



*the**Screeener***
ratings
outperform again

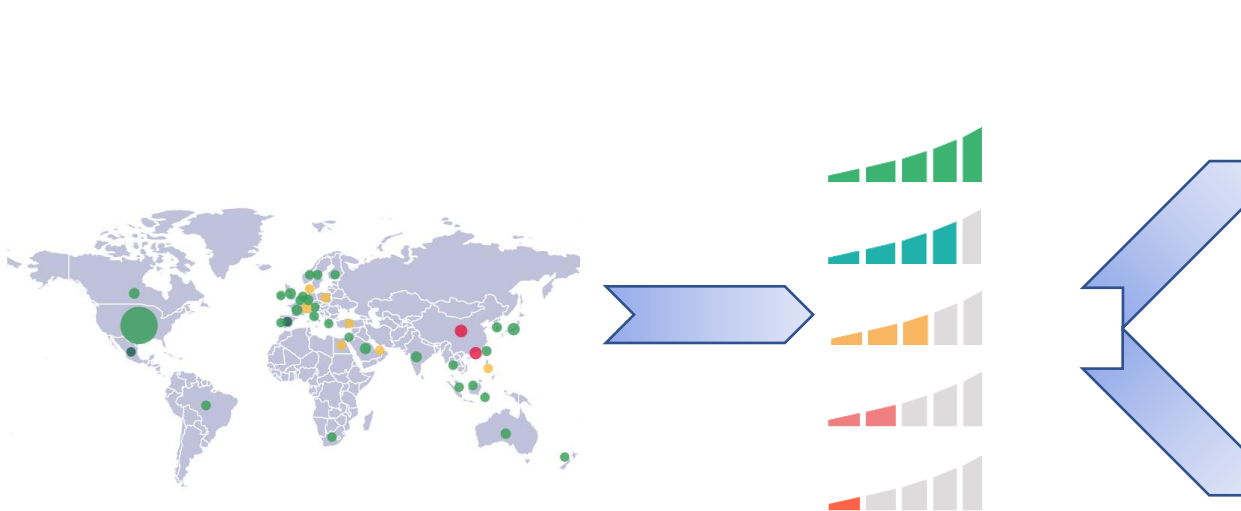
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In the first half of
2022, *the**Screeener***'s
positively rated stocks
outperformed the
major markets

Disclaimer

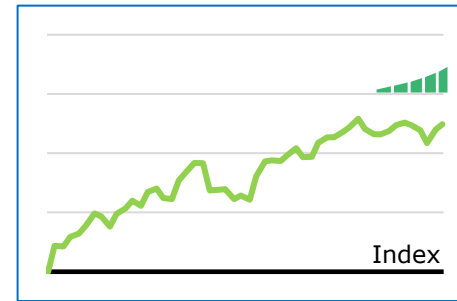
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In the first six months of 2022, stocks with positive *theScreeener* Global Evaluations have outperformed the global markets.

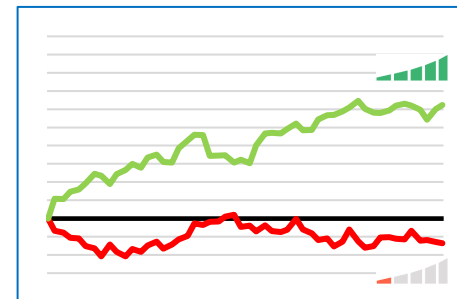


theScreeener analyzes 6'000 equities twice a week and provides data driven Global Evaluation ratings.

We assessed stock performance depending on these Global Evaluations.



Positively rated stocks outperformed the respective market index on average by 12.5 percentage points.



Positively rated stocks outperformed ones with negative ratings on average by 23.7 percentage points.

Study Overview

Goal

- Analyze the validity of *the**Screeener***'s Global Evaluation ratings

Method

- Performance comparison of positively to negatively rated stocks

Results

- *the**Screeener***'s Global Evaluation had predictive value in every analyzed market
- Positively rated stocks significantly outperformed the index in most major markets

Conclusion

- *the**Screeener***'s rating provided actionable information

Who are we?

We are a leading quantitative equity analyst.

We publish research reports on 6'000 equities globally twice a week.

We empower relationship managers.

We improve the effectiveness of digital brokerage.



