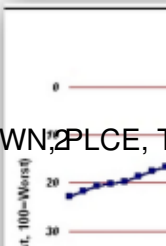
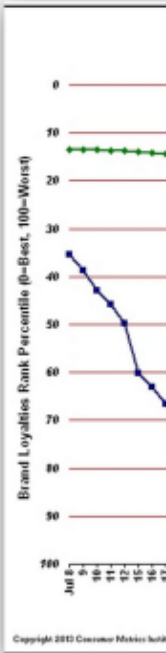
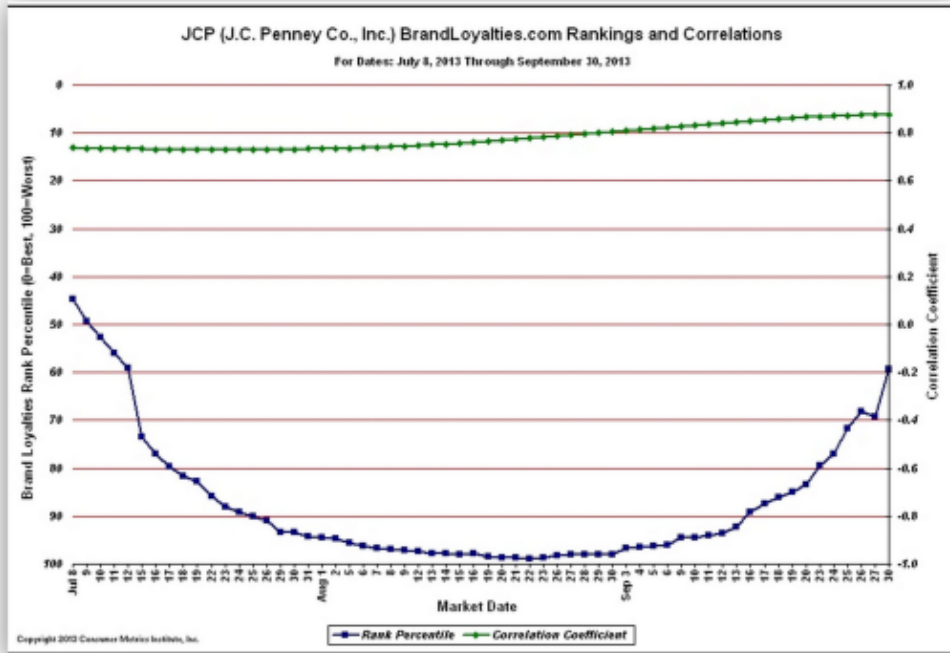
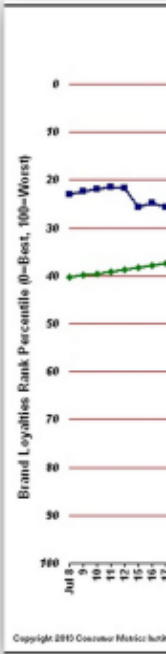
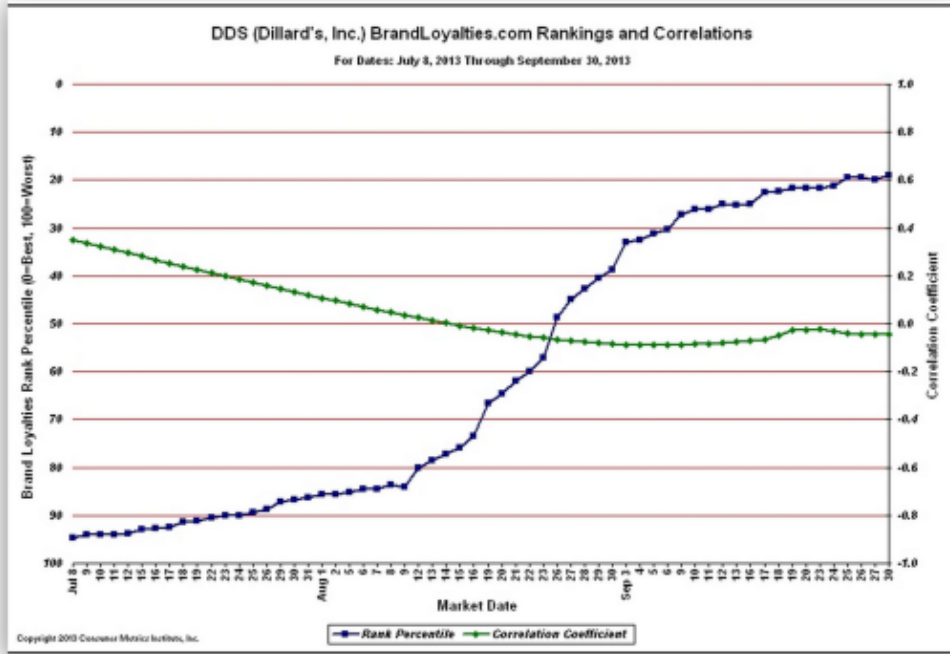


