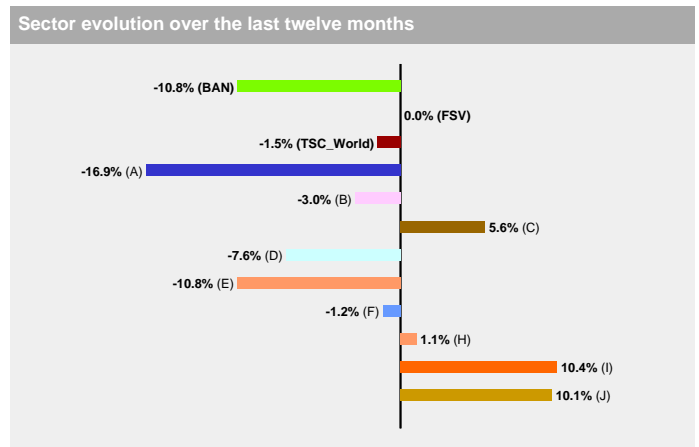
Closing price of February 5, 2019

Name Market	Value	Perf YtD	Nb of Stocks	Mkt Cap in \$bn	Stars	Sensitivity	G/PE Ratio	LT P/E	LT Growth	4wk Perf	% of Stocks in Uptrend
Banks BAN@WO	110.47	6.9%	346	7,716.18	★★★★★	📈	1.72	7.5	8.4%	-0.6%	56.7%
Financial Services FSV@WO	204.56	9.4%	619	4,784.22	★★★★★	📈	1.29	12.1	12.2%	1.0%	72.1%
E-Money Center Banks WO	155.91	6.9%	346	7,716.18	★★★★★	📈	1.72	7.5	8.4%	-0.6%	56.7%
A-Asset Managers WO	124.13	8.9%	58	510.34	★★★★★	📈	1.70	10.4	13.9%	0.1%	65.5%
B-Consumer Finance WO	241.68	10.7%	39	288.91	★★★★★	📈	1.26	8.9	9.2%	0.4%	59.0%
C-Equity Investment Instrume WO	74.07	9.7%	7	13.63	★★★★★	📈	1.84	9.0	6.8%	-2.8%	100.0%
D-Investment Services WO	167.99	9.0%	78	989.39	★★★★★	📈	1.19	12.2	11.8%	0.4%	60.3%
F-Mortgage Finance WO	73.62	-0.9%	12	80.83	★★★★★	📈	0.97	13.8	11.3%	-6.1%	33.3%
H-Real Estate Holding & Deve WO	348.02	9.4%	209	1,333.23	★★★★★	📈	1.65	9.9	12.5%	1.6%	76.1%
I-Real Estate Investment Trus WO	110.04	9.4%	151	1,032.27	★★★★★	📈	0.76	21.3	11.4%	1.5%	82.8%
J-Specialty Finance WO	239.83	10.5%	63	522.17	★★★★★	📈	1.12	13.3	13.0%	1.1%	65.1%

The industry groups are presented in bold characters; followed by the sectors of the same region. The economic regions are separated by a white space.



From the beginning of the year, the group Banks recorded a variation of 6.9%, while the Financial Services group evolved by 9.4%. These two industry groups are made up of 10 sectors, in which the extreme variations were from -0.9% to 10.7%.



Over the last twelve months, the group Banks recorded a variation of -10.8%, while the Financial Services group evolved by 0.0%. These two industry groups are made up of 10 sectors, in which the extreme variations were from -16.9% to 10.4%.

