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EMERGING MARKET EQUITIES

QUANTITATIVE EQUITY VALUATION

This publication represents our views on the most liquid Emerging Market equities. All forecasts are based on a statistical ensemble learning method that takes into account several quantitative factors on global equities to make "wisdom of the crowds" predictions.

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Ticker	Name	Sub industry	MCAP	Price	EV/Sales T12M	EV/Sales F12M	EV/EBITDA T12M	EV/EBITDA F12M	P/E T12M	P/E F12M	P/B	D/P	Sales Growth	ROE	FCST	UI
386 HK	SINOPEC CORP-H	Integrated Oil & Gas	79,330	6.43	0.4	0.3	5.6	5.1	8.7	8.5	1.1	4.3	1.1	11.0	20	5
EC UN	ECOPETROL-SP ADR	Integrated Oil & Gas	39,056	23.83	2.1	1.9	6.0	4.6	9.8	9.4	1.5	9.4	2.2	16.2	27	3
857 HK	PETROCHINA CO-H	Integrated Oil & Gas	186,266	8.65	0.9	0.9	5.5	5.5	9.5	9.9	1.2	4.6	4.8	10.0	16	-5
PBR/A UN	PETROBR-SP P ADR	Integrated Oil & Gas	56,814	11.21	1.4	1.3	7.9	5.3	9.2	7.2	0.5	5.6	9.6	6.1	36	4
883 HK	CNOOC LTD	Oil & Gas Exploration & Produc	54,958	11.94	1.8	1.6	3.8	3.3	7.6	7.9	1.3	4.2	-1.2	14.0	25	4
COPEC CC	EMPRESAS COPEC	Oil & Gas Refining & Marketing	12,376	7,130.10	0.9	0.8	10.8	9.3	18.9	15.3	1.6	2.2	2.9	8.5	16	1
UGPA3 BS	ULTRAPAR	Oil & Gas Storage & Transporta	9,653	54.28	0.5	0.5	10.6	10.3	23.6	20.4	3.9	2.6	11.7	17.2	17	0
1326 TT	FORMOSA CHEM & F	Commodity Chemicals	10,637	70.10	1.3	1.3	17.7	16.4	20.6	20.9	1.5	3.2	-3.3	6.9	7	5
1301 TT	FORMOSA PLASTIC	Commodity Chemicals	11,635	70.60	2.2	2.2	35.1	28.9	18.6	18.4	1.6	3.4	4.3	9.3	3	-1
051910 KP	LG CHEM LTD	Commodity Chemicals	10,105	209,500.00	0.8	0.6	7.2	5.2	15.9	10.7	1.1	1.9	-0.8	8.0	15	-5
1303 TT	NAN YA PLASTICS	Commodity Chemicals	13,243	64.50	1.9	2.0	20.8	20.0	14.6	17.9	1.7	3.9	4.3	11.3	8	-2
SQM UN	QUIMICA Y-SP ADR	Fertilizers & Agricultural Che	5,658	26.00	3.8	3.8	11.2	11.2	23.7	19.0	3.1	3.4	-7.1	13.7	15	2
CEMEXCPO MM	CEMEX SAB-CPO	Construction Materials	12,593	17.38	2.1	2.0	13.6	10.2	NM	84.8	1.6	0.0	9.9	NM	7	-4
2002 TT	CHINA STEEL CORP	Steel	10,632	26.10	1.9	1.9	11.2	10.6	21.3	18.9	1.4	3.4	3.8	6.5	2	-1
SID UN	SID NACIONAL-ADR	Steel	2,727	2.47	1.8	1.6	6.8	6.0	NM	12.1	1.4	2.4	-0.5	4.4	28	-5
GGB UN	GERDAU SA-ADR	Steel	5,478	4.24	0.8	0.7	7.3	6.0	12.3	10.9	0.6	4.4	6.7	3.5	18	-5
005490 KP	POSCO	Steel	19,101	301,000.00	0.8	0.8	8.4	7.6	22.1	11.7	0.6	2.6	4.4	3.8	14	-5
