

Data Simply Partnership overview

Financial Intelligence
Informa



Providing investors with better, faster ESG and financial signal data with AI

EPFR and Data Simply have joined forces to bring cutting-edge sentiment indicators that combines AI and human input to quickly identify key insights, just as a financial analyst would.

Data Simply turns unstructured text into high frequency, transparent and actionable ESG and financial data. An AI engine analyzes SEC filing for keywords related to a company's *Environmental, Social and Governance* (ESG) and financial standing. Data Simply normalizes and sums both positive and negative financial word disclosures to create a **Total Financial Score** for US listed companies. The score is predictive of forward stock returns, particularly amongst small-cap stocks.

Annualized average return between the top and bottom fifth of each universe (monthly holding periods)						
	Quintile Spread			Sharpe Ratio		
	S&P 500	Russell 1000	Russell 2000	S&P 500	Russell 1000	Russell 2000
Combined Alpha	+3.5	+7.3	+4.9	0.71	1.75	1.16
EPFR Alpha	+6.3	+3.5	+2.1	0.85	0.55	0.43
total_financial	+1.6	+2.6	+3.6	0.36	0.71	0.95
positive -	+0.0	+1.4	+0.8	-0.01	0.46	0.26
neutral	+0.3	+0.2	+1.2	0.08	0.06	0.42
negative	+0.3	-0.1	-2.4	0.09	-0.03	-0.86
total_esg	+0.2	+1.0	-3.1	0.05	0.34	-1.06
environmental	+0.7	+2.5	-2.7	0.22	0.91	-0.78
social	+3.5	+2.4	-3.4	1.11	0.96	-1.03
governance	+0.0	+1.4	-1.8	0.00	0.50	-0.68

Methodology

- The **Combined Alpha** is a linear blend of the **Data Simply Total Financial Score** and **EPFR Alpha Stock Selector* (EASS) factor**. The EASS Factor is derived from daily fund flows and monthly stock allocations.
- The Data Simply variable has a 20% weight combined Alpha.
- The table shows the monthly annualized return difference between the top and bottom fifth of each universe for monthly holding periods. Each fifth (or quintile) is sector neutral within each universe.

For more information about EPFR:

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