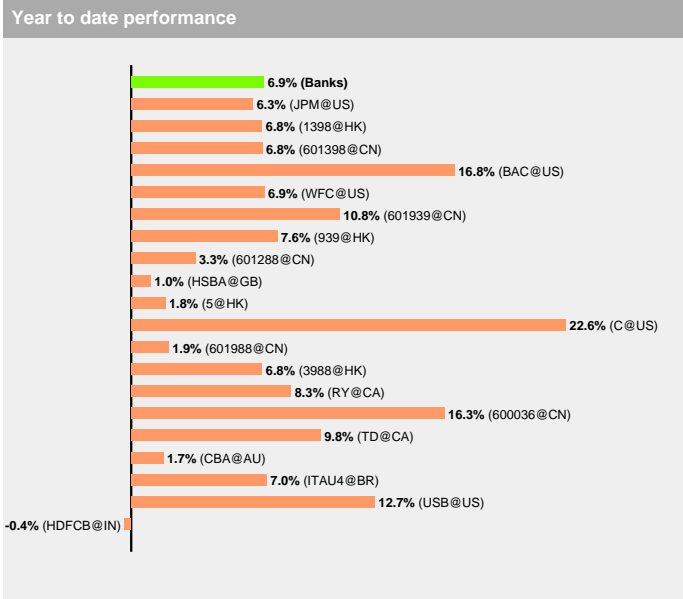


Banks (WO)

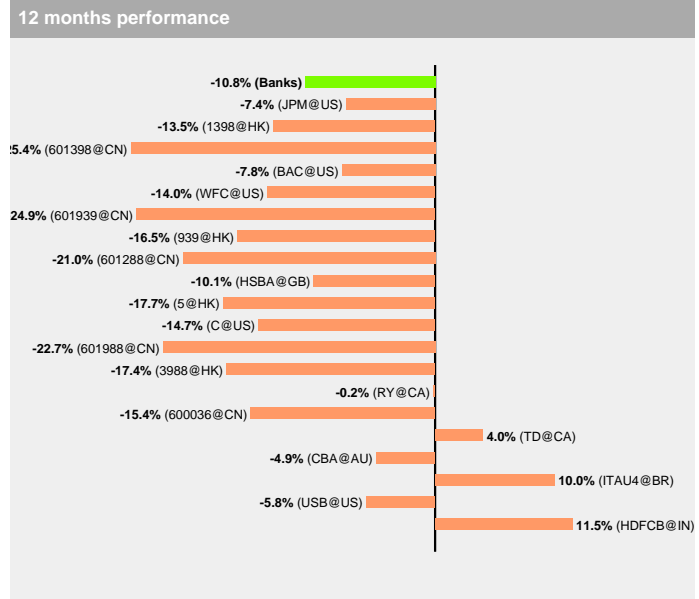
Closing price of February 5, 2019

Name	Market Value	Perf YtD	Nb of Stocks	Mkt Cap in \$bn	Stars	Sensitivity	G/PE Ratio	LT P/E	LT Growth	4wk Perf	% of Stocks in Uptrend
Banks (WO)	110.47	6.9%	346	7,716.18	★★★★☆		1.72	7.5	8.4%	-0.6%	56.7%

The performance of the 20 largest stocks of the group is presented below.

