

## Using Equity Screening to Identify Growth Ahead of Peers

Bloomberg's Equity Screening function helps with idea generation as U.S. first-quarter earnings approach. Use the Example Screens to identify companies with faster one-year sales and EPS growth than the weighted average of their peer group. Compare the screen against S&P 500 performance with backtesting.

To view the screen, run { EQS <GO> }. Type 93<GO> to open the sample screen page. In the amber box labeled <Search Example Screens>, type "EPS & sales growth vs. sector" and select from the auto-complete box. This will open the results page. Typing 96<GO> reveals options that allow the user to edit the criteria and review the screen.

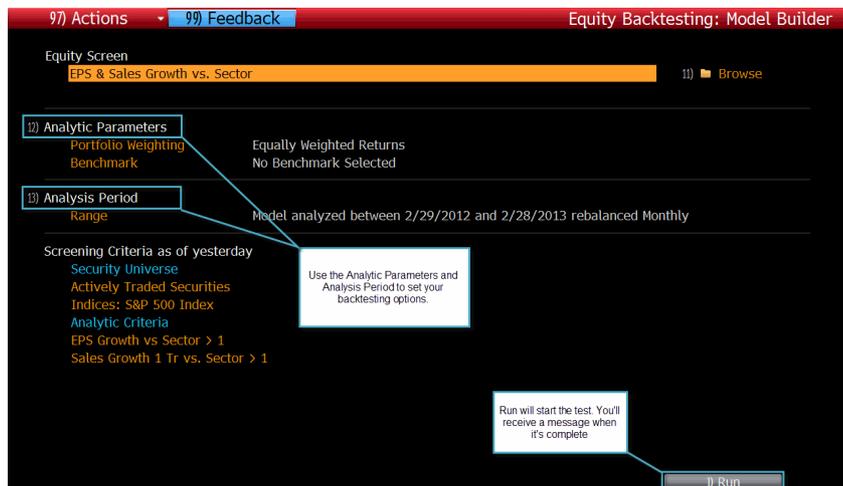


Bloomberg has developed a backtesting tool that can analyze the performance of a portfolio produced by an EQS screen. The test updates the portfolio at user-defined historical intervals.

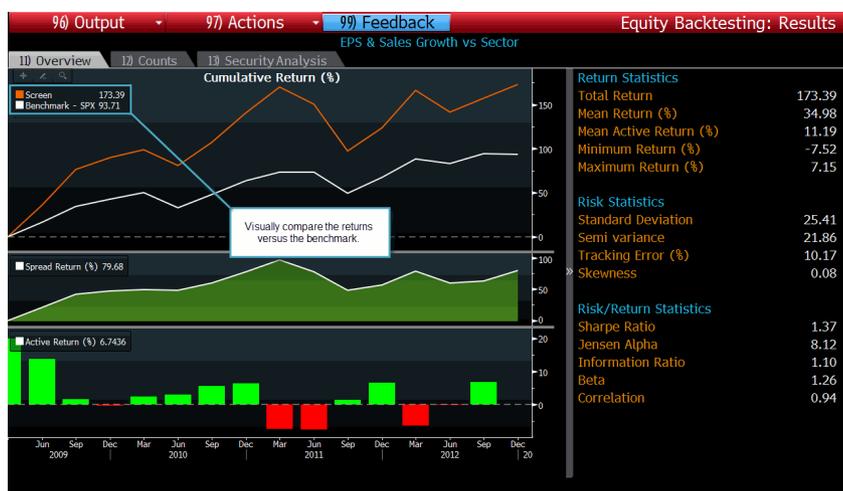
Click the Backtest button or enter 97<GO> to perform a test.

Ticker	Short Name	EPS Growth	Sales Growth 1 Tr vs. Sector	Relative Sector EPS 1 Yr Gr	Relative Sector Sales 1 Yr Gr	EPS - 1 Yr	Rev - 1 Yr Gr:Q
1) WY	US WEYERHAEUSER CO	1.41	1.84	82.67	12.98	117.67%	23.84%
2) WDC	US WESTERN DIGITAL	2.06	5.94	59.41	12.98	58%	91.68%
3) RDC	US ROWAN COMPANIE-A	5.66	3.99	19.62	12.98	11%	28.75%
4) PHM	US PULTEGROUP INC	4.17	1.35	65.93	17.91	275.00%	24.13%
5) LUK	US LEUCADIA NATL	4.02	90.34	82.67	12.98	332.56%	1172.13%
6) LEN	US LENNAR CORP-A	4.65	2.33	65.93	17.91	306.25%	41.70%
7) KR	US KROGER CO	2.26	1.24	37.56	10.34	84.85%	12.83%
8) KMI	US KINDER MORGAN IN	2.78	7.30	19.62	7.21	54.55%	52.63%
9) K	US KELLOGG CO	2.22	1.76	37.56	10.34	83.33%	18.18%
10) IP	US INTL PAPER CO	2.41	3.76	-8.28	2.96	-20.00%	11.12%
11) HCN	US HEALTH CARE REIT	1.02	1.76	82.67	12.98	84.21%	22.90%
12) GS	US GOLDMAN SACHS GP	2.51	2.99	82.67	12.98	207.33%	38.81%
13) FTI	US FMC TECHNOLOGIES	1.12	3.15	19.62	7.21	21.95%	22.69%
14) EIX	US EDISON INTL	2.91	1.34	87.97	16.14	255.88%	21.57%
15) ETN	US EATON CORP PLC	1.55	1.08	-36.53	6.89	-56.48%	7.44%
16) DHI	US DR HORTON INC	2.02	2.27	65.93	17.91	133.33%	40.65%
17) CBG	US CBRE GROUP INC-A	1.53	1.06	82.67	12.98	126.09%	13.73%
18) CAM	US CAMERON INTERNAT	5.84	2.70	19.62	7.21	114.63%	19.46%
19) COG	US CABOT OIL & GAS	2.65	5.34	19.62	7.21	52.00%	38.50%
20) BLL	US BALL CORP	2.01	1.03	-8.28	2.96	-16.67%	3.05%

In Analytical Parameters, check 'Use Benchmark' and type S&P to select the S&P 500. For Analysis Period, change the frequency to quarterly, set the exact start date as 3/31/09 and the end date to Last Quarter End. Type 1<GO> to update, and 1<GO> to Run. Name the backtest and type 1<GO> to Save & Run the screen. Users receive an e-mail message when the test is finished.



Select the blue attachment in the e-mail to open the Equity Backtesting Results. The results show how a portfolio created with an EQS screen and rebalanced quarterly returned 173 percent, while the S&P 500 returned 94 percent during the same period.



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