



Economic Index Associates

Fact Sheet IFED-L Index

**For more information:****w:** www.economicindexassociates.com**e:** info@EIAinvestments.com**p:** +1 212 653 0697

Objective

The IFED-L index maximizes exposure to those large cap U.S. equities best positioned to benefit from prevailing monetary conditions. The index uses a combination of Federal Reserve policy developments and key firm metrics to select stocks via a transparent and rules-based active strategy.

Index Approach¹



STARTING UNIVERSE AND STOCK SCORING

- Stocks listed on NYSE or Nasdaq with 3+ years of data
- EIA's proprietary monetary indicator classifies conditions as expansive, restrictive or indeterminate
- 12 firm-specific metrics determine stock IFED scores (i.e., ability to benefit from prevailing market conditions)



COMPOSITION & WEIGHTING

- Each stock is ranked by its IFED score
- Stocks with the highest scores for prevailing conditions are selected as potential constituents
- Liquidity and stock holdings constraints are applied resulting in approximately 75 stocks in IFED-L



INDEX REBALANCE TIMING

- IFED-L is rebalanced under two conditions:
 1. the monetary environment changes;
 2. with no environment change in the six months prior to June 1st, a rebalance occurs based on changes in firm-specific metrics

Strategy Features

- ✓ Strong return and down-side risk profile over past 23 years
 - Average annual alpha (vs S&P 500) of 7.75%
 - Cumulative return of 2,743% vs 466% for S&P 500
 - Average annual rolling 3-year alpha of 5.55% (5 yr = 5.07%)
 - Beat S&P 500 86% of time in rolling 3-year return (5 yr = 98%)
 - Captured 133% of market upside and 80% of downside

Index Performance

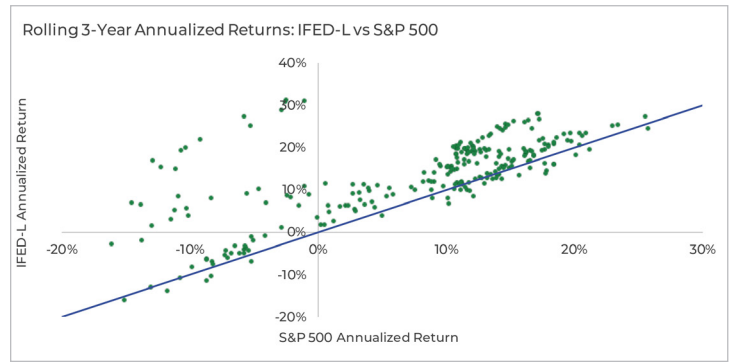
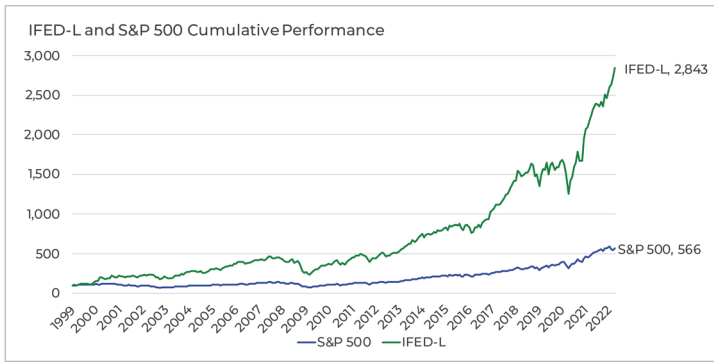
| | S&P 500 | IFED-L | Alpha |
|----------|---------|---------|--------|
| 1999 | 21.04% | 61.84% | 40.81% |
| 2000 | -9.10% | 38.58% | 47.68% |
| 2001 | -11.89% | 0.32% | 12.21% |
| 2002 | -22.10% | -11.95% | 10.15% |
| 2003 | 28.66% | 38.11% | 9.44% |
| 2004 | 10.88% | 13.50% | 2.62% |
| 2005 | 4.91% | 21.52% | 16.61% |
| 2006 | 15.78% | 12.21% | -3.57% |
| 2007 | 5.57% | 3.16% | -2.41% |
| 2008 | -37.00% | -38.11% | -1.11% |
| 2009 | 26.45% | 40.16% | 13.71% |
| 2010 | 15.06% | 18.79% | 3.74% |
| 2011 | 2.11% | -1.89% | -4.00% |
| 2012 | 15.99% | 19.47% | 3.47% |
| 2013 | 32.37% | 41.98% | 9.60% |
| 2014 | 13.68% | 10.88% | -2.79% |
| 2015 | 1.37% | 0.91% | -0.46% |
| 2016 | 11.95% | 25.41% | 13.46% |
| 2017 | 21.82% | 35.30% | 13.48% |
| 2018 | -4.40% | -5.45% | -1.05% |
| 2019 | 31.48% | 25.49% | -5.99% |
| 2020 | 17.75% | 22.84% | 5.09% |
| 2021 | 28.51% | 25.34% | -3.17% |
| 2022 YTD | -4.64% | 9.42% | 14.05% |

