



1Q21 Style Ratings Recap

At the beginning of each quarter, we rank each style from best to worst with our [Style Ratings Report](#). These rankings are forward looking and are indicative of how each style should perform going forward.

We also highlight the top ETFs or mutual funds, along with the worst, or ones to avoid. This analysis is available to our Platinum and higher members. This information allows you to make better decisions when allocating your portfolio, which funds to avoid, or which funds to buy. Only our research utilizes the [superior data](#) and earnings adjustments featured by the HBS & MIT Sloan paper, "[Core Earnings: New Data and Evidence](#)," accepted for publication by The Journal of Financial Economics. Some of the best include QDF, GMCQX, FTCS, and KDHTX. Some of the worst include LLPFX, MFMS, UPDDX, and FYX.

[Learn more about the best fundamental research](#)

Last quarter's [Style Ratings can be found here](#). Last quarter's [Style Recap is available here](#).

The following is our analysis of each style for the first quarter of 2021.

- [All Cap Blend](#)
- [All Cap Growth](#)
- [All Cap Value](#)
- [Large Cap Blend](#)
- [Large Cap Growth](#)
- [Large Cap Value](#)
- [Mid Cap Blend](#)
- [Mid Cap Growth](#)
- [Mid Cap Value](#)
- [Small Cap Blend](#)
- [Small Cap Growth](#)
- [Small Cap Value](#)

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Disclosure: David Trainer, Kyle Guske II, and Matt Shuler receive no compensation to write about any specific stock, style, or theme.

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It's Official: We Offer the Best Fundamental Data in the World

Many firms claim their research is superior, but none of them can prove it with independent studies from highly-respected institutions as we can. Below, we present three different papers from both the public and private sectors that prove the superiority of our proprietary fundamental data, earnings models, investment ratings, and research for stocks, bonds, ETFs, and mutual funds.

Best Fundamental Data in the World

Forthcoming in [The Journal of Financial Economics](#), a top peer-reviewed journal, [Core Earnings: New Data & Evidence](#) proves the superiority of our [fundamental data](#), [earnings](#) models, and [research](#). More [details](#).

Key quotes from the paper:

- “[New Constructs’] *Total Adjustments* differs significantly from the items identified and excluded from Compustat’s adjusted earnings measures. For example... 50% to 70% of the variation in *Total Adjustments* is not explained by *IBSPI Adjustments*, *OIADP Adjustments*, or *OPE Adjustments* individually.” – pp. 14, 1st para.
- “A final source of differences [between New Constructs’ and S&P Global’s data] is due to data collection oversights...we identified cases where Compustat did not collect information relating to firms’ income that is useful in assessing core earnings.” – pp. 16, 2nd para.

Superior Models

A top accounting firm features the superiority of our [NOPAT](#), [Invested Capital](#), and [ROIC](#) research on four mega-cap companies in [“Getting ROIC right: how an accurate view of ROIC can drive improved shareholder value”](#).

Key quotes from the paper:

- “...an accurate calculation of ROIC requires more diligence than often occurs in some of the common, off-the-shelf ROIC calculations. Only by scouring the footnotes and the MD&A [the New Constructs method] can investors get an accurate calculation of ROIC.” – pp. 8, 5th para.
- “The majority of the difference...comes from New Constructs’ machine learning approach, which leverages technology to calculate ROIC by applying accounting adjustments that may be buried deeply in the footnotes across thousands of companies.” – pp. 4, 2nd para.

See the [Appendix](#) for direct comparison of our analysis of DOW’s 2015 results to Capital IQ and Bloomberg.

Superior Stock Ratings

Robo-Analysts’ stock ratings outperform those from human analysts as shown in this [paper](#) from Indiana’s Kelley School of Business. Bloomberg features the paper [here](#).

Key quotes from the paper:

- “the portfolios formed following the buy recommendations of Robo-Analysts earn abnormal returns that are statistically and economically significant.” – pp. 6, 3rd para.
- “Our results ultimately suggest that Robo-Analysts are a valuable, alternative information intermediary to traditional sell-side analysts.” – pp. 20, 3rd para.

Our mission is to provide the best fundamental analysis of public and private businesses in the world and make it affordable for all investors, not just Wall Street insiders.

We believe every investor deserves to know the whole truth about the profitability and valuation of any company they consider for investment. More details on our cutting-edge technology and how we use it are [here](#).



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