

# Pair-Spread Reversion Rank

Research-proxy ranking evidence across a broad equity panel.

<b>FAMILY</b> Equity research proxy	<b>UNIVERSE</b> Broad equity research panel	<b>RESEARCH HORIZON</b> 1d
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## Executive Summary

Pair-Spread Reversion Rank evaluates whether the pair-spread reversion lens contains cross-sectional ranking information. The preferred presentation horizon is 1d. The note presents historical spread and rank-correlation diagnostics only.

Preferred horizon	1d
Rank spread	0.09%
Rank IC	0.024
Long-leg return	0.39%
Average turnover	not reported

### Observations

- 1 The strongest available diagnostic row is shown at the 1d horizon.
- 2 Horizon context is included so the result is not read from a single row alone.
- 3 The signal is best interpreted as a research-library component, not as a standalone product.

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## Data and Research Setup

The research setup keeps the comparison universe and forward-horizon conventions consistent across the rows shown in this note.

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### Universe

The comparison universe is held constant across the horizon rows shown in the note.

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### Inputs

Research-proxy scores, issuer identifiers, daily returns, and forward return windows.

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### Horizons

Multiple forward windows are compared using the same score and universe assumptions.

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### Exclusions

Instrument lists and contemporaneous score tables are intentionally excluded.

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# Signal Methodology

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

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## STEP 1

### Research-lens measurement

The construction summarizes pair-spread reversion evidence into a relative score.

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## STEP 2

### Cross-sectional ranking

Instruments are ordered by the research score and compared through forward return groups.

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## STEP 3

### Horizon evaluation

The same ranking lens is reviewed across horizons to identify whether the evidence is isolated or coherent.

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

## Results and Horizon Context



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

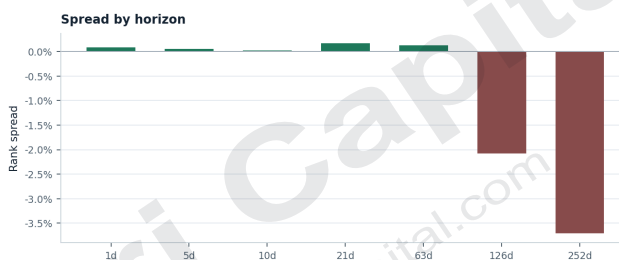


Figure 2. Top-minus-bottom spread across tested horizons using the same comparison setup.

HORIZON	RANK SPREAD	RANK IC	LONG-LEG RETURN	TURNOVER
1d	0.09%	0.024	0.39%	not reported
5d	0.06%	0.014	0.68%	not reported
10d	0.03%	0.012	1.03%	not reported
21d	0.17%	0.013	2.00%	not reported
63d	0.13%	0.015	5.24%	not reported
126d	-2.08%	-0.013	9.29%	not reported
252d	-3.70%	-0.017	21.36%	not reported

The table reports historical rank diagnostics under the stated universe and horizon assumptions. Positive spread means the higher-ranked group exceeded the lower-ranked group in the measured forward window.

## Stability and Robustness

Stability is assessed through horizon coherence and any available date-level variation.

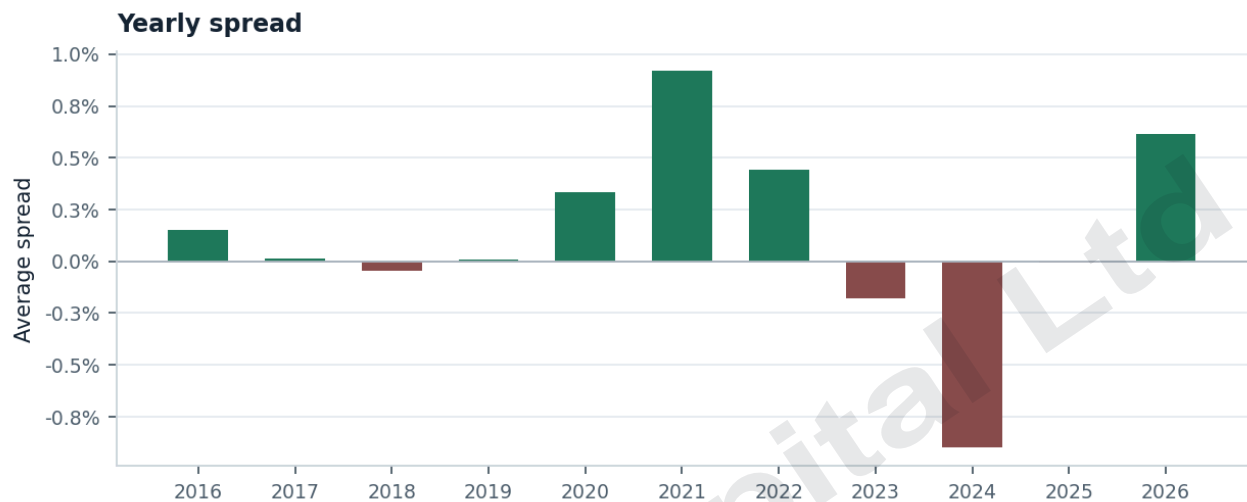


Figure 3. Stability evidence for Pair-Spread Reversion Rank.

YEAR	AVG SPREAD	AVG IC	PERIODS
2018	-0.05%	-0.001	11
2019	0.01%	0.027	10
2020	0.33%	0.024	11
2021	0.92%	0.151	9
2022	0.44%	0.069	11
2023	-0.18%	-0.021	10
2024	-0.90%	-0.068	10
2025	-0.01%	0.023	10
2026	0.62%	0.062	4

The evidence should be read together with the horizon profile. Coherence across adjacent horizons is more informative than a single best row.

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# Research Interpretation

The balanced interpretation is to treat the evidence as a research-library component and not as a standalone product claim.

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## Role in library

Research-library ranking component.

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## Captures

A research-proxy signal designed to compare issuers across a broad equity panel.

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## Where useful

Useful as a comparison lens inside broader systematic research, especially when combined with other independent views.

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## Known limitations

Research proxies can combine observed behavior into a compact relative-ranking lens. The results remain historical diagnostics and can be sensitive to universe, regime, and horizon choice.

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