VALE/P UN	VALE SA-SP P ADR	Steel	36,489	7.94	2.0	1.7	5.1	4.9	NM	7.8	0.8	8.4	-8.7	6.4	18	-5
CMPC CC	CMPC	Paper Products	5,110	1,530.60	1.8	1.9	10.4	8.9	44.7	18.3	0.8	1.4	-0.4	2.1	12	2
ERJ UN	EMBRAER SA-ADR	Aerospace & Defense	5,460	37.13	1.2	1.1	7.5	7.1	14.5	13.9	1.8	1.3	20.2	42.9	3	-5
ALFAA MM	ALFA SAB-A	Industrial Conglomerates	11,615	38.83	1.4	1.1	12.3	9.1	37.2	21.9	3.4	1.6	9.1	14.6	10	0
LFL UN	LATAM AIRLIN-ADR	Airlines	5,143	11.68	1.1	1.0	11.1	7.4	NM	16.2	1.4	0.3	-0.8	0.7	9	-4
CCRO3 BS	CCR SA	Highways & Railtracks	9,972	17.67	5.3	5.0	11.2	9.2	24.5	23.4	10.3	3.5	8.1	38.5	10	-4
012330 KP	HYUNDAI MOBIS	Auto Parts & Equipment	17,642	249,000.00	0.5	0.5	5.2	4.8	6.8	6.4	1.0	0.8	5.3	16.4	11	-5
005380 KP	HYUNDAI MOTOR	Automobile Manufacturers	28,939	180,500.00	0.8	0.8	6.8	6.5	6.3	5.5	0.7	1.2	1.5	14.3	14	-5
000270 KP	KIA MOTORS CORP	Automobile Manufacturers	16,493	55,900.00	0.4	0.4	4.6	4.4	6.5	5.9	1.0	1.3	0.1	16.1	9	-5
TLEVICPO MM	GRUPO TELEV-CPO	Broadcasting	17,130	101.67	4.2	3.9	12.0	10.2	54.5	28.5	4.0	0.5	7.9	10.0	2	1
FALAB CC	FALABELLA	Department Stores	13,856	4,311.90	2.2	1.9	17.4	14.4	23.4	19.8	3.1	1.6	21.8	14.4	6	-5
ELEKTRA* MM	GRUPO ELEKTRA SA	Computer & Electronics Retail	8,019	579.95	1.9	NM	NM	NM	56.8	NM	2.9		NM	NM	14	5
CENCOSUD CC	CENCOSUD SA	Hypermarkets & Super Centers	6,144	1,592.50	0.8	0.7	10.3	8.7	18.0	13.5	1.0	1.2	4.0	5.4	7	-5
WALMEXV MM	WALMART DE MEX-V	Hypermarkets & Super Centers	30,488	29.88	1.3	1.1	14.4	11.6	24.3	21.9	3.8	4.0	4.6	17.6	5	-5
ABEV UN	AMBEV SA-ADR	Brewers	83,551	6.63	6.8	6.6	13.9	13.4	24.7	19.9	6.1	6.9	9.4	28.3	11	1
FEMSAUBD MM	FOMENTO ECON-UBD	Soft Drinks	26,966	134.18	1.9	1.8	12.7	11.6	31.4	24.8	2.9	1.1	9.9	9.8	4	1
BRFS UN	BRF SA-ADR	Packaged Foods & Meats	18,405	26.54	1.8	1.9	15.2	12.5	40.6	23.7	3.7	1.3	4.2	12.4	7	3
151 HK	WANT WANT CHINA	Packaged Foods & Meats	13,931	10.24	4.8	4.3	18.9	17.2	25.1	25.0	10.1	2.6	6.5	34.3	9	-3
033780 KP	KT&G CORP	Tobacco	9,493	95,000.00	2.7	2.9	8.6	9.6	16.4	15.6	2.1	3.5	7.3	14.8	6	-2
BBD UN	BRADESCO-ADR	Diversified Banks	53,138	16.27	NM	NM	NM	NM	12.0	10.5	2.1	3.6	16.9	21.1	14	5
CHILE CC	BANCO DE CHILE	Diversified Banks	9,364	73.56	NM	NM	NM	NM	11.7	12.4	2.9	5.0	6.2	24.0	9	-4
BBAS3 BS	BANCO DO BRASIL	Diversified Banks	26,414	28.84	NM	NM	NM	NM	7.1	7.1	1.0	6.1	10.2	16.2	15	4
BSAC UN	BANCO SANTAN-ADR	Diversified Banks	8,330	22.23	NM	NM	NM	NM	10.7	13.6	2.5	4.5	7.5	21.5	11	-4