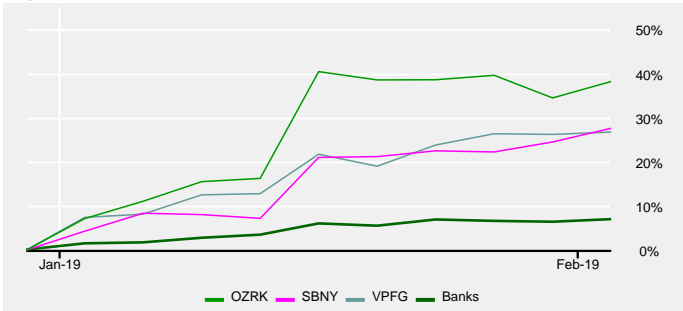


The analysis and details of the above stock can be found on page 7



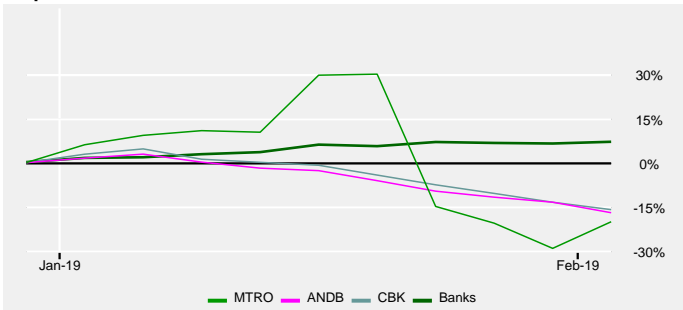
The analysis and details of the above stock can be found on page 7

Top Stocks 2019



From the beginning of the year, the performance of the group was 6.9%; as for the three best stocks, (BANK OZK (OZRK), SIGNATURE BANK (SBNY) and LEGACYTEXAS FGP.INCO. (VPGF)), their performance was 38.2%, 27.6% and 26.7% respectively.

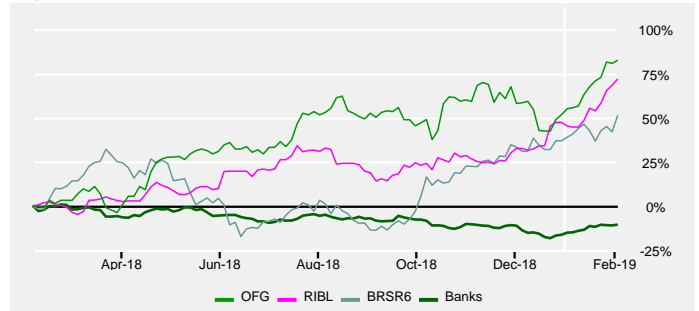
Flop Stocks 2019



METRO BANK PLC. (MTRO), ANDHRA BANK LTD. (ANDB) and CANARA BANK (CBK) with -20.1%, -17.0% and -16.0% recorded the three worst performances From the beginning of the year. For the group Banks, the variation was 6.9%.

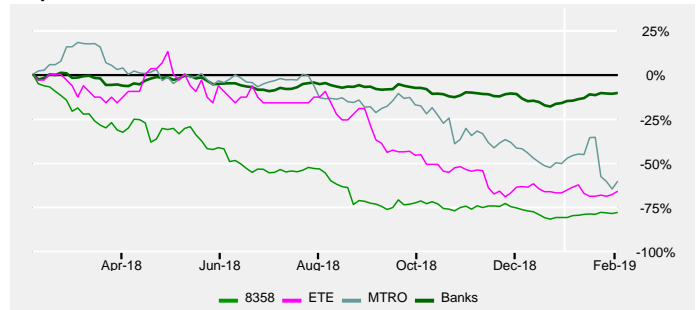
Only companies with a market capitalization exceeding \$500 million are mentioned.

Top Stocks 12 months



Since 12 months ago, the performance of the group has been -10.8%; the three best stocks, (OFG BANCORP (OFG), RIYAD BANK (RIBL) and BNC.ESDO.DO RIOGR.SUL SA (BRSR6)) recorded a performances of 82.5%, 71.9% and 51.4% respectively.

Flop Stocks 12 months



The three worst performances in 12 months were recorded by SURUGA BANK LTD. (8358), NATIONAL BK.OF GREECE SA (ETE) and METRO BANK PLC. (MTRO) with -78.2%, -66.1% and -60.5%. As for the group Banks, it recorded a variation of -10.8%.