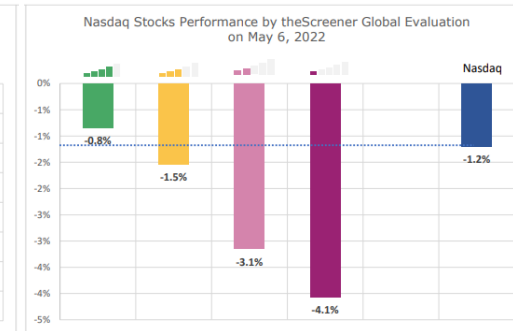
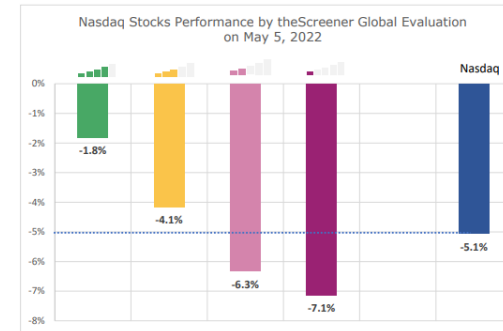
*the**Screen**er*

Empowering Investors

Goal

Prior Study

- A previous study has shown, that *the**Screeener*** ratings have proven highly accurate in the NASDAQ crash of May 5th & May 6th.
- Stocks with a positive Global Evaluation performed significantly better than stocks with a negative rating.
- Stocks with a positive Global Evaluation performed better than the NASDAQ index.



www.thescreener.com/de/news-media

Current research questions

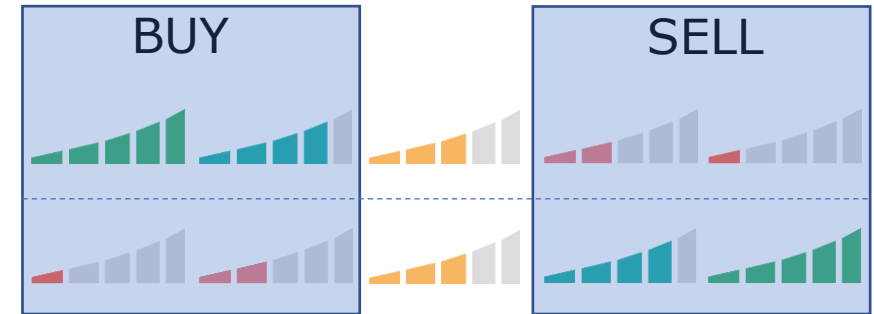
- Do *the**Screeener***'s results for the days of the crash generalize to longer periods of time?
- Does the predictive value of *the**Screeener***'s Global Evaluation ratings also hold for other markets?



Method

Simulation of tradable portfolios based on *theScreeener's* Global Evaluation ratings

- Main criteria: *theScreeener's* Global Evaluation ratings
 - Green portfolio buy/sell criteria:
 - Buy if Global Evaluation rating \geq Slightly positive
 - Sell if Global Evaluation rating \leq Slightly negative
 - Red portfolio buy/sell criteria:
 - Buy if Global Evaluation rating \leq Slightly negative
 - Sell if Global Evaluation rating \geq Slightly positive
- Secondary portfolio rules:
 - Quantitative selection orders
 - Equally weighted positions at date of purchase

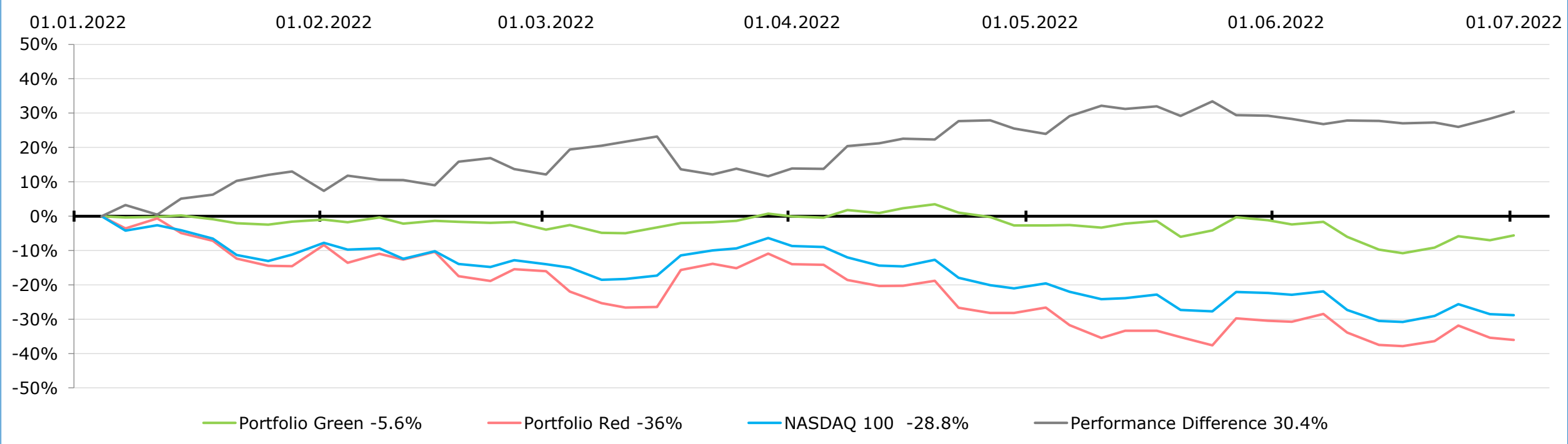


Measures

- Performance difference (Green – Red)
- Outperformance market (Green – Index)

