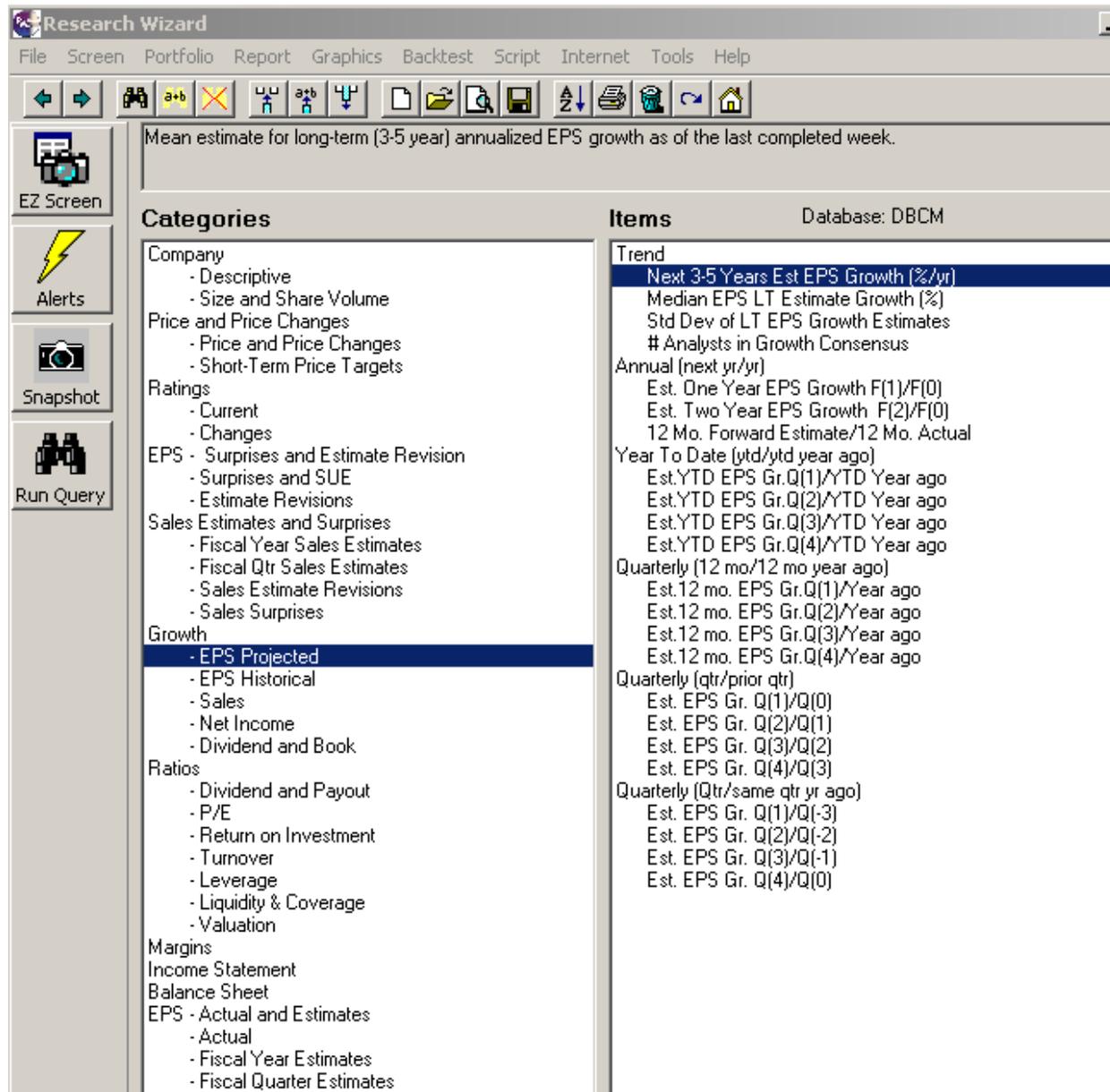


**ZACKS RESEARCH WIZARD:**

**Research Wizard** is Zack's screening tool that allows back-testing. Screening categories are listed below. Zack's ranking is also included among data items



A simple screen is reported below by selecting from categories and data items. The program allows one to create new variables and use absolute values or relative values in relation to industry medians (XIndMed). A report is automatically created by using the screening variables;

Research Wizard allows you to do backtesting over the past 6 years. Three data items need to be specified in the screen below: The length of holding period before a rebalancing takes place, the benchmark index, and the dates during which the backtesting takes place.

