

FY23 Reporting Season Review

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Special Report
SEPTEMBER 2023

FY23 Reporting Season Review

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Welcome

Welcome to a review of the 2023 annual reporting season brought to you by Stockopedia www.stockopedia.com.au

The latest annual year reporting season ended on Thursday 31st August 2023. By Friday 1st September 2023, the team at Stockopedia had analysed every stock in the ASX200 and made available to members in real time the latest results on the factors driving their stock returns.

The value of this specific report is that, not only do you get the current StockRank which is available within the program, but you get to see the change in Factor trend which at times can be more insightful than the absolute result itself.

So how did your stocks do? You'll be able to see in this special report.

We have limited this report to the ASX200 stocks as they are the most held by retail investors. You can see how any stock has changed by hovering your mouse over the Factor score box located in the top right hand corner of the StockReport page.

At the conclusion of this report we also include an explanation of the Ranking System to give context to what you are seeing. We know you understand it. But is there as re-enforcement.

We will be discussing this report in more depth in the next Lunch 'n Learn webinar to be held on **Friday 8th September @ 12:30pm**. Check your email inbox for the invite. Even if you can't attend, register for the event and we will send you a copy in an email.

Best regards,



Chris Batchelor and Elio D'Amato

Team Stockopedia Australia and New Zealand

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Special report: The factor changes in the ASX200

Below is a table that demonstrates how the key factors of Quality, Value and Momentum have been affected following the latest earnings season.

We also include the proprietary Stock Rank score so you can see how the company rates on all three key Factors combined against its peers. (100 is Best. 1 is Worst)




It's important to stress that we are measuring the rate of change, not the absolute Rank number. It is quite possible that a company saw a deterioration in a specific Factor, yet the company still rates highly.

All current individual Factor ranks for every company are available within Stockopedia.

* Denotes the company has a different reporting period than June/December
indicates that the company has not yet declared their latest numbers as quarterly accounts give them an extra month grace period.

Data is as of **1 September 2023** and rankings may and will have changed since originally being published. Rankings in Stockopedia are calculated daily.

This list is sorted alphabetically.

Key	
	Strong improvement (Greater than 15)
	Improvement (b/w +5 and +14)
	Flat (b/w -4 and +4)
	Deterioration (b/w -5 and -14)
	Strong Deterioration (less than -15)

ASX200 (Sorted by ticker alphabetically)

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
360	Life360	↑↑	↓	—	↑	71
A2M	A2 Milk	—	↑	↓	—	82
ABG	Abacus Group	—	—	—	—	67
AGL	AGL Energy	—	↓↓	—	↓	71
AIA	Auckland Int'l Airport	↓↓	↓	—	↓↓	68
AKE	Allkem	↑	—	↑	↑	90
ALD	Ampol	—	↓↓	—	↓	89
ALL	Aristocrat Leisure *	—	—	—	—	81
ALQ	ALS *	—	—	↑	—	84
ALU	Altium	↓	—	—	—	69
ALX	Atlas Arteria	↓	↓↓	↓	↓	51
AMC	Ancor	—	—	↑↑	↑↑	88
AMP	AMP	↑↑	—	↑↑	↑↑	82
ANN	Ansell	—	↓	↑↑	↑	89
ANZ	ANZ group *	—	—	↓	—	93

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
APA	APA	—	—	↓	↓	46
APE	Eagers Automotive	↓	—	—	—	95
ARB	ARB	↓	—	—	↑	61
ARF	Arena REIT No 1	↑↑	↓	↑↑	↑	86
ASX	ASX	↓↓	—	↑	↓	62
AUB	AUB	↑↑	↑	—	↑	85
AWC	Alumina	↓	↑↑	—	—	70
AZJ	Aurizon Holdings	↑	↓	—	—	72
BAP	Bapcor	—	↑	—	—	78
BEN	Bendigo and Adelaide Bank	↑↑	↑	↑↑	↑↑	93
BGL	Bellevue Gold ##	—	—	—	—	56
BHP	BHP	↓	↓↓↓	↑	↓	74
BKW	Brickworks	↓	—	—	—	86
BLD	Boral	—	↓↓↓	↑	↓	91
BOQ	Bank of Queensland *	—	—	↑↑	↑	69