NASDAQ: Positively Rated Stocks Significantly Outperformed

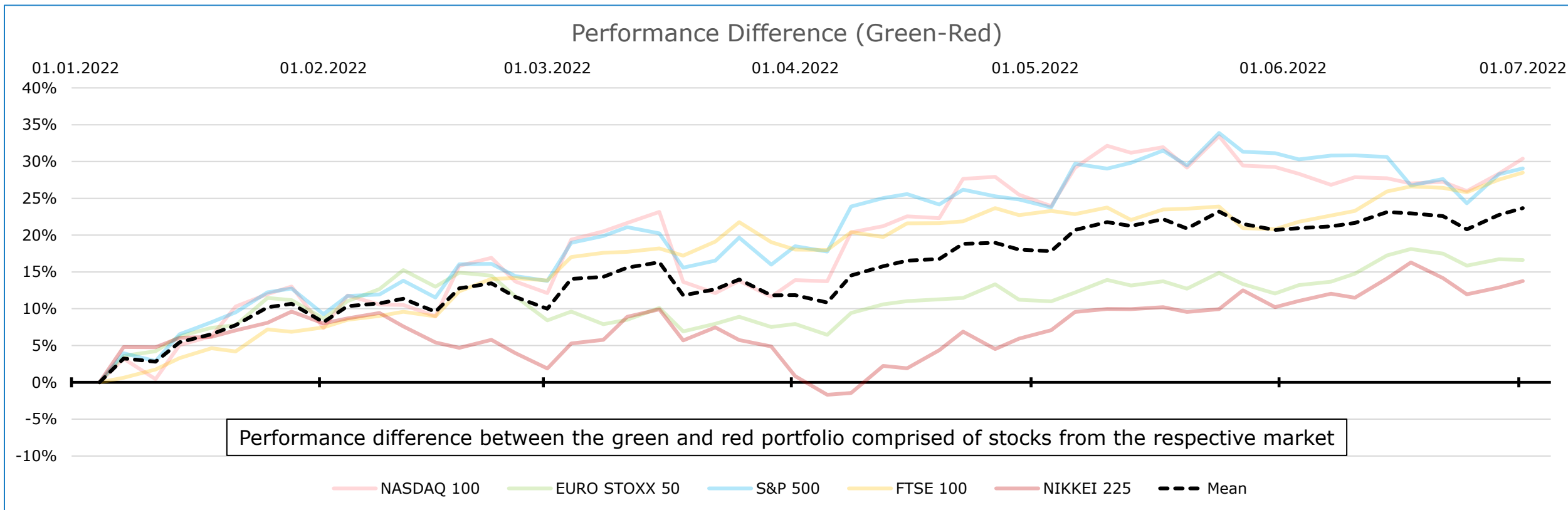
NASDAQ Analysis expanded to a six-month period



Stocks rated positively by *theScree*ner performed significantly better than both the NASDAQ and those rated negatively. The performance difference between the green and red portfolio was 30.4 percentage points.

