

Empirical Research Partners, founded in 2002 by Michael Goldstein, provides portfolio strategy and stock selection research throughout the global equity markets. While the research is ultimately fundamental in nature, our judgments and conclusions draw upon a whole series of quantitative models and frameworks that we've been refining for decades.

## Services

### Fundamental Research

The judgments we reach are supported by analyses of the available data. While we're not prisoners to it, we believe in the power of marshalling empirical evidence.

#### **U.S. Strategy**

- We draw upon macro and especially company data to make informed decisions about what to do in the equity market. We seek to exploit anomalies that include misvaluation, overinvestment and the excessive extrapolation of trends.

#### **Global Strategy**

- We employ the same philosophy in the Global, Pan-European, Developed and Emerging Markets.

#### **Consumer Strategy**

- We help clients address investment issues relating to the consumer, with a keen focus on housing, unemployment, consumer debt, wages and the demography of income.

#### **Market Structure**

- Research focused on who the players are in the market, their behaviors and changes in the instruments at their disposal.

#### **Future of the Money Management Industry (FMMI Inc.)**

- Analyses of the business of money management.

### Stock Selection Models

Our stock selection models have been in use since 1992, with seven major revisions in 25 years.

#### **Stock Selection Models:**

- U.S., Global, International, Regional and Emerging Markets.
- Large- and Small-Cap, Core, Value and Growth.

#### **Failure Models**

- These models identify stocks poised to underperform.
- We have U.S., Europe, Global, International and Emerging Markets versions.

#### **Hedge Generator**

- Generates hedges for any long U.S. equity position or portfolio using expected returns and trading behavior.

#### **Energy MLP and REIT Models**

#### **ETF Selection Model**

- Generates expected returns for ETFs via a combination of ETF-level metrics and aggregation of stock-level data.

#### **Sector-Based Stock Selection Tools**

- Analysis of intra-sectoral performance dynamics in the U.S. and elsewhere.
- Historical intra-sectoral valuation spreads.
- Factor performance analyses.

### Market, Country, Sector and Style Frameworks

#### **Regime Indicators**

- Proprietary models that predicts the market's stylistic bias.
- Versions cover the U.S., Global, U.K., European and Japanese markets.

#### **Valuation Spreads**

- Measure the dispersion of valuations within regions and sectors to assess whether there's an exploitable level of stress.

#### **Regional Allocation Indicator**

- Ranks countries by combining stock-level expected returns with regional macro/risk factors.

#### **Fundamental Stability Indicator**

- Assesses whether the environment favors companies with stable fundamentals.

#### **Empirical Market Indicator**

- Gauges the level of fear or euphoria in the U.S. market.

#### **Emerging Markets Country Selection Framework**

- Ranks Emerging Markets by weighing stock-level fundamentals and country-level factors.

### Other Analytics

#### **Empirical Edge**

- A feed of stock-level expected returns.

#### **Portfolio Analytics**

- Analyses of portfolio decision making drawing on our stock selection frameworks and their wide-ranging components.
- We identify the attributes emphasized over time, identifying what's worked and what hasn't.

#### **Optimization**

- Tailored portfolios either starting from cash or existing holdings.

#### **Custom Projects and Research**

- Data analysis is the DNA of Empirical and we often act as an outsourced quantitative resource.
- We can provide customized outputs using our frameworks to fit your investment needs.

#### **ESG Research**

- We study and model the impact of environmental, social and governance factors on future stock returns.