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
BPT	Beach Energy	—	↑	↓ ↓	↓	82
BRG	Breville	—	↓	—	↓	73
BRN	Brainchip Holdings	↓ ↓	↓	—	↓	4
BSL	BlueScope Steel	—	—	↓ ↓	—	97
BWP	BWP Trust	↑ ↑	↓ ↓	↑	↑	76
BXB	Brambles	—	—	↓	—	85
CAR	carsales.com	↓	—	↑ ↑	↑	74
CBA	Commonwealth Bank of Australia	—	↑	↑ ↑	↑ ↑	74
CCP	Credit	↓ ↓	↑	↑	↓	73
CGC	Costa group	—	↑	↓	—	82
CGF	Challenger	↑	↑ ↑	↓ ↓	↓	82
CHC	Charter Hall	—	↓ ↓	↓ ↓	↓ ↓	64
CHN	Chalice Mining ##	—	—	↓ ↓	↓ ↓	10
CIA	Champion Iron	—	↓ ↓	↓ ↓	↓ ↓	69
CIP	Centuria Industrial Reit	—	—	↑ ↑	↑	95

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
CKF	Collins Foods *	—	—	—	—	77
CLW	Charter Hall Long WALE REIT	↑↑	—	↓↓	—	79
CMM	Capricorn Metals ##	—	↓	—	—	79
CMW	Cromwell Property	—	↑	—	—	78
CNI	Centuria Capital	↑↑	↓	—	↑	88
CNU	Chorus	↓	—	↓	↓	52
COH	Cochlear	—	—	—	—	75
COL	Coles	—	—	↓↓	↓	76
CPU	Computershare	—	↑↑	↓	—	77
CQE	Charter Hall Social Infrastructure REIT	↑	↓	↑↑	↑↑	87
CQR	Charter Hall Retail REIT	↑	↓↓	↓	↓	88
CRN	Coronado Global Resources	—	—	↑↑	—	97
CSL	CSL	↓↓	—	↓↓	↓↓	43
CSR	CSR	—	—	—	—	96

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
CTD	Corporate Travel Management	—	↑	↑	↑	80
CWY	Cleanaway Waste Management	—	—	↓	—	59
CXO	Core Lithium ##	—	↑	↑	↑	36
DEG	De Grey Mining ##	—	—	↑↑	↑	58
DHG	Domain Holdings Australia	↑	↑	↓↓	—	59
DMP	Domino's Pizza Enterprises	↑	↓	↑↑	↑	51
DOW	Downer EDI	↓↓	↓↓	—	↓↓	70
DRR	Deterra Royalties	↑	—	↓↓	↓	81
DXS	Dexus	↑	—	↓↓	↓	86
EDV	Endeavour	↑	—	↓↓	↓	64
ELD	Elders *	—	—	↓	—	64
EVN	Evolution Mining	—	↓↓	↑	—	76
EVT	EVT	↑	↓	—	—	66
FBU	Fletcher Building	↓	—	—	—	89

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
FLT	Flight Centre Travel	—	—	—	—	78
FMG	Fortescue Metals	↑	—	↓↓	—	90
FPH	Fisher & Paykel Healthcare *	—	—	↓↓	↓	46
GMG	Goodman	—	↓	↑↑	↑	77
GNC	Graincorp *	—	—	↓	—	99
GOR	Gold Road Resources	—	—	↑↑	↑	75
GOZ	Growthpoint Properties Aus	↓	—	↓	↓	83
GPT	GPT	↓↓	—	↑↑	—	91
GUD	GUD Holdings	↑	—	↑↑	↑	95
HDN	HomeCo Daily Needs REIT	↑↑	↑↑	↓	↑↑	95
HLS	Healius	—	—	↑	—	78
HMC	HMC Capital	↑↑	↓↓	↑↑	↑↑	59
HUB	Hub24	↑	—	↑	—	77
HVN	Harvey Norman Holdings	—	—	↑↑	↑↑	97