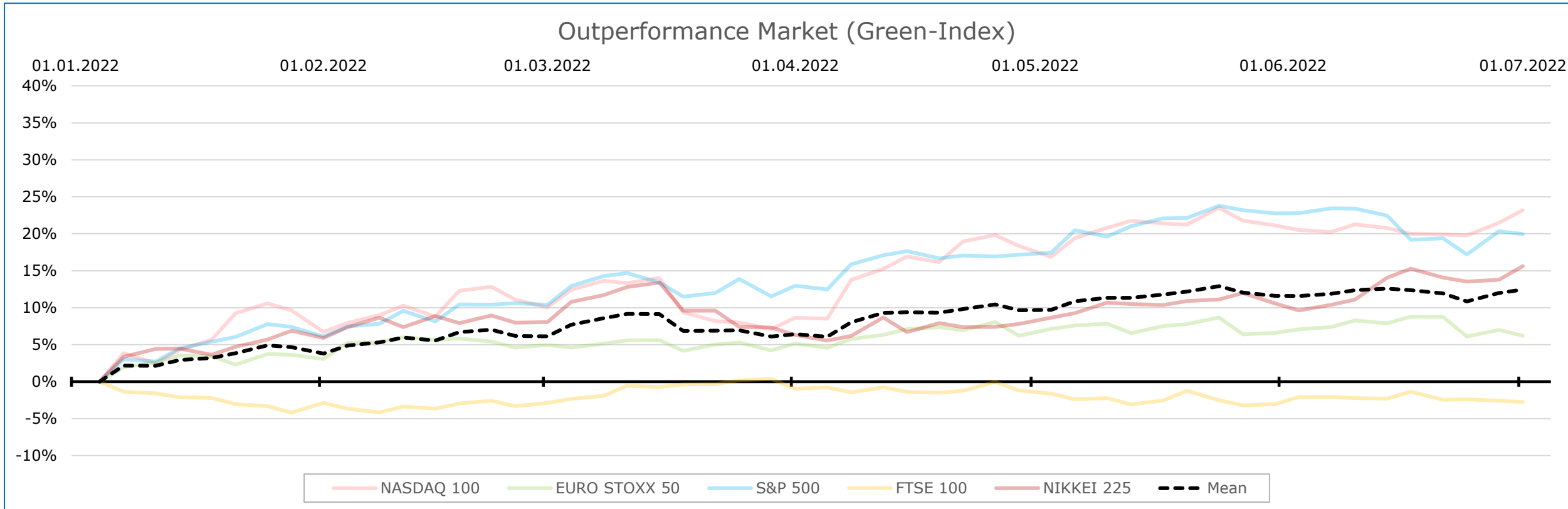
see Supporting Material B for all simulations

Global: Positively Rated Stocks Outperformed Negatively Rated



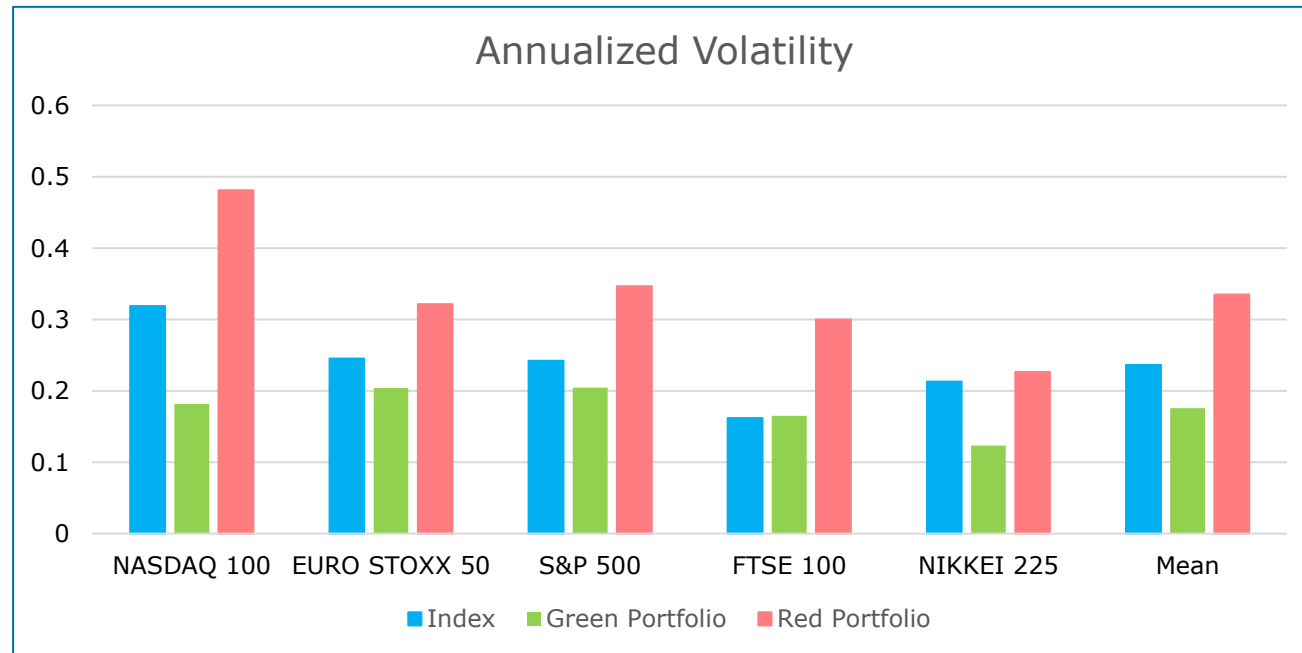
The portfolios based on positive (green) Global Evaluations performed significantly better than the red portfolios. This holds true for all major markets. The outperformance ranges from 13.8 to 32.6 percentage points, with a mean of 23.7 percentage points.

