SIGNAL RESEARCH NOTE

Causal Feature Return Rank

Cross-sectional return ranking from a causally selected feature set.

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Causal Ml Return Forecasting | Secondary research | 21d preferred horizon

Executive Summary

This note summarizes historical rank evidence for Causal Feature Return 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	**21d**
Top-bottom spread	**0.84%**
Rank IC	**0.016**
Long-leg return	**n/a**
Average turnover	**57.32%**

1. The preferred diagnostic horizon is 21d, where the recorded rank spread is 0.84%.
2. Rank IC is positive in the reported research run at 0.016.
3. The signal is best read as a research-library ranking component, not as a standalone product.

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Data and Research Setup

UNIVERSE

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

INPUTS

Daily closing prices and dated, lag-safe cross-sectional feature observations.

CADENCE

Cross-sectional ranking review at a 21d forward research horizon.

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.

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Signal Methodology

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

1. **Signal measurement.** Measures a forward return ordering from a compact set of lag-safe, causally selected market features.

2. **Cross-sectional ranking.** Ranks equities using expanding out-of-fold model estimates rather than in-sample fitted values.

3. **Horizon evaluation.** Evaluates whether the ordering is coherent across chronological splits, style controls and cost assumptions.

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

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Results and Horizon Context

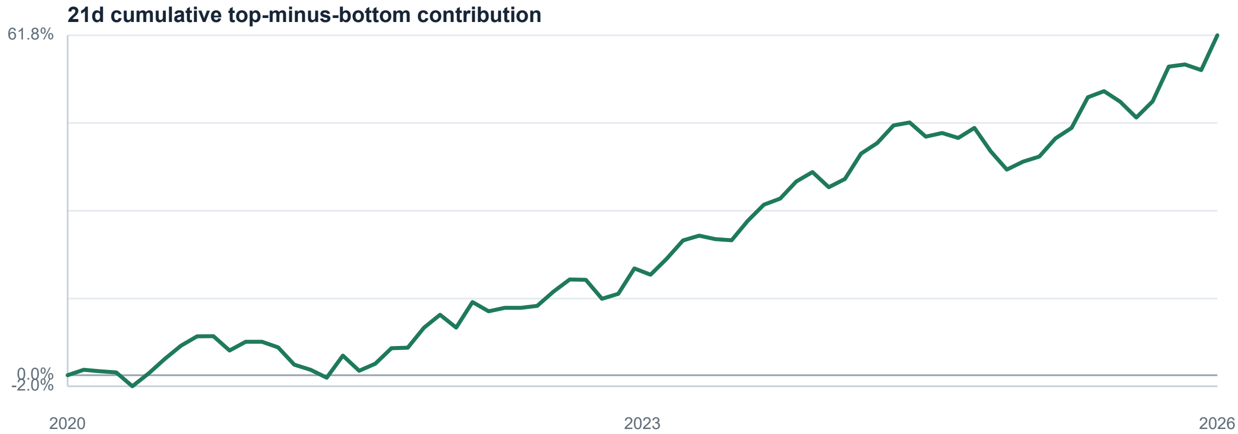

Figure 1. Cumulative 21d top-minus-bottom rank-spread contribution. Long-horizon forward observations can overlap, so the series should be read as a ranking diagnostic, not as a standalone portfolio NAV.

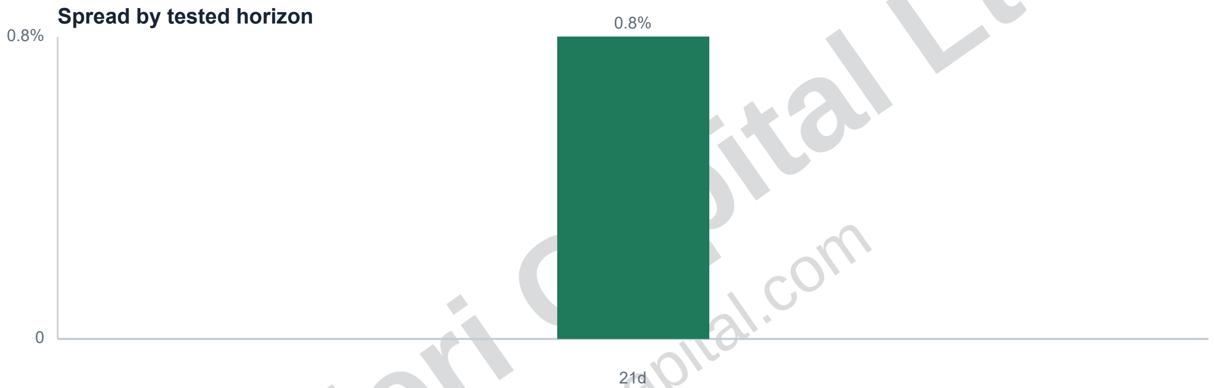

Figure 2. Spread profile across the tested horizons available in the source validation summary.

Horizon	Rank spread	Rank IC	Long-leg return	Turnover
21d	0.84%	0.016	n/a	57.32%

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Stability and Robustness

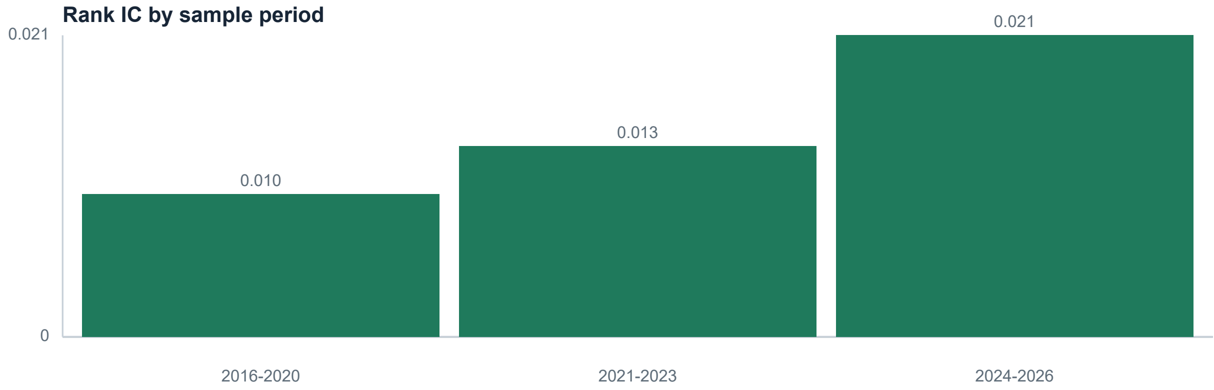

Figure 3. Rank-IC evidence across chronological sample periods from the source OOS audit.

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

Positive-year fraction	n/a
Universe size	3,000
Validation dates	73

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Research Interpretation

ROLE IN RESEARCH LIBRARY

Secondary cross-sectional return-ranking challenger inside the research library.

WHAT IT CAPTURES

Return information associated with a compact, causally selected set of lag-safe equity features.

KNOWN LIMITATIONS

The evidence covers 71 validation dates and weakens under full-style neutralization, so the result should be read as a secondary diagnostic.

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

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Historical research output. Not investment advice. Not a live recommendation.