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
IAG	Insurance Australia	↑	—	↓ ↓	—	68
IEL	Idp Education	—	—	↑	↑	53
IFL	Insignia Financial	↑	↓	↓ ↓	↓ ↓	56
IGO	IGO	—	—	↑ ↑	↑	73
ILU	Iluka Resources	↓	—	↓ ↓	↓ ↓	72
IMU	Imugene	↑ ↑	—	↓	↑	33
INA	Ingenia Communities	↑	↓	↓	—	84
ING	Inghams	↑	↑ ↑	↑ ↑	↑ ↑	98
IPH	IPH	↓	—	↓	↓	70
IPL	Incitec Pivot	—	—	↑ ↑	↑	96
IRE	Iress	↓ ↓	—	↓ ↓	↓ ↓	51
IVC	InvoCare	↑ ↑	—	—	↑	73
JBH	JB Hi-Fi	—	—	↑	—	99
JHX	James Hardie Industries *	—	—	—	—	79
JLG	Johns Lyng	↑ ↑	↑	—	↑	76

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
KAR	Karoon Energy	↑	—	↑↑	↑	97
KLS	Kelsian	—	—	—	—	67
LIC	Lifestyle Communities	↓	↑	—	—	66
LKE	Lake Resources ##	—	—	↓↓	↓	36
LLC	Lendlease	↓	↓	↑	—	65
LNK	Link Admin Holdings	↓↓	↑↑	↓↓	↓	45
LOV	Lovisa Holdings	—	↓	↓↓	↓	59
LTR	Liontown Resources ##	—	—	↑	—	51
LYC	Lynas Rare Earths	—	↓	↑↑	↑↑	79
MFG	Magellan Financial	—	—	↑↑	—	99
MGR	Mirvac	↓↓	↑	↓	↓	84
MIN	Mineral Resources	—	↓	↑↑	↑	80
MND	Monadelphous	—	—	↑	—	95
MP1	Megaport	—	↑	—	—	79

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
MPL	Medibank Private	—	↓↓	—	↓	83
MQG	Macquarie *	—	—	↑	—	65
MTS	Metcash *	↑	—	—	—	98
NAB	National Australia Bank *	—	—	↑↑	↑↑	94
NAN	Nanosonics	↑	↑	↓	—	72
NCM	Newcrest Mining	↑	—	—	↑	90
NEC	Nine Entertainment Co	↑↑	—	↑	↑	96
NHC	New Hope	—	—	↓	—	94
NHF	NIB Holdings	—	—	—	—	86
NIC	Nickel Industries	↑↑	↓	↑	↑	81
NSR	National Storage REIT	↑	↓	—	—	91
NST	Northern Star Resources	↑↑	↑	↑↑	↑↑	83
NUF	Nufarm *	—	—	↓↓	↓	81
NWH	NRW Holdings	—	↓	↓	—	95

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
NWL	Netwealth	—	—	—	—	71
NWS	News Corp	—	—	—	—	71
NXT	NEXTDC	—	↑↑	↓	↑	72
ORA	Orora	—	↓	—	—	94
ORG	Origin Energy	↑↑	↑	—	↑	92
ORI	Orica *	—	—	—	—	89
PDN	Paladin Energy	↑↑	↑	—	↑↑	69
PLS	Pilbara Minerals	↑	↑↑	—	↑	93
PME	Pro Medicus	—	—	—	—	73
PMV	Premier Investments *	—	↓	↑↑	—	98
PNI	Pinnacle Investment Mgmt	↑	↑	↓	↑	64
PNV	Polynovo	↓↓	—	↑	↓	40
PPT	Perpetual	—	↓	↓↓	↓↓	64
PRU	Perseus Mining ##	—	—	↑	—	97
PXA	PEXA	—	↑	↑↑	↑	64

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
QAN	Qantas Airways	—	↑	↑	—	99
QBE	QBE Insurance	—	—	↓↓↓	↓	82
QUB	Qube Holdings	—	—	↓	—	87
REA	Rea	—	—	↑	↑	73
REH	Reece	—	—	—	—	81
RGN	Region Re	—	—	↓↓↓	↓↓↓	69
RHC	Ramsay Health Care	—	↑	↓	—	66
RIO	Rio Tinto	—	↑	↓↓↓	↓	85
RMD	Resmed	—	↑	↓↓↓	↓↓↓	49
RRL	Regis Resources	↓	↑↑↑	↓	↓	78
RWC	Reliance Worldwide	—	↑↑↑	—	↑	96
S32	South32	↓↓↓	↓↓↓	—	↓↓↓	48
SCG	Scentre	↓	↑	↑	—	84
SDF	Steadfast	↑	↑	↑↑↑	↑↑↑	87
SEK	SEEK	↓↓↓	—	↓	↓	49