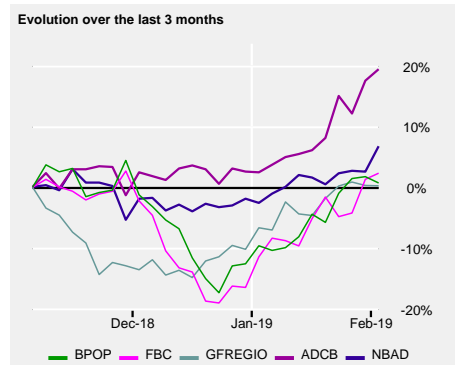


Banks (WO)

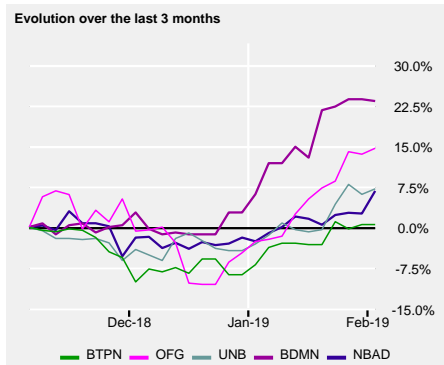
Closing price of February 5, 2019

Stocks with the best valuations

Symbol Market	Name Sector	Price Ccy	Mkt Cap in \$bn	7wk EPS Rev	Stars	Sensitivity	Global Evaluation
BPOP US	POPULAR INCO. Money Center Banks	54.40 USD	5.44	18.5%	★★★★★		
FBC US	FLAGSTAR BANCORP INCO. Money Center Banks	32.34 USD	1.87	12.9%	★★★★★		
GFREGIO MX	BANREGIO GRF.SDC. Money Center Banks	101.02 MXN	1.74	12.8%	★★★★★		
ADCB AE	ABU DHABI COML.BANK PJSC Money Center Banks	9.50 AED	13.44	10.5%	★★★★★		
NBAD AE	1ST.ADB.BK.PJSC Money Center Banks	15.34 AED	45.51	10.5%	★★★★★		



The global rating (Global Evaluation) is a multi-criteria approach that identifies the stocks with the best valuations. This assessment is a compilation of fundamental (PE, growth, earnings revisions, dividend, etc.), technical (moving average, relative performance), and sensitivity (behaviour in declining markets and sensitivity to bad news) factors. In order to present the best selection, only companies with a market capitalization greater than \$1bn and showing good earnings growth valuations, are listed. Furthermore, the eligible stocks must have a minimum rating of two stars, a neutral to positive valuation, a low to moderate sensitivity. When the global rankings are identical, the analysts' 7 week earnings per share revision (7 wk EPS rev) acts as the deciding classification element.



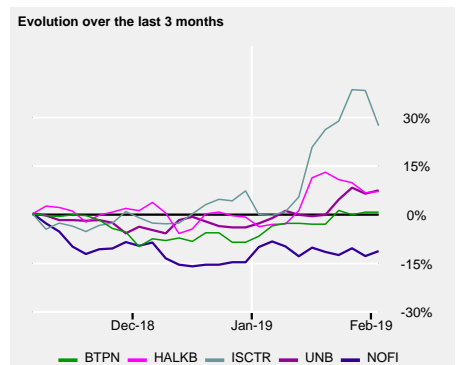
The best defensive stocks

Symbol Market	Name Sector	Price Ccy	Mkt Cap in \$bn	Bear Mkt Factor	Stars	Sensitivity	Global Evaluation
BTPN ID	BK.TBPNSU.NASIONAL TBK. Money Center Banks	3,790.00 IDR	2.19	-185	★★★★★		
OFG US	OFG BANCORP Money Center Banks	19.80 USD	1.02	-169	★★★★★		
UNB AE	UNION NATIONAL BANK PJSC Money Center Banks	5.25 AED	3.93	-135	★★★★★		
BDMN ID	BANK DANAMON INDO.TBK Money Center Banks	9,125.00 IDR	6.20	-129	★★★★★		
NBAD AE	1ST.ADB.BK.PJSC Money Center Banks	15.34 AED	45.51	-100	★★★★★		

The sensitivity assessment is based on essentially two criteria: the stock's "behaviour in declining markets" (Bear Market Factor), and the stock's "sensitivity to bad news" (Bad News Factor). By positioning a stock according to the world averages, three sensitivity levels can be attributed (low, moderate, high). Combining these elements makes it possible to create a final ranking of stocks in the market. To present the most useful selection, only companies with a market capitalization greater than \$1bn and showing good earnings growth valuations are listed. Furthermore, the eligible stocks must have a minimum rating of two stars, a neutral to positive valuation, a low to moderate sensitivity. In case of a tie, the stock's "behaviour in declining markets" will act as the deciding classification element.

