



What Worked - Asia

Size dominated in HK/China / Quality did not work in Korea

10th Jun 2016
Patrick Hansen

What Worked

China Reverting

In China, size and mean reversion mattered this week. Zall Development Group was up 13% and 3sBio was up 7%. Large Cap names have outperformed in China over the last month. To a lesser degree, Hong Kong was also all about Mkt-Cap size. L'Occitane International was up 18% and Vision Fam International was up 11%. South Korea saw a pretty good sell off in Quality and Growth names. CMG Pharma was down 11% and CJ HelloVision was down 9%.

Beta strong in Singapore

High Beta names did well in Singapore this week. Yoma Strategic Holdings was up 7% and Sembcorp Marine was up 6% this week. Beta has done well in Singapore over the last 3 weeks. In India there was a clear rotation away from Quality and into low PBR names. AAG Energy was up 19% and Indian Bank was up 13%. PBR has not well in India since the middle of April this year.

Who Moved

Health Tech & Finance seeing spikes

106 names moved on volume this week. This week a good number of the spikes came in India, Indonesia and the Philippines. At the Sector level, almost half of the spikes came in the Health Technology and Finance Sectors. On the positive side, Chiang Mai Ram Medical was up 36%, Hanall Biopharma was up 39% and Bloomberry Resorts was up 20%. On the other side, IGG was down 11% Shunfeng International Clean was down 12% and Asia Aviation Public was down 7%.

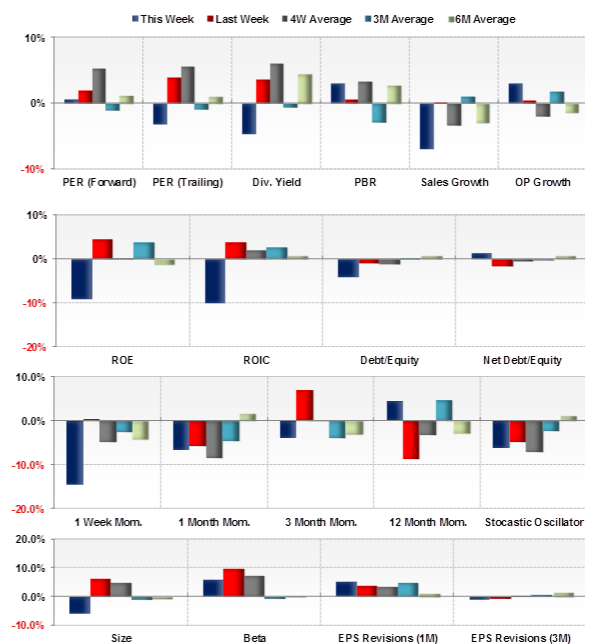
Summary

Week Ending 10 Jun 2016

Universe: Asia ex Japan

Signal	1.5%		2.6%		5.4%		1.6%		-4.2%	
	IC	Spread	IC	Spread	IC	Spread	IC	Spread	IC	Spread
Value & Growth										
PER (Forward)	0.5%	-0.8%	2.0%	0.5%	5.3%	1.7%	-1.1%	-0.7%	1.2%	3.6%
PER (Trailing)	-3.2%	-1.1%	3.9%	0.6%	5.5%	1.9%	-0.9%	-0.9%	1.1%	5.1%
Div. Yield	-4.7%	-1.0%	3.7%	0.4%	6.1%	1.7%	-0.6%	-2.4%	4.3%	2.8%
PBR	3.0%	-0.9%	0.6%	0.4%	3.3%	0.5%	-2.9%	-2.5%	2.8%	2.8%
Sales Growth	-7.0%	-0.9%	0.2%	-1.1%	-3.4%	-1.6%	1.0%	1.4%	-2.9%	-5.1%
OP Growth	3.0%	-0.3%	0.4%	-0.6%	-2.0%	-1.0%	1.8%	2.7%	-1.4%	-0.0%
Quality										
ROE	-9.1%	-0.9%	4.5%	-0.5%	0.2%	-0.8%	3.8%	3.2%	-1.2%	-3.1%
* ROIC	-10.1%	-1.0%	4.0%	0.0%	2.1%	-0.4%	2.7%	0.8%	0.8%	-0.9%
* Debt/Equity	-4.0%	-1.3%	-0.8%	-0.6%	-1.2%	-1.3%	0.3%	-1.6%	0.7%	-3.7%
* Net Debt/Equity	1.3%	-1.0%	-1.5%	-0.2%	-0.4%	-0.3%	-0.1%	-1.0%	0.6%	-1.1%
Momentum & Technical										
1 Week Mom.	-14.6%	-2.1%	0.4%	0.1%	-4.9%	-2.2%	-2.4%	-2.6%	-4.0%	-6.1%
1 Month Mom.	-6.6%	-1.5%	-5.7%	-0.5%	-8.5%	-2.1%	-4.5%	-4.2%	1.6%	0.4%
3 Month Mom.	-3.9%	-1.1%	7.1%	0.4%	0.1%	-0.1%	-4.0%	-4.2%	-2.9%	-9.2%
12 Month Mom.	4.6%	-1.9%	-8.6%	0.1%	-3.2%	-0.5%	4.7%	4.7%	-2.7%	-2.0%
Stochastic Oscillator	-6.2%	-1.4%	-4.8%	-0.2%	-7.0%	-2.0%	-2.2%	-2.0%	1.1%	0.5%
Other										
Size	-6.0%	-1.0%	6.0%	0.5%	4.8%	0.7%	-1.3%	-4.0%	-0.6%	-10.1%
Beta	5.9%	0.3%	9.5%	1.0%	7.3%	3.2%	-0.8%	2.1%	0.0%	5.5%
EPS Revisions (1M)	5.2%	0.3%	3.6%	-0.8%	3.4%	1.1%	4.6%	6.6%	1.0%	7.6%
EPS Revisions (3M)	-1.2%	-0.5%	-1.0%	-0.3%	0.2%	0.2%	0.7%	1.4%	1.4%	2.6%

* ex Financials
* Compound weekly spread return over the specified period
Spread is defined as the Long/Short return of the quintiles (i.e. top 20% - bottom 20%, equal weighted)





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Contacts

Hong Kong

Simon Rigney

+852-3958-2394 (HK)
+81-3-5786-3712 (Tokyo)
simon.rigney@custprd.com

Salt Lake City

Patrick Hansen

+852-8191-6925 (HK)
+1-801-230-4796 (SLC)
patrick.hansen@custprd.com

Tokyo

Robert Rowland

+81-3-5786-3711
robert.rowland@custprd.com

Michael Newman

+81-3-5786-3713
michael.newman@custprd.com

Office Locations

Hong Kong

15/F Langham Place
8 Argyle Street
Mong Kok, Kowloon
Hong Kong S.A.R.

Tokyo

17/F Roppongi Hills North Tower
6-2-31 Roppongi,
Minato-ku, Tokyo
Japan 106-0032

Salt Lake City

299 South Main Street
Suite 1300
Salt Lake City, UT
United States, 84111