Global: Positively Rated Stocks Outperformed Market Indices



Portfolios based on positive Global Evaluations outperformed the index in five out of six markets. The performance difference between those portfolios and the index ranges from -2.7 to 23.2 percentage points, with an average of 12.5 percentage points.

Positively Rated Stocks Further Convince With Low Volatility



The volatility of portfolios based on positively rated stocks was lower than the volatility of both the respective market indices and the red portfolios.

Key Findings

Generalization

- *the**Screeener***'s exceptional performance during the NASDAQ 100 crash of May 5th & 6th was not an isolated event. It generalized to different markets and to longer time periods.

Validity

- *the**Screeener***'s Global Evaluation had predictive value across global markets.

Performance

- Portfolios based on objective rules, using *the**Screeener***'s Global Evaluation rating, performed better than the corresponding market indices.

Volatility

- Positively rated stocks also convinced with low volatility.



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Supporting Material

A: *the***Screeener**'s Methodology

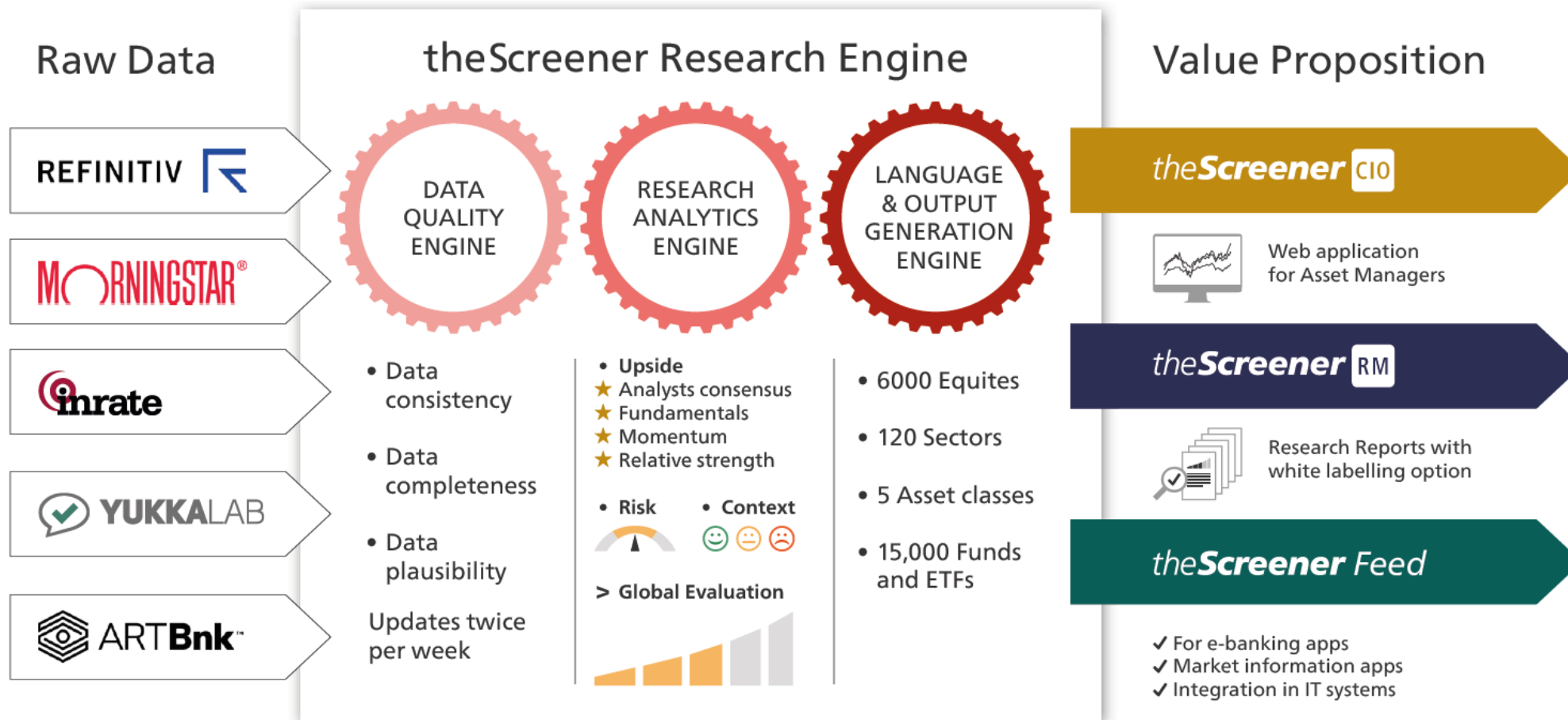
B: Simulations

Supporting Material A

theScreeener's Methodology

A: *the***Screeener's** Methodology

Fine-tuned data integration resulting in valuable output



Supporting Material B

Simulations



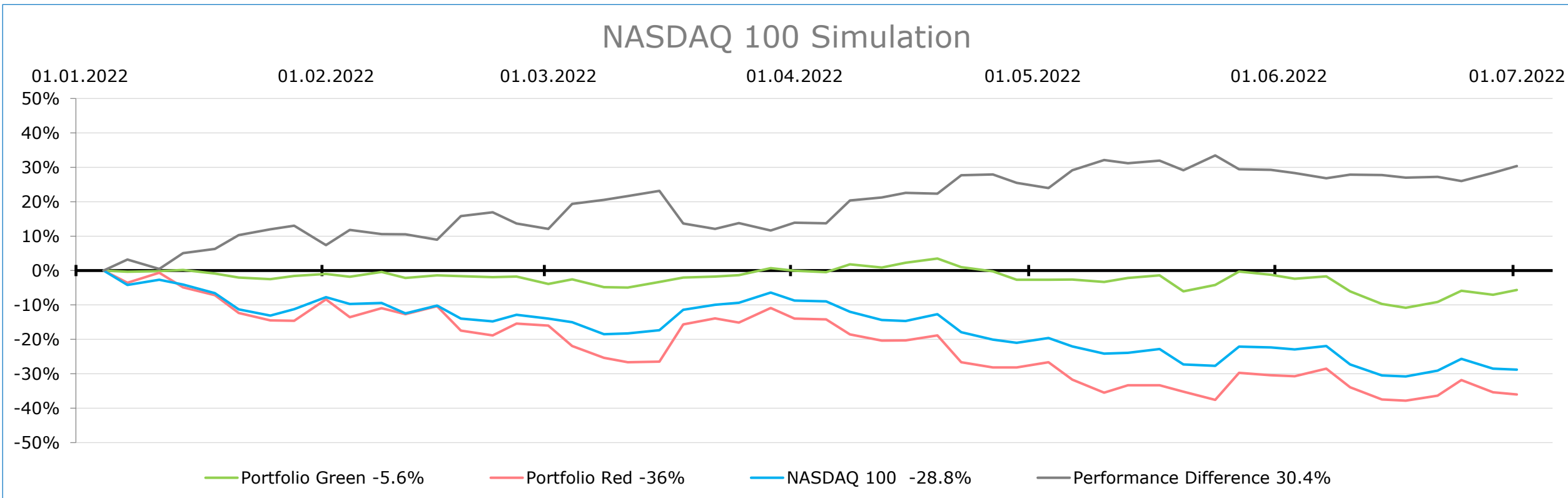
B: Simulations

Simulation procedure of the green portfolio

- Select market
- Starting portfolio
 - Buy a preset number of stocks in this market based *theScreeener's* Global Evaluation ratings.
 - In case of equal ratings, stocks with high interest (*theScreeener's* 4-star rating) are preferred.
 - The last tie breaker is the stocks' performance in descending markets.
- Update portfolio
 - If the Global Evaluation of a held stock changes to red (level 1 or 2), the stock gets sold and replaced.
 - Selection process of the to-be-bought stock is equivalent to the creation of the starting portfolio.
- Start/Stop
 - Simulation start date: 04.01.2022
 - Simulation end date: 01.7.2022