Historical performance of the tested strategy includes a wealth of information as indicated in the screen below:

Title Line 1									
Historical Performance of Screen RELATIVE PE AND GROWTH(c:\zir\inputs\smi template\relative pe and growth.und)									
Title Line 2									
from 03/22/2002 to 01/25/2008 12 week holding periods									
Period	Date	Companies in Portfolio	Tot Return of Portfolio %	S&P 500 Tot Return %	Excess Ret of Screen %	STATISTICS ex.: \$10,000 start		Strategy	S&P 500
1	03/22/02	41	-3.3	-12.3	9.0	Total Compounded Return %	82.4%	22.3%	
2	06/14/02	32	-7.2	-10.9	3.7	Total Compounded Return \$	\$18,241	\$12,229	
3	09/06/02	20	1.5	5.2	-3.7	Compounded Annual Growth Rate %	11.0%	3.5%	
4	11/29/02	25	-5.0	-9.0	4.0	Win Ratio %	72%	72%	
5	02/21/03	29	9.9	11.8	-1.9	Winning Periods/Total Periods	18 of 25	18 of 25	
6	05/16/03	28	3.5	3.9	-0.4	Avg. # of Stocks Held	30.4		
7	08/08/03	35	12.3	7.9	4.4	Avg. Periodic Turnover %	83.5%		
8	10/31/03	28	12.3	9.0	3.3	Avg. Return per Period %	2.6%	1.0%	
9	01/23/04	33	-2.2	-0.2	-2.0	Avg. Winning Period %	5.1%	3.4%	
10	04/16/04	55	-2.6	-1.5	-1.1	Largest Winning Period %	13.2%	11.8%	
11	07/09/04	36	8.4	2.1	6.3	Avg. Losing Period %	-3.9%	-5.3%	
12	10/01/04	48 N/A	N/A	N/A	6.3	Largest Losing Period %	-7.2%	-12.3%	
13	12/24/04	0	0.0 N/A	-2.1	-2.1	Max. Drawdown %	-13.5%	-25.2%	
14	03/18/05	0	0.0 N/A	-2.1	-2.1	Avg. Winning Stretch (# of Periods)	4.3	4.5	
15	06/10/05	0	0.0 N/A	-2.1	-2.1	Best Stretch (# of Periods)	8	8	
16	09/02/05	0	0.0 N/A	-2.1	-2.1	Avg. Losing Stretch (# of Periods)	1.4	1.5	
17	11/25/05	0	0.0 N/A	-2.1	-2.1	Worst Stretch (# of Periods)	2	2	
18	02/17/06	44	4.5	0.7	3.7				
19	05/12/06	42	-5.5	-0.5	-5.0				
20	08/04/06	34	9.6	8.1	1.5				
21	10/27/06	38	6.8	4.3	2.5				
22	01/19/07	47	10.2	2.0	8.3				
23	04/13/07	56	13.2	5.8	7.4				
24	07/06/07	53	-1.5	0.2	-1.7				
25	09/28/07	36	0.2	-2.4	2.6				
Average									
		38.0	2.7	1.3	1.5				
Up Markets	12	37.3	7.5	5.1	2.5				
Down Markets	7	39.0	-2.1	-5.3	0.6				
Annualized			12.3	5.6	6.6				

however, a different report may be used from available reports. Zacks provide many templates for screening and reporting.

Screening Criteria (c:\zira\inputs\smi template\relative pe and growth.und)					
P/E using F(1) Estimate			<	XIndMed	
Sales Growth F(0)/F(-1)			>	XIndMed	AND
Current Price			>		5 AND
Zacks Rank		Recent	=		1 AND

Report Definition					
Company	Ticker	P/E using Curr FY Est	Anal Sls this Yr/ Sls last Yr	Current Price	Zacks Rank
Aw	Aw	#,###0.00	0.00%	\$\$,###0.00	#0

After running query, a report is prepared as shown below. This report is very easy to export into Excel spreadsheet.