The stocks with the lowest correlations

Symbol Market	Name Sector	Price Ccy	Mkt Cap in \$bn	Correlation	Stars	Sensitivity	Global Evaluation
BTPN ID	BK.TBPNSU.NASIONAL TBK. Money Center Banks	3,790.00 IDR	2.19	-0.02	★★★★★		
HALKB TR	TURKIYE HALK BANKASI AS Money Center Banks	7.58 TRY	1.82	0.17	★★★★★		
ISCTR TR	TURKIYE IS BANKASI AS Money Center Banks	5.38 TRY	5.07	0.20	★★★★★		
UNB AE	UNION NATIONAL BANK PJSC Money Center Banks	5.25 AED	3.93	0.20	★★★★★		
NOFI NO	NOR FINANS HOLDING ASA Money Center Banks	69.70 NOK	1.54	0.21	★★★★★		



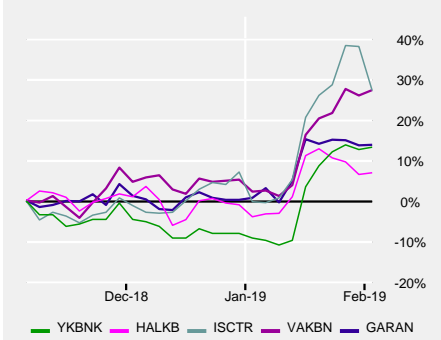
The correlation coefficient allows to identify the stocks whose dependence on the market is the weakest. If this value is very low, less than 0.5, it means that less than 50% of the stock movements are explained by market movements. On the contrary, a number close to 1 indicates that the value is very close to the market developments. In order to present the best selection, only companies with a market capitalization higher than \$1bn and showing good earnings growth valuations are listed. Furthermore, the eligible stocks must have a minimum rating of two stars, a neutral to positive valuation, a low to moderate sensitivity and a minimum correlation of 0.66. In case of a tie in the ranking, the stock's "behaviour in declining markets" (Bear Market Factor) acts as the deciding classification element.



Banks (WO)

Closing price of February 5, 2019

Evolution over the last 3 months



Stock with the weakest PE

Symbol Market	Name Sector	Price Ccy	Mkt Cap in \$bn	LT P/E	Stars	Sensitivity	Global Evaluation
YKBNK TR	YAPI VE KREDI BANKASI AS Money Center Banks	1.97 TRY	3.20	2.7	★★★★	Neutral	Positive
HALKB TR	TURKIYE HALK BANKASI AS Money Center Banks	7.58 TRY	1.82	2.8	★★★★	Neutral	Positive
ISCTR TR	TURKIYE IS BANKASI AS Money Center Banks	5.38 TRY	5.07	3.1	★★★★	Neutral	Positive
VAKBN TR	TKI.VAKIFLAR BANKASI TAO Money Center Banks	4.72 TRY	2.27	3.4	★★★★	Neutral	Positive
GARAN TR	TKI.GARANTI BKSI.AS Money Center Banks	9.04 TRY	7.30	3.7	★★★★	Neutral	Positive

The price to earnings ratio (PE) helps to find undervalued stocks. It is commonly accepted that if the PE of a stock is lower than the PE of its reference market, the stock has upside price potential. In order to present the best selection, only companies with a market capitalization greater than \$1bn and showing good earnings growth valuations are listed. Furthermore, the eligible stocks must have: a minimum rating of two stars, a neutral to positive valuation and a low to moderate sensitivity. When the PE ratios are identical, the analysts' 7 week earnings per share revision (7 wk EPS rev) acts as the deciding classification element.

