

# Sabrient launches two new stock indexes

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Sabrient Systems, a Santa Barbara-based independent equity research firm, has launched two new stock indexes, one based on neglected stocks and one based on insider behavior.

The company describes its Sabrient Stealth Index as a weighted index comprising 150 publicly-traded companies that appear well-positioned to benefit from the "neglected stock effect."

Sabrient says firms operating "under the radar" of Wall Street analysts tend to trade at depressed prices and produce superior returns relative to better-known securities. The index also identifies neglected stocks displaying robust growth characteristics that give them the potential to outperform other small-cap benchmark indices.

The Sabrient Insider Sentiment Index identifies 100 stocks that reflect favorable

corporate insider buying trends (determined by combing through the public filings of such corporate insiders) and recent upgrades by Wall Street analysts, giving them the potential to outperform the S&P 500 Index and other broad benchmark indices.

On Thursday Sabrient announced a licensing agreement with Claymore Advisors under which Claymore will create exchange-traded funds generally, corresponding to the performance of the two new Sabrient indexes.

Based in Conshohocken, Penn., Claymore Advisors is an affiliate of Claymore Securities, Inc., a privately-held financial services company headquartered in Lisle, Ill.

Earlier this year, Sabrient began a strategic partnership with Claymore Securities under which Sabrient will develop custom stock

selection models for given investment themes which Claymore then licenses.

The first such product, the Sabrient Select Growth Portfolio, is a unit investment trust that uses a quantitative selection process to select a 50-stock portfolio primarily for capital appreciation and then dividend income.

Founded in December 2000 and located on West Micheltorena Street, Sabrient does not actively manage any money but works with a variety of institutions, brokers, portfolio managers, investment advisers and hedge funds.

The company says it helps clients enhance performance and contain risk by providing unbiased, fundamentals-based research for nearly 6,000 stocks, indices and exchange-traded funds. Sabrient also produces reports on each stock every week.

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