

## Gradient Introduces European Insider Data to Product Suite

The European Insider Data (EID), offered in partnership with 2iQ Research of Frankfurt, Germany, is Gradient's latest addition of products dedicated to the firm's market-leading analysis of executive behavior.

“Our partners at 2iQ have done a remarkable job of collecting and compiling this one-of-a-kind data set. Moreover, after our Financial Engineering team applied Gradient's executive behavior analytics to the data, it became clear that executive buying and selling and equity-based awards in Europe have an exceptional relationship to future share-price performance at the associated firms. Investors in the European markets will find significant value in risk management and idea generation in this information, which does not appear to be efficiently impounded into equities pricing.”

— Tom Barrett, President and CEO

The EID is the result of a rigorous collection and data-cleansing process, which covers a consolidated and standardized history of approximately 300,000 transactions for more than 6,300 stocks across 28 European countries. The pan-European data is collected near real-time across a spectrum of languages and reporting formats, smoothed for data limitations and source anomalies, and tagged for the types of trading activities and trading instruments involved.

Statistical modeling of the data yields excess spread return potential of nearly 3,000 basis points<sup>1</sup>, and whether used quantitatively or qualitatively, the EID allows institutional investors to efficiently gauge and analyze insider sentiment at the company, sector, or country level. Gradient's modeling activity (available as a quantitative factor for modelers or as a bespoke output for qualitative users), is built on Gradient's market-leading exploration of executive behavior in the U.S. market. In addition to Gradient's proprietary, alpha-generating quantitative and qualitative products under its own brand (Equity Incentive Model v1.1, Equity Incentive Analytics), Gradient developed and maintains the Insider Trading Model for U.S. markets in partnership with Thomson/Reuters.

Managers of European equities have multiple options in using the EID executive behavior analytics and underlying raw data. The EID can be delivered in a variety of formats to suit the unique needs of each customer:

- Email notification daily, weekly, or monthly highlighting noteworthy transactions across a watch list, country, sector, or broad index, or based on other user-defined requirements.

<sup>1</sup> Measured over 12 months relative to a custom benchmark of firms with comparable sector and market capitalization.

- Quantitative model output with predictive scores that reflect Gradient's unique analytical and statistical capabilities.
- Raw data delivered via FTP for use in modeling and other quantitative applications.

For additional information about our European Insider Data offering and other Gradient products, visit <http://www.gradientanalytics.com/products.jsp> or email [products@gradientanalytics.com](mailto:products@gradientanalytics.com).

### **About Gradient Analytics**

Gradient Analytics is one of the country's leading independent research firms providing objective, academically rigorous research and quantitative stock ratings for institutional clients.