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CIB UN	BANCOLOMBIA-ADR	Diversified Banks	10,362	55.07	NM	NM	NM	NM	13.6	11.6	1.6	1.3	-13.1	14.2	10	-5
939 HK	CCB-H	Diversified Banks	148,682	5.79	NM	NM	NM	NM	5.0	4.7	1.0	7.0	9.7	20.1	13	-3
BAP UN	CREDICORP LTD	Diversified Banks	10,791	169.25	NM	NM	NM	NM	18.1	13.4	2.9	8.5	29.8	20.1	4	-3
2891 TT	CTBC FINANCIAL	Diversified Banks	8,315	21.05	NM	NM	NM	NM	7.9	10.7	1.6	3.0	NM	16.4	5	-4
GFNORTEO MM	GRUPO F BANORT-O	Diversified Banks	13,003	80.47	4.7	7.8	10.3	23.7	14.4	12.6	1.9	1.2	-0.8	14.1	8	-5
1398 HK	ICBC-H	Diversified Banks	178,311	5.18	NM	NM	NM	NM	4.8	4.7	1.0	7.1	9.6	20.4	16	0
ITUB UN	ITAU UNIBANC-ADR	Diversified Banks	65,119	15.70	NM	NM	NM	NM	10.8	9.9	2.3	4.4	12.8	23.8	10	-1
ITSA4 BS	ITAUSA-PREF	Diversified Banks	20,545	10.52	11.9	8.4	48.8	NM	8.6	7.9	1.7	5.3	41.0	20.1	11	-5
105560 KP	KB FINANCIAL GRO	Diversified Banks	11,023	39,200.00	3.0	6.6	6.0	23.5	10.2	9.3	0.5	1.9	NM	3.9	10	-5
055550 KP	SHINHAN FINANCIA	Diversified Banks	17,119	49,600.00	3.5	8.6	8.7	23.3	11.3	10.3	0.8	1.7	NM	4.9	9	-4
2881 TT	FUBON FINANCIAL	Other Diversified Financial Se	13,300	50.20	1.7	1.8	9.2	13.8	8.8	13.2	1.5	3.0	NM	6.3	5	-5
BVMF3 BS	BM&FBOVESPA SA	Specialized Finance	6,456	10.63	9.2	8.6	14.2	13.1	21.3	13.7	1.0	4.2	-15.4	10.1	8	-5
2882 TT	CATHAY FINANCIAL	Life & Health Insurance	16,198	49.80	2.7	4.6	NM	NM	13.5	16.0	1.7	2.6	NM	3.1	4	-2
2628 HK	CHINA LIFE INS-H	Life & Health Insurance	80,111	27.15	1.2	0.0	NM	NM	22.7	16.8	2.8	1.6	2.7	13.8	13	5
2318 HK	PING AN INSURA-H	Life & Health Insurance	51,173	64.25	5.1	1.5	NM	NM	12.8	9.9	2.2	1.4	NM	17.2	9	-5
700 HK	TENCENT	Internet Software & Services	120,616	124.90	11.2	9.9	28.3	24.3	41.6	31.0	12.5	0.3	30.0	34.0	9	-5
CIEL3 BS	CIELO SA	Data Processing & Outsourced S	21,971	43.72	8.7	8.4	16.9	15.7	25.0	19.5	17.1	3.2	16.7	86.6	10	-1
005930 KP	SAMSUNG ELECTRON	Technology Hardware, Storage & S	135,516	1,264,000.00	0.5	0.7	2.4	3.4	7.3	10.7	1.0	1.2	-9.9	9.5	14	-1
2308 TT	DELTA ELECT INC	Electronic Components	11,864	188.00	2.3	2.2	14.5	13.8	22.4	19.6	4.8	3.5	7.2	20.4	5	-4
2317 TT	HON HAI PRECISIO	Electronic Manufacturing Servi	37,189	97.10	0.3	0.3	6.6	6.3	12.5	10.5	1.7	1.9	4.6	14.8	3	-5
2454 TT	MEDIATEK INC	Semiconductors	18,918	465.00	2.8	2.5	11.5	11.3	15.6	14.7	3.1	3.9	56.9	22.0	6	-1
000660 KP	SK HYNIX INC	Semiconductors	25,355	47,850.00	2.3	1.9	4.6	3.7	10.2	7.8	2.1	0.2	18.8	26.9	8	-5
2330 TT	TSMC	Semiconductors	93,981	140.00	4.5	4.2	7.0	6.4	15.9	12.8	3.8	2.3	26.7	31.3	4	-2
2412 TT	CHUNGHWA TELECOM	Integrated Telecommunication S	18,597	92.60	3.1	3.1	8.9	9.2	18.1	19.7	2.0	4.9	-0.6	10.5	0	3
AMXL MM	AMERICA MOVIL-L	Wireless Telecommunication Ser	65,393	16.49	2.0	1.9	6.3	5.9	18.6	13.1	5.9	2.1	7.0	32.8	8	3
941 HK	CHINA MOBILE	Wireless Telecommunication Ser	199,587	94.90	1.2	1.7	3.3	4.4	13.0	13.9	2.0	3.1	9.1	13.3	9	-4
CIG UN	CEMIG SA-ADR	Electric Utilities	5,584	5.61	1.6	1.5	5.6	4.5	6.0	5.5	1.4		21.6	26.9	8	4
ENI UN	ENERSIS SA-ADR	Electric Utilities	13,152	16.90	2.1	2.0	6.8	6.8	21.3	15.2	1.6	2.9	8.4	9.3	5	-4
EOC UN	ENDESA-ADR (CHL)	Independent Power Producers &	10,117	46.63	4.3	4.3	9.5	10.1	23.0	23.4	2.8	2.5	18.4	12.4	3	-4