The 20 top stocks classified by market capitalization

Symbol Market	Name Sector	Price Ccy	Perf YtD	Mkt Cap in \$bn	G/PE Ratio	LT P/E	LT Growth	4wk Rel Perf	Div	Volatility 1M	Stars	Sensitivity	Global Evaluation
JPM US	JP MORGAN CHASE & CO. Money Center Banks	103.79 USD	6.3%	348.51	1.31	9.1	8.5%	-5.1%	3.5%	14.2%	★★★★	Neutral	Positive
1398 HK	INDL. & CMLBK.OF CLTD. Money Center Banks	5.97 HKD	6.8%	292.18	2.25	5.3	6.7%	-1.1%	5.3%	15.4%	★★★★	Neutral	Positive
601398 CN	INDL. & CMLBK.OF CLTD. Money Center Banks	5.65 CNY	6.8%	292.18	1.93	5.9	6.7%	3.1%	4.7%	12.8%	★★★★	Neutral	Positive
BAC US	BANK OF AMERICA CORP. Money Center Banks	28.78 USD	16.8%	280.40	1.61	7.9	10.0%	4.4%	2.7%	39.5%	★★★★	Neutral	Positive
WFC US	WELLS FARGO & CO. Money Center Banks	49.27 USD	6.9%	231.93	2.12	7.5	11.7%	-5.4%	4.1%	20.0%	★★★★	Neutral	Positive
601939 CN	CHINA CON.BK.CORPORATION Money Center Banks	7.06 CNY	10.8%	223.01	1.94	6.0	7.0%	6.9%	4.6%	18.3%	★★★★	Neutral	Positive
939 HK	CHINA CON.BK.CORPORATION Money Center Banks	6.95 HKD	7.6%	223.01	2.30	5.1	6.3%	-0.8%	5.5%	11.5%	★★★★	Neutral	Positive
601288 CN	AGRI.BANK OF CHINA LTD. Money Center Banks	3.72 CNY	3.3%	190.64	1.99	5.6	6.0%	-0.5%	5.1%	11.6%	★★★★	Neutral	Positive
HSBA GB	HSBC HOLDINGS PLC. Money Center Banks	653.50 GBp	1.0%	169.43	1.23	10.7	7.1%	-6.8%	6.0%	13.2%	★★★★	Neutral	Positive
5 HK	HSBC HOLDINGS PLC. Money Center Banks	65.95 HKD	1.8%	168.40	1.31	10.7	8.0%	-6.7%	6.0%	6.3%	★★★★	Neutral	Positive
C US	CITIGROUP INCO. Money Center Banks	63.81 USD	22.6%	155.83	2.19	6.4	10.6%	7.6%	3.4%	32.1%	★★★★	Neutral	Positive
601988 CN	BANK OF CHINA LTD. Money Center Banks	3.68 CNY	1.9%	153.62	1.99	5.6	5.9%	-1.3%	5.2%	8.2%	★★★★	Neutral	Positive
3988 HK	BANK OF CHINA LTD. Money Center Banks	3.61 HKD	6.8%	153.62	2.33	4.8	5.0%	-2.1%	6.2%	10.7%	★★★★	Neutral	Positive
RY CA	ROYAL BANK OF CANADA Money Center Banks	101.20 CAD	8.3%	110.88	1.28	9.8	8.2%	-1.4%	4.3%	11.4%	★★★★	Neutral	Positive
600036 CN	CHINA MRCH.BK.CO.LTD. Money Center Banks	29.30 CNY	16.3%	109.60	2.16	6.3	9.5%	10.7%	4.2%	22.9%	★★★★	Neutral	Positive
TD CA	TORONTO-DOMINION BANK Money Center Banks	74.54 CAD	9.8%	105.00	1.34	9.3	8.2%	0.8%	4.2%	13.7%	★★★★	Neutral	Positive
CBA AU	COMMONWEALTH BK.OF AUS. Money Center Banks	73.60 AUD	1.7%	96.42	1.03	13.5	8.1%	-4.3%	5.7%	25.1%	★★★★	Neutral	Positive
ITAU4 BR	ITAU UNIBANCO HOLDING SA Money Center Banks	38.00 BRL	7.0%	93.74	1.46	11.0	11.0%	-4.3%	5.0%	14.5%	★★★★	Neutral	Positive
USB US	US BANCORP Money Center Banks	51.48 USD	12.6%	83.78	1.10	10.5	8.3%	1.8%	3.3%	17.0%	★★★★	Neutral	Positive
HDFCB IN	HDFC BANK LTD. Money Center Banks	2,114.05 INR	-0.4%	80.34	1.14	18.3	20.0%	-2.7%	0.8%	13.0%	★★★★	Neutral	Positive

