Risk Premia Implementation
Motivation for Isolating Risk Premia

- Correlations between Relative Performance risk premia are significantly lower than among Long Only Risk Premia

Long Only Risk Premia Correlations

	Value	Quality	Momentum	Low Beta	MSCI World
Value		96%	89%	91%	96%
Quality			94%	92%	98%
Momentum				88%	93%
Low Beta					92%
MSCI World					

Relative Performance Risk Premia Correlations

	Value	Quality	Momentum	Low Beta	MSCI World
Value		-15%	-49%	2%	25%
Quality			-18%	-7%	-38%
Momentum				20%	13%
Low Beta					37%
MSCI World					

Source: Deutsche Bank, Bloomberg .Correlation is calculated using monthly returns. Data Period: Jan-02 to Jul-13.