BrandLoyalties.com Special Commentary

12/03/13: Black Friday and Cyber Monday Winners and Losers? Choosing among DDS, JCP, JWN, PLCE, TGT and TJX

(Web page version is [here](#))

At the end of September the daily [BrandLoyalties.com](#) charts for Dillard's, Inc. (**DDS**), J.C. Penney Co., Inc. (**JCP**), Target Corp. (**TGT**), and The TJX Cos., Inc. (**TJX**) looked like the following:



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(Click [here](#) for best resolution)

But by December 2nd **two of them** had clearly won the attention of consumers, **changing the above charts drastically**. [BrandLoyalties.com](#) universe of tracked equities. This kind of movement for the brand names of an equity has typically followed strong and/or good earnings reports. In fact, historically, holding a portfolio of only the top 10% ranked equities in the [BrandLoyalties.com](#) cumulative annualized alpha.

Perhaps equally important is the fact that consumer loyalty to the brand names of **three of the equities shown above** were dropping as far as the bottom 5% of the [BrandLoyalties.com](#) rankings. Understanding which retailers are having trouble and developing a successful risk mitigation strategy during the softer spans of a market cycle.

*Would you like to see which of the above were the Black Friday and Cyber Monday winners and losers? Or would you like to see the results playing out in "real time"? **Just reply to this e-mail** for updated charts or to request a quick demo presentation or trial.*

How Does [BrandLoyalties.com](#) Track and Rank Brand Loyalties?

[BrandLoyalties.com](#) is a unique quantitative research provider to institutional investors that uses online consumer-tracked brand loyalty. They track over 100 million daily online consumer choices and identify which equities are likely to be winners or losers. The key criteria for coverage include a significant online presence for the brand names of those equities (called "signal relevance") on-line brand name citations and consequential revenue for the corporation (referred to as the "signal relevance" for the equity).

[BrandLoyalties.com](#) uses a proprietary algorithm to determine the velocity of change in consumer brand loyalty. Signals derived from this analysis are generated well before earnings announcements and generally before guidance are provided. Signals are generated from the online data and subsequent price movement in the stock. The 'best fit' lag times are also provided to help with investment decisions.

The firm provides institutional subscribers with their unique proprietary metrics. This data helps investors easily identify winners and losers. They may also choose to opt-in for daily email alerts which highlight the equities exhibiting the most significant trends. With the [BrandLoyalties.com](#) brand loyalty, users may also mitigate risk in existing portfolios by monitoring or avoiding stocks which display fading brand loyalty.

How Have [BrandLoyalties.com](#) Signals Performed?

A simple long-only "proof-of-concept" portfolio consisting solely of the top 10% of these 500+ ranked stocks would have returned 12.1% as compared to the S&P 500's 5.1%. (Results from roughly 1,730 one-year Monte Carlo portfolio simulations covering 1990-2012 based on only brand loyalty rankings, then equally-weighted and reallocated when composition of the top 10% changes.)

It is highly likely that actual [BrandLoyalties.com](#) clients have experienced even greater alpha when they overlaid their own brand loyalty metrics used in the proof-of-concept portfolios.

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