PERFORMANCE AND SUMMARY STATISTICS (THROUGH MARCH 31, 2022)

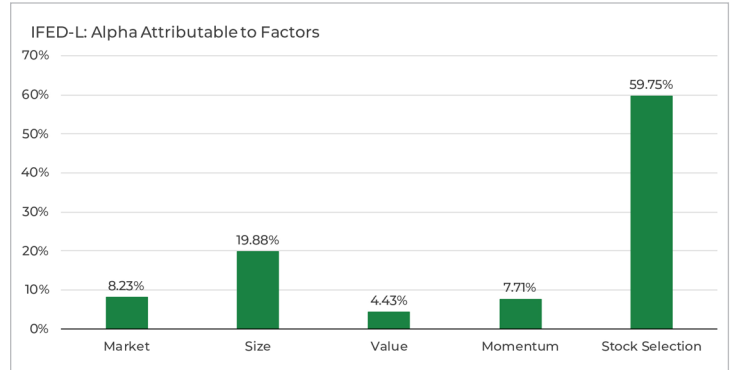
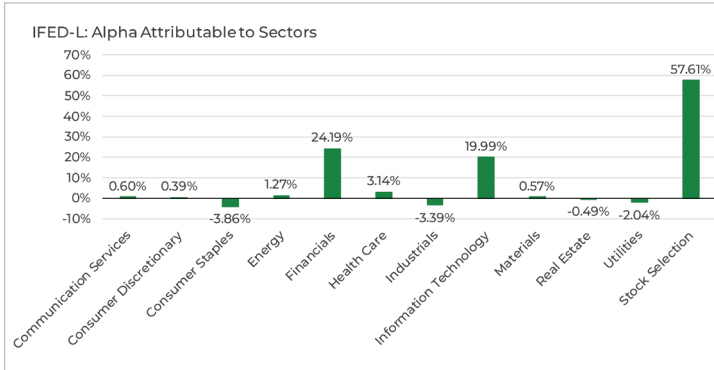
| | | Returns | | | Annualized Returns | | | | | Summary Statistics | | | |
|---------|----|-------------------------------|--------|--------|--------------------|--------|--------|--------|--------|--------------------|--------|------|--------------|
| | | Since Index Launch 06.09.2020 | 1M | 3M | YTD | 1 yr | 3 yrs | 5 yrs | 10 yrs | Full Period | Beta | Std | Sharpe Ratio |
| IFED-L | 1M | 4.37% | 9.42% | 9.42% | 26.64% | 22.25% | 20.52% | 18.68% | 15.49% | 1.03 | 18.76% | 0.77 | 1.41 |
| S&P 500 | 3M | 3.67% | -4.64% | -4.64% | 15.52% | 18.63% | 15.81% | 14.54% | 7.74% | - | 14.96% | 0.45 | 0.75 |

¹ A more detailed description of the IFED-L methodology is available on request.