Behind the model

Data

Bloomberg is the only provider of raw data, but we conduct further proprietary data analysis on top of this data. The equity universe is defined as the S&P 1200 Global index consisting of the 1200 largest stocks from North America, Europe, Asia Pacific and selected emerging markets. The model input data is a combination of wide range of fundamental and market data with return on assets and price-to-sales ratio as two examples of fundamental data. Volatility and drawdowns are two examples of market data.

Markets covered

In this Europe publication the model covers stocks traded on the Santiago Stock Exchange, BM&F BOVESPA, Taiwan Stock Exchange, Korea Exchange, Mexican Stock Exchange and Athens Stock Exchange.

Model

The valuation model is based on a statistical ensemble learning method that combines many different fundamental and market data factors.

Table explained

The table presents the model's output in addition to some useful factors to compare the stocks with each other. Below is a short description of the various factors.

- **MCAP** is the market capitalisation in EUR million.
- **Price** is the latest closing price in local price.
- **EV/Sales T12M** is the enterprise value to sales based on trailing 12-month data
- **EV/Sales F12M** is the enterprise value to sales based on 12-month forward expectations
- **P/E T12M** is the price-to-earnings ratio based on trailing 12-month data
- **P/E F12M** is the price-to-earnings ratio based on the 12-month expected earnings per share.
- **P/B** is the price-to-book ratio based on the most recent data.
- **D/P** is the dividend yield based on the 12-month expected dividends per share.
- **Sales Growth** is the expected sales growth rate year-on-year over the next 12 months
- **ROE** is the 12-month forward expected return on equity
- **FCST** is the model's 12-month price forecast.
- **UI** is an uncertainty indicator from 1-5 that reflects the difference between the model's forecast and current price target based on consensus estimates. One indicates very little difference between the model's forecast and the market's whereas five indicates a high disagreement between the model and the market.

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