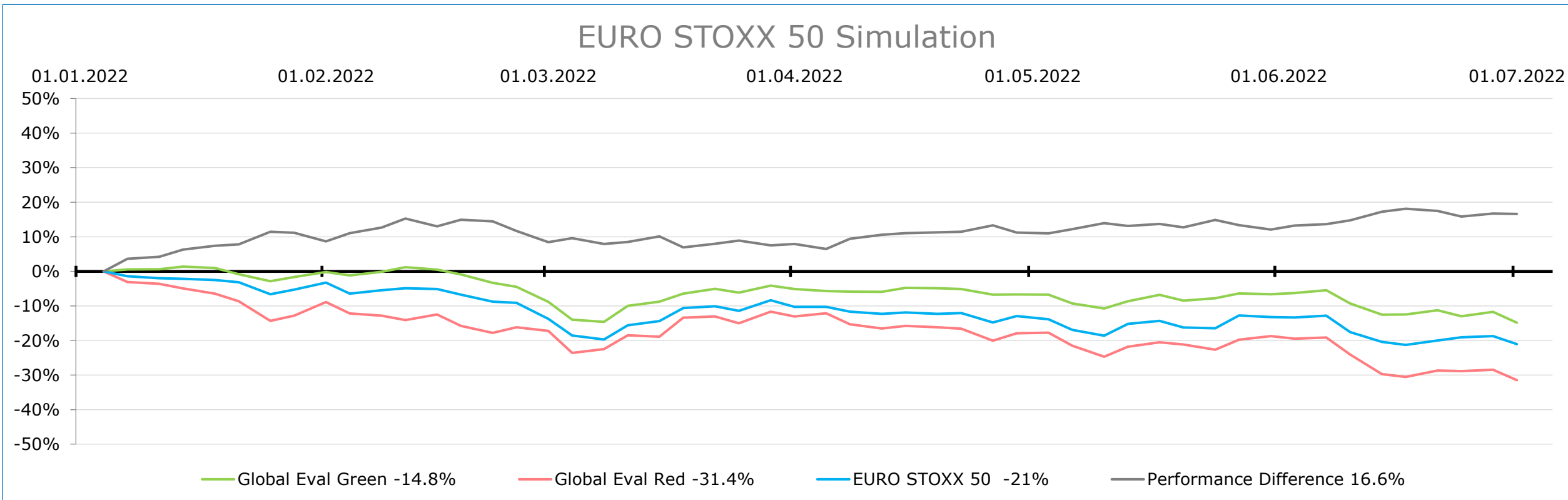
B: Simulations

NASDAQ 100



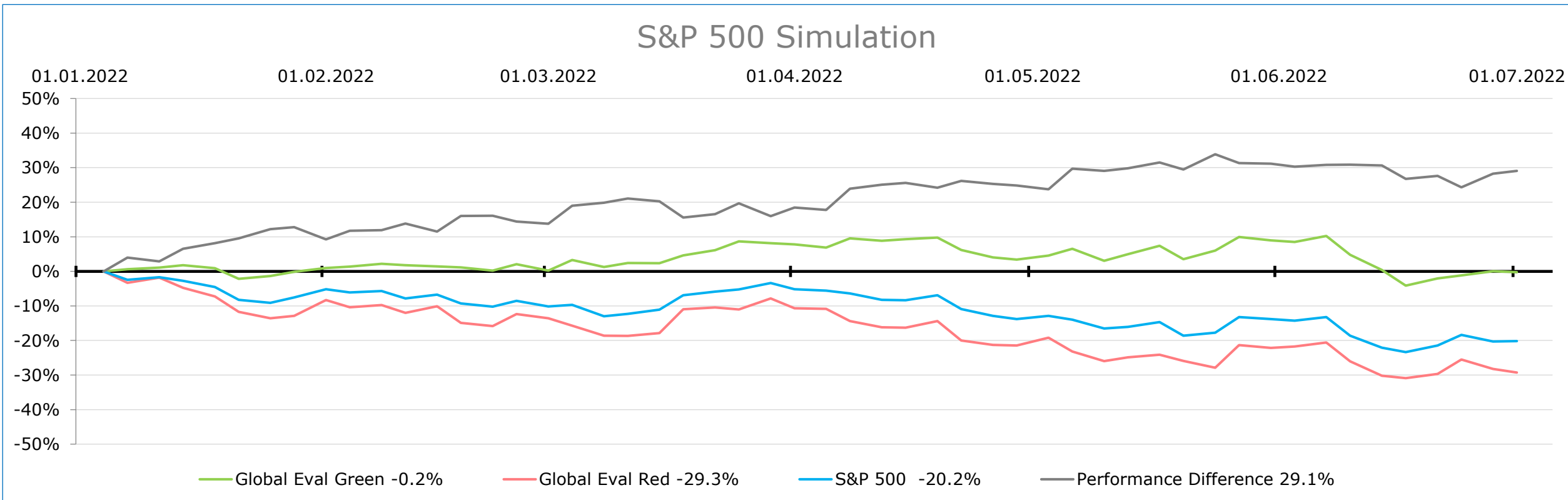
B: Simulations

EURO STOXX 50



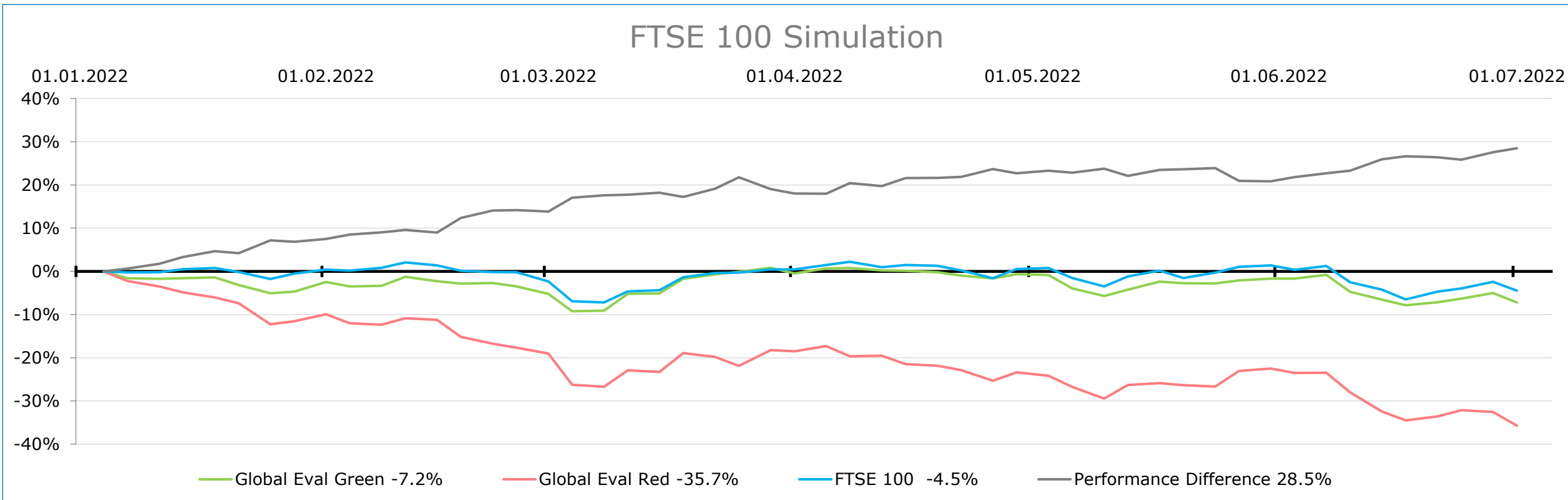