Company	Ticker	P/E using Curr FY Est	Anl Sls this Yr/ Sls last Yr	Current Price	Zacks Rank
<b>33 passed</b>					
Title Line 1					
Title Line 2					
s&P 500	SPAL	14.58	N/A	\$1,353.11	4
s&P Indl	SPIN	N/A	N/A	N/A	N/A
dow Jones Indl	INDU	N/A	N/A	\$12,381.02	N/A
<b>FOOD</b>					
Andersons Inc	ANDE	12.23	63.17%	\$43.42	1
Bunge Ltd	BG	16.19	70.53%	\$109.79	1
<b>NONFOOD RETAIL-WHOLESALE</b>					
Priceline.Com	PCLN	27.07	25.49%	\$127.25	1
<b>MEDICAL CARE</b>					
Lhc Group Llc	LHCG	14.55	32.42%	\$21.33	1
<b>MEDICAL PRODUCTS</b>					
Hologic Inc	HOLX	25.90	59.59%	\$58.73	1
<b>CHEMICALS &amp; FERTILIZER</b>					
Cf Indus Hldgs	CF	13.17	41.41%	\$125.86	1
Schulman(A) Inc	SHLM	15.46	10.56%	\$20.33	1
<b>MACHINERY-ELECTRICAL</b>					
Harbin Elec Inc	HRBN	12.64	70.94%	\$22.50	1
<b>COMPUTER-OFFICE EQUIPMENT</b>					
Imation Corp	IMN	14.70	30.12%	\$23.67	1
Scansource Inc	SCSC	15.93	19.29%	\$35.29	1
Sierra Wireless	SWIR	11.08	98.80%	\$15.07	1
Sigma Designs	SIGM	14.50	173.76%	\$34.98	1
<b>COMPUTER SOFTWARE-SERVICES</b>					
Intuit Inc	INTU	18.46	14.12%	\$27.05	1
Sybase Inc	SY	15.74	17.05%	\$26.71	1
Websense Inc	WBSN	22.93	18.37%	\$19.43	1
<b>OIL</b>					
Superior Energy	SPN	9.96	48.75%	\$43.47	1
Superior Well	SWSI	10.88	85.70%	\$23.94	1
<b>OIL-EXPLORATION&amp;PRODUCTION</b>					
Bois D Arc Egy	BDE	15.28	39.56%	\$21.03	1
Mariner Egy Inc	ME	9.88	32.63%	\$27.42	1
Rosetta Resrcs	ROSE	14.30	25.28%	\$20.21	1
Whiting Petrolm	WLL	16.27	44.11%	\$57.52	1
<b>OIL&amp;GAS PRODUCTION-PIPELINE</b>					
Transmontn Ptrn	TLP	14.81	57.33%	\$30.30	1
<b>BANKS &amp; THRIFTS</b>					
Oriental Finl	OFG	10.45	33.35%	\$20.54	1
Peoples Fin Cp	PFBX	11.93	54.62%	\$23.27	1
<b>FINANCE</b>					
Rent-A-Center	RCII	8.41	19.40%	\$18.34	1

**BLOOMBERG:**

Bloomberg offers screening through the **EQS** (Equity Screening) function. While the software provides in-depth options for screening, its interface is not very easy to navigate and the number of options available can be intimidating for beginners. Upon entering the EQS command the following screen is displayed. The software comes with several predefined screens. The user can modify the predefined screens or create their own.



Screening criteria are included by accessing the fields menu. Fields can be included either by browsing through the menu or for quick access by specifying the field in the enter query box, the software will give you a list of the closest matches to whatever you input. The list of fields provided is extensive and includes proprietary information such as analyst recommendations, ratings from Moody's and S&P as well as the ability to create custom fields and formulas. On selecting a specific field a brief description is generated.

The screenshot shows a 'Browse Fields' dialog box with a tree view on the left and a description pane on the right. The tree view is expanded to show the 'Beta' field under the 'Alpha/Beta' category. The description pane provides a detailed explanation of the 'Beta' field, including its formula and the variables used.