Number of Stocks

This is the number of stocks in the index that can be analyzed.

Mkt Cap in \$bn

This number represents the Market Capitalization in USD bn. It is calculated by multiplying a firm's share price by the number of outstanding shares. For reasons of comparison, all results are in USD.

Valuation Rating

Our Valuation Rating indicates if a stock is "expensive" or "cheap" relative to its growth potential. This is used to determine whether or not the investor is paying a premium for anticipated growth.

To estimate a stock's value relative to its current price, our Valuation Rating combines:

- stock price
- projected earnings
- projected earnings growth
- dividends

We establish our rating by combining these elements.

There are five ratings, ranging from strongly undervalued 🟢 to strongly overvalued 🔴.

Stars

theScreener.com's star rating system is designed to enable you to identify high-quality stocks quickly and easily.

In this easy-to-use rating system, stars are earned for each element specified below:

- Earnings Rev Trend 📈 = ★★★★★
- Valuation Rating 🟢, 🟡, 🟠, 🔴 = ★★★★★
- MT Tech Trend 📈 = ★★★★★
- 4 week Relative Performance > 1% = ★★★★★

Therefore, a stock can earn a maximum of four stars.

The lowest rating a stock can have is no stars.

Once a stock has earned a star, it will keep it until:

- Earnings Rev Trend becomes negative 📉
- Valuation Rating becomes negative 🔴, 🟠, 🟡
- MT Tech Trend becomes negative 📉
- 4 week Relative Performance drops below -1% (<-1%)

Div

This is the dividend in % for the next 12 months.

Even if the same number is shown, the dividend value can appear in one of four colors, depending on the earnings coverage:

- 0%, no dividend
- 4%, the dividends are covered (between 0% and 40% of earnings)
- 4%, the dividends represent between 40% and 70% of earnings
- 4%, the dividends are higher than 70% of earnings, which implies that the dividend coverage is not guaranteed.

Earnings Rev. Trend

The symbol 📈 shows that compared with their earnings revisions of seven weeks ago, the analysts have now raised their estimates (7wk EPS Rev; > 1%); the symbol 📉 indicates that compared with their earnings revisions of seven weeks ago, the analysts have now lowered their estimates (7wk EPS Rev < -1%).

When the earnings revisions (7wk EPS Rev) fall between +1% and -1%, the trend is considered to be neutral 🟡.

The symbol 🟢 indicates that the last significant revisions have been trending positive.

The symbol 🔴 indicates that the last significant revisions have been negative.

7wk EPS Rev

This is an abbreviation for 7 week Earnings Per Share Revision. This column indicates the value of these revised earnings. A figure of 2.8 signifies that compared with seven weeks ago, the analysts have now revised and raised their estimates by 2.8%. On the contrary, a negative number means that the earnings would have been revised lower.

G/PE Ratio

In order to establish our Valuation Rating, we calculate the estimated growth of future earnings (LT Growth) plus dividend in %, divided by the estimated future PE ratio (Long Term P/E).

