

**Executable  
idea generation  
at its best.**

# GLOBAL ALPHA SECTOR STRATEGY

## Overview

BCA's Global Alpha Sector Strategy identifies macroeconomic forces that drive the relative performance of the top ten global equity sectors on a cyclical (9-12 month) time horizon and provides investors with specific and actionable investment recommendations. Our philosophy is to forecast major trends by focusing on profits. Alongside global sector investment recommendations, Global Alpha Sector Strategy uses a macro-based, thematic process to generate long/short executable (via ETFs) global equity sector pair trade ideas to capitalize on big picture themes and generate alpha.

## Competitive Advantage

- Global *Alpha* Sector Strategy leverages BCA's top-down macro research methodology and combines it with equity sector expertise, backed by proprietary global industry models and indicators.
- Unique, insightful and comprehensive global sector analysis complemented with innovative charts.

## Methodology

The top ten global sector investment recommendations assume a fully invested equity portfolio. Our benchmark is the MSCI All Country World Index. Our global sector investment process includes three main inputs: global sector earnings models, relative valuations and technical trends. The earnings models garner the most weight 60%, relative valuations 30% and relative technical conditions 10%. An aggregate of these three main inputs allows us to provide a comprehensive outlook for the relative performance of each top ten global sector.

In addition, long/short global sector **tradable** ideas (via ETFs) flow from macro themes and our global sector allocation recommendations. These market neutral trades fall under the alternative asset class part of portfolios that are focused on **absolute** returns. In other words, we are aiming to generate positive returns both in bull and bear markets and to outperform our benchmark, the 2-year Treasury total return bond index.

## Deliverables

**BI-WEEKLY REPORTS:** Focusing on the global macro backdrop, as well as delving into rotating global sector positioning, launch/update of macro themes, and initiate/update coverage of long/short global sector pair trade ideas.

**SPECIAL ALERTS & REPORTS:** Special alerts published to highlight important developments and to notify clients of target levels achieved and stops hit. Special reports highlight longer-term trends and themes influencing global sector performance or the overall equity backdrop.

## Chief Strategist: Anastasios Avgeriou

**Anastasios Avgeriou** joined BCA Research in 2008 and is currently the Managing Editor of the *Global Alpha Sector Strategy* service. During his tenure at BCA, he has served as the Senior Strategist of the *U.S. Equity Strategy* service, as well as the Senior Analyst with the *Global Investment Strategy* service. Previously in his career, Anastasios was an Equity Research Associate with Scotia Capital in Montreal, Quebec. Anastasios holds a BCom and an MBA from McGill University.