

For Immediate Release

## QSG<sup>®</sup> ADDS NEW FACTORS TO ITS EQUITY RESEARCH LIBRARY

Distress Measure and Out of the Money Put-to-Call Ratio s are added to QSG's Liquidity, Risk and Size group.

Naperville, IL– February 26, 2010 — Quantitative Services Group LLC (QSG<sup>®</sup>), a leading provider of equity research, multi-factor models and trading analytics to institutional investors, confirmed February's additions to its comprehensive factor library. QSG has a team of 19 analysts contributing to a research effort that routinely develops, tests and produces new alpha producing stock selection signals. This research is distributed to subscribers on a monthly basis.

*OTM Put-to-Call Ratio (PTC)* is a market sentiment indicator. QSG's research confirmed that the PTC factor has good forecasting efficacy over a variety of holding periods, as long as 12 months. According to Dan Bukowski, QSG's Chief Investment Officer, "The PTC ratio can complement both high turnover momentum and lower turnover valuation driven strategies. Our detailed attribution analysis suggests that the factor offers a low correlation boost to most traditional signals."

*Distress Measure (DM)* is a sophisticated financial risk indicator. The catalyst for development of the factor is the academic work of Hilscher and Szilagyi (2008) and Chen and Zhang (2009). The economic driver is the relationship between default risk and subsequent future returns. "This signal represents an all-in-one barometer of financial health, it considers balance sheet, income statement and security pricing changes," reports Mike Stritch, Director of Equity Research. "Remarkably, the signal shows a low correlation to other popular distress measures and performed well over the recent market correction."

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About Quantitative Services Group LLC

Quantitative Services Group LLC is a leading provider of independent global equity research, advanced trading cost analytics, and investment consulting services to institutional investors. QSG does not



manage assets or offer execution services, allowing the firm to provide clients with unbiased, impartial research. They reserve the right to limit distribution of its products. QSG's products include QSG Edge™, Pre-Trade Analyst®, T-cost Pro®, Factor Analyst®, and Virtual Research Analyst®. The details of QSG's client relationships are kept strictly confidential. ([www.qsg.com](http://www.qsg.com))

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