LT PE

This is the relationship between the price (P) and the estimated long-term future earnings (E LT).

LT Growth

This is the estimated annual growth rate of future earnings, normally projected over the next two to three years.

MT Tech Trend

The MT Tech Trend indicates the current trend, positive 📈 or negative 📉, and the Tech Reverse indicates up to which price this trend will remain valid.

When a price falls to 1.75% above or below the Tech Reverse, the MT Tech Trend is considered neutral 🟡.

Once the price breaks out of the +1.75% neutral zone, the MT Tech Trend will change to positive.

The symbol 🟢 indicates that the previous MT Tech Trend was positive.

The symbol 🔴 indicates that the previous MT Tech Trend was negative.

4wk (Rel) Perf.

This figure measures the performance of a stock relative to its national or regional index (compared to four weeks ago). As for an Index, it measures the net performance over 4 weeks.

Bad News Factor

To determine the "Bad News Factor" we analyze a stock's declines in rising markets. In this purely objective analysis, the actual reasons for a stock's behavior are not important. If a stock price falls while its relative index goes up, it can be assumed that the stock's performance has been affected by bad news - hence the name, "Bad News Factor".

Here a stock's movements are measured on a bi-weekly basis, during a sliding 52 week period. Every time a stock drops while its reference index rises, the difference is calculated in %, integrated into a yearly average and expressed in basis points.

The higher the "Bad News Factor," the more a stock has proven to be sensitive to bad news. The lower the "Bad News Factor," the less the stock has proven to be sensitive to bad news.

Bear Market Factor

To determine the "Bear Market Factor" we analyze a stock's price movements in declining markets.

This is the analysis of the movements, in a bi-weekly intervals, during a sliding 52 week period.

The higher the "Bear Market Factor," the greater the probability a stock would drop when its relative index drops.

A "Bear Market Factor" that is strongly negative means the stock has been more resistant to losses in declining markets.

Sensitivity

Stock price developments are generally volatile and contain high risks that can result in a total loss. Based on a their historical behaviour, stocks are classified by sensitivity level. These sensitivity levels have to be considered solely in relative historical comparison to other stocks. Please note that even "Low Sensitivity" stocks are equities and therefore high risk investments that can lose up to all of their value, and that past performance is no indication of current or future performance.

"Sensitivity" is determined by measuring the "Bear Market Factor" and the "Bad News Factor" against its benchmark.

There are three grades of sensitivity levels:

- Low Sensitivity: The sensitivity indicators fall below the world reference average.
- Moderate Sensitivity: The sensitivity indicators are situated higher than the world reference average, but lower than standard deviation.
- High Sensitivity: The sensitivity indicators are at levels higher than standard deviation.

Volatility 12 M

Volatility measures the magnitude of upwards and downwards movements of a stock or index. The volatility 12 M shows the average volatility over the last 12 months.

% of Stocks in Uptrend

This is the percentage of stocks in a given list that have a positive Medium Term Technical Trend. If, for example, the aggregate of Technology / World, (which is made up of 458 stocks) has 8% "of stocks in Uptrend," it means that 38 of the stocks within that aggregate have a positive Medium Term Technical Trend.

Beta

Beta is often used as a measure of sensitivity. Where a Beta is greater than 100, the stock is more volatile than its reference index.

Correlation

Correlation is the degree of similarity (in %) in which a stock fluctuates in relation to its reference index.

Disclaimer:

This report is provided for your personal information only, and does not constitute or contain any solicitation, financial advice, or offer to buy or sell any kind of securities. This report was based on sources that we consider reliable, but we do not warrant the accuracy and exhaustiveness of the information, opinions and quotes provided. Past performance is no guarantee of future results.

More information: www.thescreener.com/en/wc/methodology.htm

Earnings forecasts provided by THOMSON REUTERS.