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
SFR	Sandfire Resources	—	—	↑	—	94
SGM	Sims	↓	↓↓↓	↑↑	—	86
SGP	Stockland	—	↓	↑↑	↑	94
SGR	Star Entertainment	—	↑↑	↑	↑	53
SHL	Sonic Healthcare	—	↓	↓↓↓	↓	84
SLR	Silver Lake Resources	↑↑	↑	↓	↑	85
SOL	Washington H Soul Patts & Co *	↓↓↓	—	↑	↓	66
SPK	Spark NZ	↓	—	↑	—	89
SQ2	Block	↑	↑	↓↓↓	↓↓↓	47
STO	Santos	↑	—	↑	↑	87
SUL	Super Retail	↓	—	↑↑	—	98
SUN	Suncorp	↑	—	—	—	86
SVW	Seven group	↑↑	↑	↓↓↓	↑	87
SYA	Sayona Mining ##	—	↑	↓↓↓	↓↓↓	23
SYR	Syrah Resources ##	—	—	—	—	58

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
TAH	Tabcorp Holdings	—	↓↓↓	↓	—	95
TCL	Transurban	—	↓	—	↓	42
TLC	Lottery	—	—	—	—	74
TLS	Telstra	↑	—	↑↑	↑	91
TLX	Telix Pharmaceuticals	↑↑	↓	↓	↑	54
TNE	TechnologyOne *	—	—	—	—	74
TPG	TPG Telecom	—	—	↑	—	68
TWE	Treasury Wine Estates	—	↓	↑↑	↑↑	79
UMG	United Malt	—	—	—	—	90
VCX	Vicinity Centres	↑↑	↓	—	↑	97
VEA	Viva Energy	↓↓↓	↓↓↓	—	↓↓↓	71
VUK	Virgin Money UK	—	—	↑	—	92
WAF	West African Resources	—	↓	↓	↓	86
WBC	Westpac Banking *	—	—	↑↑	↑↑	91
WDS	Woodside Energy	↓	—	↓↓↓	—	93

Code	Name	Quality	Value	Mo'tum	Stock Rank	Stock Rank score
WEB	Webjet *	—	—	—	—	81
WES	Wesfarmers	—	—	—	—	88
WHC	Whitehaven Coal	—	—	↓	—	95
WOR	Worley	↑	↓	↑	—	84
WOW	Woolworths	↑↑	—	↑↑	↑↑	88
WPR	Waypoint REIT	↑	—	↑	↑	85
WTC	Wisotech Global	↓	—	↓	↓	63
XRO	Xero *	—	—	—	—	65

Appendix: The science behind our method

Stockopedia subscribers gain access to our unique set of proprietary StockRanks™. These ranking factors have been designed to aid in the selection of cheap, good quality, improving stocks - the kind of stocks that are proven to consistently beat the market over the long term as part of a balanced portfolio - while avoiding the kind of expensive, low quality and deteriorating stocks that can lead you to the poor house.

We know you know this, but we have included this information as a refresher.

What works in investing? - Quality, Value and Momentum

What works in investing is a completely open secret studied over many years by practitioners and academics alike - cheap stocks tend to outperform expensive stocks, and stocks which surprise the market's expectations tend to continue to surprise. The problem is that both these general strategies (known as value and momentum) have a tendency to be extremely volatile when used alone. Value strategies can underperform the indices for significant periods of time while momentum strategies can suffer sharp reversals.

Beyond this simple approach the returns to value strategies can be improved by selecting higher quality stocks. This process is often referred to as a QARP (quality at a reasonable price) or GARP (growth at a reasonable price) investing process.

A famed research paper titled "Buffett's Alpha" by Frazzini, Kabiller and Pedersen showed that almost all of Warren Buffett's outperformance over the years can be explained by the 'general tendency of high quality, safe, cheap stocks to outperform'.