B: Simulations

S&P 500



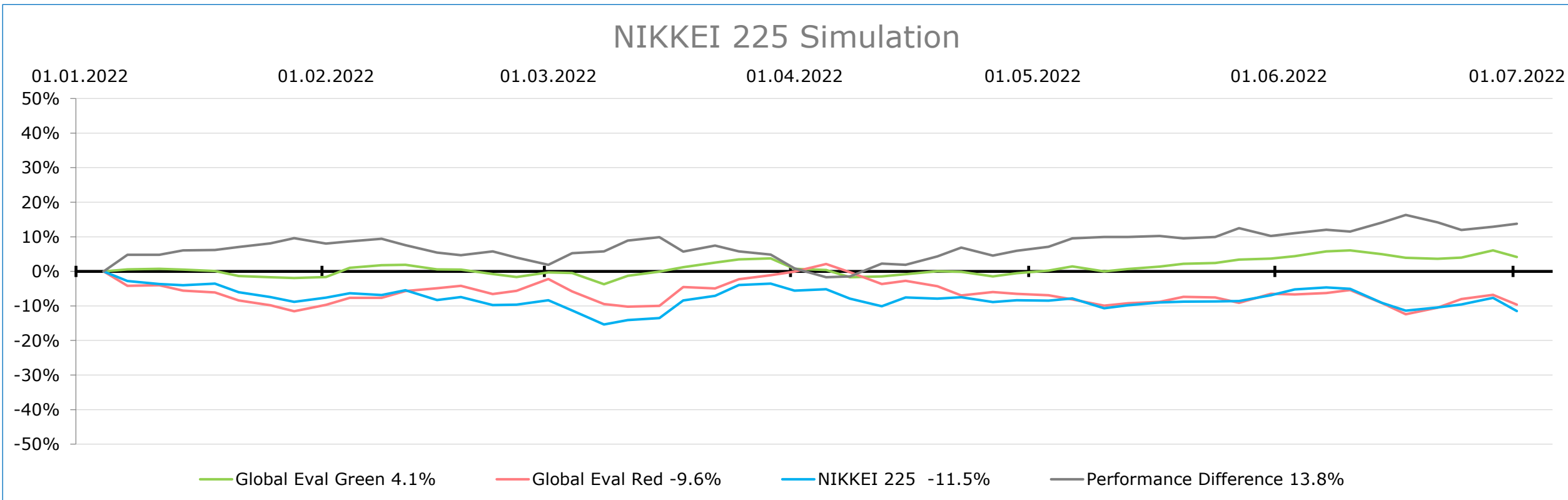
B: Simulations

FTSE 100



B: Simulations

NIKKEI 225





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