Field Name	Beta
<b>Fields by Category</b>	
- Analysis	
+ Derived Price	
+ Option Valuation	
+ Return	
- Risk Measures	
- Alpha/Beta	
Beta	
- Alpha	
- Raw Beta	
- Beta - 6 Month	
- Alpha - 6 Month	
- Raw Beta - 6 Month	
+ Grade	
+ Historical Volatility	
+ Valuation Models	
2) Browse Fields	
Description	
Estimate of a security's future beta. This is an adjusted beta derived from the past two years of weekly data, but modified by the assumption that a security's beta moves toward the market average over time. The formula used to adjust beta is :	
Adjusted beta = (0.66666) * Raw Beta + (0.33333) * 1.0	
Where :	
Raw Beta is (RK167, EQY_RAW_BETA)	
1) Update	
Close	

Once the field has been selected the user can specify the inclusion criteria, with one of several given options including a display only option that is helpful for descriptive fields to be used in the report. Bloomberg organizes its screening criteria into two types, universe and analytical criteria. For the universe criteria one can specify whether to include or exclude specific criteria.

<G0> to commit, 1<G0> for results

97) Saved Screens		98) Formula		99) Actions		Equity Screening	
AT_cons disc							
Add Screening Criteria							
Beta						2) Fields	
Between							
0.5						3) Fields	
1.5						4) Fields	
Selected Screening Criteria							
96) Currency conversion not selected						Matches	
Universe Criteria						387721	
11) Bloomberg Default Criteria (click here to view)						75371	
12) Security Types: Common Stock						68674	
13) Country of Domicile: United States						23922	
14) Sectors (Russell Classifications): Consumer Discretionary						523	
Analytic Criteria						523	
15) 0.5 <= Beta <= 1.5						437	
16) 3 Month Total Return - Prev Business Day > 0						92	
17) DDM Expected Return > 25						25	
18) Short Name						25	
95) Results sorted by Beta						1) Results	

The resulting report can be edited to add, remove and sort columns through the actions menu. It can also be exported to excel through the output menu.

98) Output ▾		99) Actions ▾		25 securities AT_cons disc			Equity Screening	
Ticker	Short Name	Beta	3 Mo ToExpect Retu	3 Mo ToExpect Retu	D Russell	Industry Name	Curr Mkt	Close Px
1) TUP	US TUPPERWARE BRAND	1.30	5.64	25.60		Consumer Products	2,179.73	35.37
2) PCLN	US PRICELINE.COM	1.27	4.49	45.34		Retail	4,431.64	115.19
3) URBN	USURBAN OUTFITTER	1.22	9.33	28.99		Retail	4,980.54	30.00
4) KELYA	US KELLY SERVICES-A	1.19	0.40	27.67		Services:Commercial	669.26	19.10
5) GMST	US GEMSTAR-TV GUIDE	1.17	6.53	84.44		Communications & Media	2,030.06	4.73
6) WHR	US WHIRLPOOL CORP	1.13	2.67	29.30		Electrical:Household Appliance	6,431.36	85.05
7) DGIT	US DG FASTCHANNEL	1.10	3.36	31.40		Advertising Agencies	346.51	19.38
8) BIG	US BIG LOTS INC	1.10	22.33	42.23		Retail	1,876.87	20.76
9) VTIV	US INVENTIV HEALTH	1.09	6.58	32.08		Advertising Agencies	1,023.55	31.57
10) LVB	US STEINWAY MUSICAL	1.09	4.06	41.53		Leisure Time	248.74	29.00
11) CDI	US CDI CORP	1.06	1.73	28.80		Services:Commercial	522.17	25.68
12) SMRT	US STEIN MART INC	1.03	8.30	26.17		Retail	212.03	5.09
13) WMS	US WMS INDS INC	1.03	26.58	29.23		Casinos & Gambling	2,010.84	39.72
14) ABM	US ABM INDUSTRIES	1.02	7.63	51.44		Services:Commercial	1,092.26	21.76
15) IPAR	US INTER PARFUMS	1.01	17.49	57.75		Cosmetics	403.44	19.65
16) ELNK	US EARTHLINK INC	0.97	12.15	48.17		Consumer Electronics	827.88	7.57
17) TWB	US TWEEN BRANDS INC	0.95	8.57	35.01		Retail	657.27	26.61
18) LKQX	US LKQ CORP	0.91	14.33	50.15		Wholesalers	2,972.54	22.10
19) VFC	US VF CORP	0.90	5.02	28.56		Textiles Apparel Mfrs	8,180.39	74.61