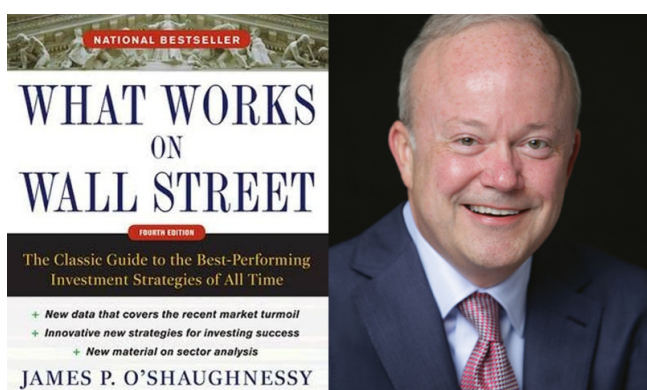
Meanwhile, the esteemed finance professor Robert Haugen proved that cheap, quality, growing stocks with momentum have a tendency to dramatically outperform the market, even before Fama and French's famed The Cross-Section of Expected Stock Returns in 1992.

Our solution? Stockopedia's StockRanks

Stockopedia's StockRanks™ are designed to help investors find these kinds of stocks and implement these kinds of strategies. The work that we do towards the formulation of these rankings is very similar to work done in top Hedge Funds and Asset Management.



Ultimately institutional investors are unable to invest in many of the best opportunities as they struggle to trade in small sizes. Stockopedia StockRanks can help individual investors to find the opportunities in the gaps of the market that the professionals fail to grasp.



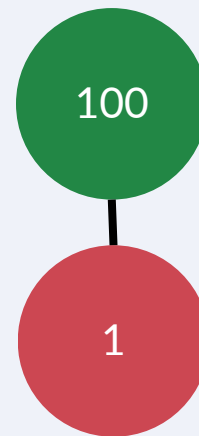
Our approach is inspired by that of James O'Shaughnessy who in the 4th edition of the classic, "What Works on Wall St" built composite factors based on averaging the rankings of various ratios for every company in the market - finding the portfolios generated using composite ranks outperformed those composed across individual ratios (such as the P/E). Similar approaches to generate composite scores have been employed by institutional giants such as Refinitiv, Morningstar and S&P.

Each ranking factor is based upon a blended combination of the ratios and metrics that have been proven to have the greatest bearing on future stock market returns - both in the academic literature, but also in our own backtests. The Stockopedia StockRank™ is an equally weighted combination of the following component rankings:

- ValueRank
- QualityRank
- MomentumRank



We calculate these ranks for every company in the market, sum them and then re-rank the output from 0 (worst) to 100 (best). The stock showing the highest Composite StockRank will have the highest score across all 3 contributing ranks. This 'QVM' StockRank™ (based on Quality, Value and Momentum) has performed exceptionally well in our recent backtests as well as in the academic literature.



What stock traits do the Factors attempt to identify?



Quality: High ranking companies tend to enjoy higher margins, profitability and cashflow. These 'good' companies may trade at higher valuations in the market but have still been shown to outperform lower ranking 'junk'.



Value: The 'value anomaly' is real - the fact that cheap stocks tend to outperform expensive stocks. But Value can be a double-edged sword as there is a higher risk of finding Value Traps and broken business models. Our recommendation is to always use the Value Rank in combination with other Quality or Momentum factors which Stockopedia members can do.



Momentum: High Momentum shares have historically outperformed the market. Trends tend to persist, so shares with trending prices and sentiment will often continue in the direction of the prevailing trend. For this factor we don't look at price history, but we analyse the trend of estimates and the company's ability to surprise the market.

The ranks are updated every day before the market opens once our batch process has completed. The Value and Momentum ranks are dependent on the company's share price, so they can change daily. As the ranks are also relative to the rest of the market, a company's share price may not move but the ranks can change due to the changing ranks of the rest of the market.

The Quality Rank tends to be more stable as it is more dependent on financial statement releases. This is why the reporting season is so important. The biggest changes will happen after either large share price moves or new financial statement announcements.

Important Information:

All data and commentary as at 1 September 2023

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