

Riedel Research Group©

Independent equity research and country intelligence on companies in emerging markets: Asia and Latin America

The Firm

Riedel provides equity research and analysis to leading financial organizations. By becoming members of a region (Asia or Latin America), organizations have access to an integrated set of services including:

monthly company coverage reports

monthly investment decision advice (buy, hold, sell)

quarterly country intelligence teleconferences (new for 2005)

customized company briefs and unlimited on-line access to the program's services.

Riedel provides research coverage of companies across the full range of market capitalization. Experienced research professionals in each market develop company reports and analysis as well as earnings models and projections. Ratings are **Buy, Hold** and **Sell** with a focus on compelling investment ideas - both long and short. Downloadable, dynamic earnings models are built to facilitate sensitivity analysis.

Riedel's subscription-based model, in which all members have unlimited access to all produced research, whether they are monthly reports or customized company briefs, is central to RRG's "intelligence-of-scale" business model. This model allows members to receive exponential benefits for their subscription fees.

The Founder

David Riedel had been a research analyst for over ten years with a strong focus on Southeast Asia as the Head of Thai Research and Regional Telecommunications analyst for Salomon Smith Barney. One of the major challenges that Mr. Riedel witnessed during his tenure in major investment houses was the **dramatic decline in the quality of research, especially in emerging markets such as in Asia and Latin America.** Mr. Riedel founded the Riedel Research Group on two premises: 1) **Throughout the industry, most fund managers face the same decision-making challenges.** 2) **It is imperative to produce independent and objective research supported with high-quality local intelligence.**

Why is there an Urgent Need for Objective Research in Emerging Markets?

1) A decline in research has created a challenge for Emerging Market

fund managers. Emerging markets-focused fund managers face a serious problem with the current state of equity research in their markets. First, there has been a dramatic decline in the quality of research in the Emerging Markets, which have been largely abandoned by the major brokerages. Second, there has always been a lack of independence and objectivity in international research as a result of pressure from brokerage firms and corporates for positive outlooks and ratings. In addition, an erratic focus on “hot” markets (such as China currently) creates much enthusiasm among the investment banks but very little in the way of good, objective equity research. **2) Smaller markets and mid-cap stocks have a big impact on regional performance.** Smaller markets can move quickly and have an impact on the benchmarks. Good mid-cap picks and proprietary insights into large-cap stocks can boost fund manager performance. **3) Fund managers are underserved in the Emerging Markets.** Because of issues with trading volume as well as research coverage, many Emerging Market funds have increasingly focused on a few larger markets. Given that all of the markets are part of their mandate, managers should be monitoring the smaller markets and have a pool of investment ideas to work with when the markets move. In addition, fund managers are being underserved in some of the larger markets as coverage in those markets is driven by investment banking deals rather than providing quality equity research.

Why Riedel Research Group?

Research that is **independent** of any conflict of interest from banking or brokerage.

Proprietary and **proactive** ideas. Rather than simply react to market movements and results announcements, our analysts work to predict how future developments and trends are likely to impact earnings and prospects.

We provide **custom research** including channel checks, custom company visits and tailored analysis to our clients.

We focus on **absolute performance** to help fund managers in these markets.

The insights you get from our analysts have **limited distribution** to avoid excessive dilution and give our clients a competitive advantage in these markets.

Commentary that is action-oriented, **flexible** and **useful** including downloadable dynamic Excel spreadsheets built to facilitate sensitivity analysis.

Our Services

Monthly Company Reports	Riedel provides updated objective equity research reports on a monthly basis (building coverage to a total of 400 companies). Each report is based on original research and supported with high-quality local market intelligence.
Monthly Investment Decision Advice	Riedel reviews its buy, hold and sell recommendations on a monthly basis for each covered company.
Quarterly Country Intelligence Teleconferences	Quarterly conference calls will be held for Riedel clients to discuss global, regional, sector and company views. Participants ranging from fund managers to senior and junior analysts will find these opportunities useful. Senior staff from each region will facilitate discussion in an interactive, group setting.
Customized Company Briefs	Riedel provides 12 customized company briefs per year to each member. These briefs, published monthly in each research program will also be available to all other participants. As a result, everyone benefits from our "intelligence-of-scale" model while confidentiality preserved.
Riedel On-line	All services can be accessed through Riedel's website allowing members to capitalize on our proprietary database of information and the entire body of research.