SIGNAL RESEARCH NOTE

Residual Pair Consensus Rank

Short-horizon consensus ranking across out-of-fold residual pair forecasts.

Deep Pair Residual Forecast | Secondary research | 5d preferred horizon

Research note | Historical simulation | Not investment advice

Executive Summary

This note summarizes historical rank evidence for Residual Pair Consensus Rank. Metrics are reported as research diagnostics under the source-run assumptions and should be read as evidence about ranking behavior, not as a live recommendation.

Preferred horizon	5d
Top-bottom spread	0.45%
Rank IC	0.052
Long-leg return	n/a
Average turnover	79.54%

1. The preferred diagnostic horizon is 5d, where the recorded rank spread is 0.45%.
2. Spread evidence is strongest around the 5d horizon in the available comparison set.
3. Rank IC is positive in the reported research run at 0.052.

Data and Research Setup

UNIVERSE

Broad liquid equity universe used by the out-of-fold source research run.

INPUTS

Daily closing prices and dated residual pair-forecast scores.

CADENCE

Short-horizon cross-sectional ranking review at 5d, with adjacent-horizon diagnostics.

COMPARISON BASIS

Comparisons use the same universe and source assumptions inside each run. The note excludes instrument-level lists and live recommendations.

The source files were used for historical research extraction only. This note does not include instrument-level lists or position-level recommendations.

Signal Methodology

Without disclosing the exact functional, the construction proceeds along three conceptual steps.

1. **Signal measurement.** Combines several out-of-fold views of short-horizon residual price behavior.

2. **Cross-sectional ranking.** Ranks equities by the consensus ordering rather than by any single model output.

3. **Horizon evaluation.** Evaluates whether the short-horizon ranking remains coherent across later sample splits and cost assumptions.

> The description is intentionally conceptual. Formula details, exact construction rules and implementation parameters are not disclosed.

Results and Horizon Context

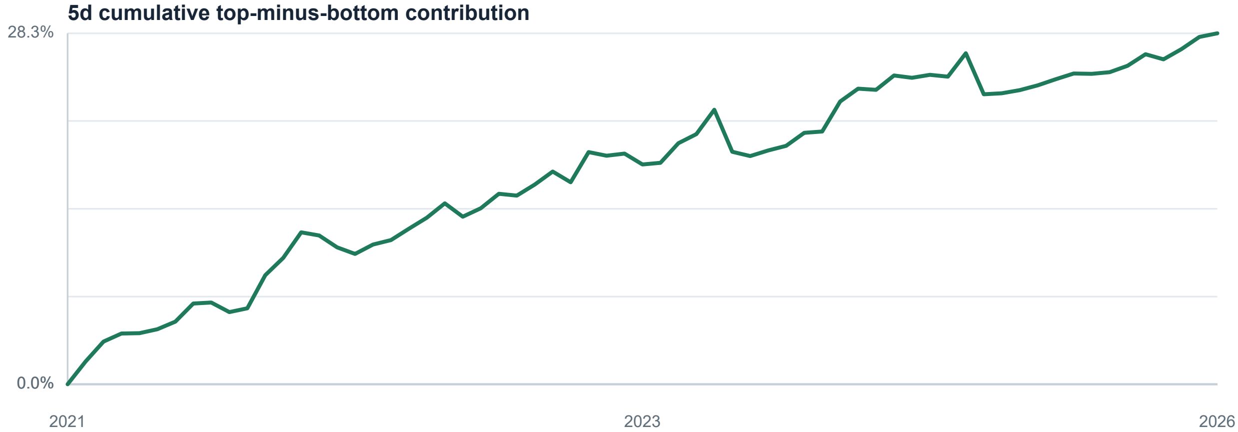

Figure 1. Cumulative 5d top-minus-bottom rank-spread contribution. Long-horizon forward observations can overlap, so the series should be read as a ranking diagnostic, not as a standalone portfolio NAV.

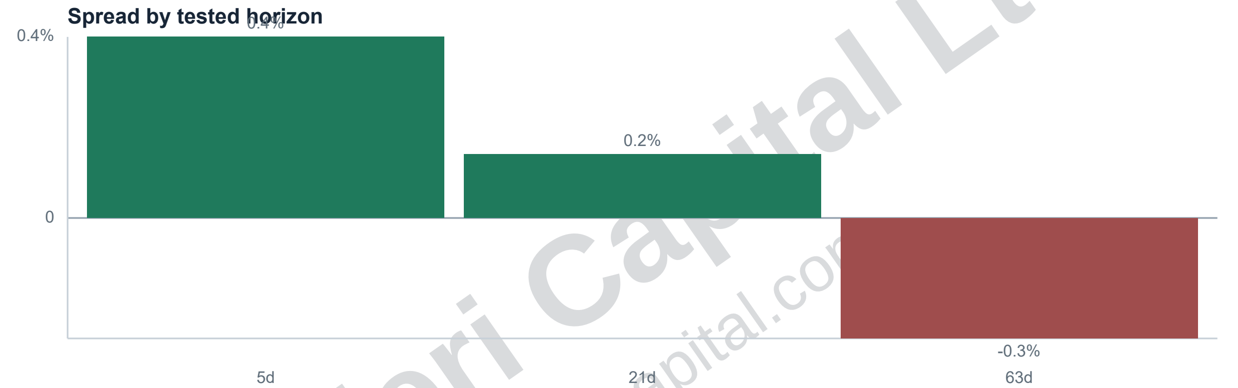

Figure 2. Spread profile across the tested horizons available in the source validation summary.

Horizon	Rank spread	Rank IC	Long-leg return	Turnover
5d	**0.45%**	**0.052**	**n/a**	**79.54%**
21d	0.16%	0.018	n/a	79.54%
63d	-0.30%	0.011	n/a	79.54%

Stability and Robustness

Figure 3. Rank-IC evidence across chronological sample periods from the source OOS audit.

Chronological sample splits provide the appropriate stability view for this diagnostic.

Positive-year fraction	**n/a**
Universe size	**3,000**
Validation dates	**64**

Research Interpretation

ROLE IN RESEARCH LIBRARY

Short-horizon secondary ranking component inside the research library.

WHAT IT CAPTURES

Consensus information across several out-of-fold residual pair forecasts.

KNOWN LIMITATIONS

The historical out-of-fold window is shorter than the broadest equity tests, and the signal is sensitive to higher trading-cost assumptions.

The evidence supports retaining the signal in the research library where it can be compared with related components under the same assumptions.