HISTORICAL PERFORMANCE (THROUGH MARCH 31, 2022)



RETURN ATTRIBUTION (THROUGH MARCH 31, 2022)



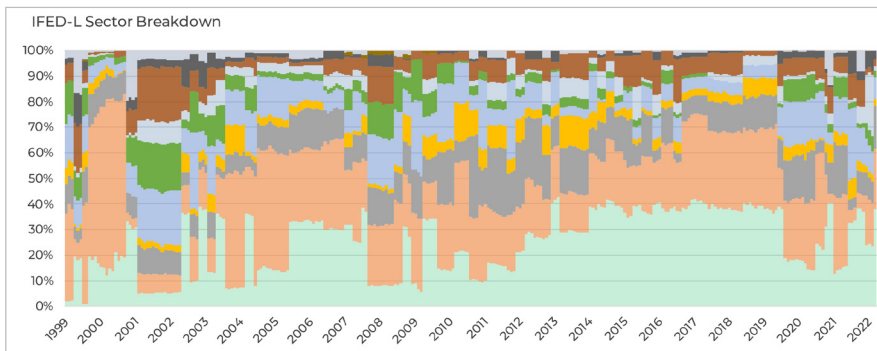
✓ IFED-L produces alpha by selecting stocks that are aligned with market conditions; it does not maintain any consistent sector bias

- 57.61% of alpha is attributable to stock selection

✓ Twelve firm-specific metrics are used to select stocks that align with prevailing conditions; thus, factor exposures are incidental, generally small and deviate over time

- 59.75% of alpha is attributable to stock selection

INDEX COMPOSITION (THROUGH MARCH 31, 2022)



| Average Weight | Sector |
|----------------|------------------------|
| 1.67% | Utilities |
| 0.11% | Real Estate |
| 2.10% | Materials |
| 7.20% | Industrials |
| 3.69% | Energy |
| 5.62% | Consumer Staples |
| 11.70% | Consumer Discretionary |
| 4.82% | Communication Services |
| 12.70% | Health Care |
| 25.49% | Information Technology |
| 24.89% | Financials |

Largest 10 Holdings at Market Close March 31, 2022

| Rank | Company | Weight |
|------|---------------------------------|--------|
| 1 | Bank of America Corporation | 5.00% |
| 2 | Applied Materials, Inc. | 3.93% |
| 3 | JPMorgan Chase & Co. | 3.91% |
| 4 | UnitedHealth Group Incorporated | 3.87% |
| 5 | Citigroup Inc. | 3.62% |
| 6 | The Goldman Sachs Group, Inc. | 3.05% |
| 7 | Lam Research Corporation | 3.01% |
| 8 | Morgan Stanley | 2.77% |
| 9 | Ford Motor Company | 2.76% |
| 10 | Apple Inc. | 2.67% |

Sector Composition at Market Close March 31, 2022

| Sector | Weight |
|------------------------|--------|
| Financials | 38.09% |
| Information Technology | 23.59% |
| Health Care | 16.62% |
| Communication Services | 2.75% |
| Consumer Discretionary | 8.33% |
| Consumer Staples | 2.75% |
| Energy | 1.71% |
| Industrials | 2.58% |
| Materials | 3.57% |
| Real Estate | 0.00% |

DISCLAIMER: The launch date of IFED-L was June 9, 2020. Information presented prior to the index launch date is based on the same methodology in effect when the index was officially launched. Past performance is not an indication or guarantee of future results. Copyright © 2020 Economic Index Associates LLC (EIA). All rights reserved. Redistribution or reproduction in whole or in part are prohibited without written permission. IFED-L is a registered trademark of EIA. EIA and third-party licensors make no representation or warranty, express or implied, as to the ability of any index to accurately represent the asset class or market sector that it purports to represent and Economic Index Associates and its third-party licensors shall have no liability for any errors, omissions, or interruptions of any index or the data included therein. This document does not constitute an offer of any services. All information provided by EIA is general in nature and not tailored to the needs of any person, entity or third-party. EIA receives compensation in connection with licensing its indices to third parties and providing custom calculation services. It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be available through investable instruments offered by third parties that are based on that index. EIA does not sponsor, endorse, sell, promote or manage any investment fund or other investment product or vehicle that seeks to provide an investment return based on the performance of any Index. Economic Index Associates LLC is not an investment or tax advisor. EIA makes no representation regarding the advisability of investing in any such investment fund or other investment product or vehicle. A tax advisor should be consulted to evaluate the impact of any tax-exempt securities on portfolios and the tax consequences of making any particular investment decision. For more information on any of our indexes please visit www.economicindexassociates.com.