



Economic Index Associates

Fact Sheet

Nasdaq *IFED* US Large-Cap Low Volatility Index

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Objective

The Nasdaq *IFED* US Large-Cap Low Volatility Index (Nasdaq *IFED-LV*TM) selects its 75 components from the 150 large-cap stocks with the lowest volatility. Stocks are selected and weighted by *IFED* Score, which indicates a stock's alignment with market conditions. Market conditions are identified by gauging Federal Reserve policy signals, and stock *IFED* Scores are based on 12 firm-specific metrics.

Strategy Features

✓ Strong return and down-side risk profile over past 23 years

- Average annual alpha (vs S&P 500 Low Vol index) of 3.78%
- Cumulative return of 1693% vs 690% for the S&P 500 Low Vol index
- Beat S&P 500 Low Vol 81% of time in rolling 3-year return (5 yr = 84%)
- Captured 90.97% of market upside and 36.90% of downside

Index Approach¹



STARTING UNIVERSE AND STOCK SCORING

- Stocks listed on NYSE or Nasdaq with at least three years of data
- EIA's proprietary monetary indicator uses Fed policy signals to classify the environment as expansive, restrictive or indeterminate
- Twelve firm-specific metrics are used to assign each stock an *IFED* Score, which reflects the stock's ability to benefit from prevailing market conditions



COMPOSITION & WEIGHTING

- From the 500 largest US stocks, the 150 with the lowest volatility at each rebalance are selected as potential constituents
- From the 150 potential constituents, the 75 stocks with the highest *IFED* Scores are selected
- The 75 stocks in Nasdaq *IFED-LV* are weighted by *IFED* Score



INDEX BALANCE TIMING

- Nasdaq *IFED-LV* is rebalanced under two conditions:
 - 1) the market 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

Index Performance

	S&P 500 Low Vol	Nasdaq <i>IFED-LV</i>	Alpha
1999	-7.76%	-2.10%	5.66%
2000	25.03%	32.52%	7.49%
2001	4.37%	6.00%	1.63%
2002	-7.16%	-4.91%	2.25%
2003	22.75%	24.04%	1.29%
2004	17.69%	26.05%	8.36%
2005	2.20%	11.46%	9.26%
2006	19.69%	18.52%	-1.17%
2007	0.58%	1.70%	1.12%
2008	-21.41%	-25.56%	-4.15%
2009	19.22%	24.60%	5.38%
2010	13.36%	9.76%	-3.60%
2011	14.78%	8.22%	-6.56%
2012	10.30%	14.98%	4.68%
2013	23.59%	39.09%	15.51%
2014	17.49%	20.38%	2.89%
2015	4.34%	8.07%	3.73%
2016	10.37%	14.24%	3.87%
2017	17.41%	28.76%	11.35%
2018	0.27%	1.69%	1.42%
2019	28.26%	31.26%	3.00%
2020	-2.09%	9.94%	12.02%
2021	25.46%	27.76%	2.30%
2022	-4.59%	3.26%	7.85%

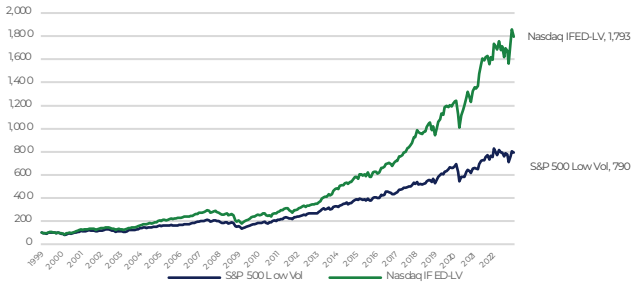
PERFORMANCE AND SUMMARY STATISTICS (THROUGH DECEMBER 30, 2022)

	Nasdaq <i>IFED-LV</i>			Annualized Returns					Summary Statistics			
	1M	3M	YTD	1 yr	3 yrs	5 yrs	10 yrs	Full Period	Beta	Std Dev	Sharpe Ratio	Sortino Ratio
Nasdaq <i>IFED-LV</i>	-3.52%	14.78%	3.26%	3.26%	13.20%	14.12%	17.82%	12.78%	0.70	13.15%	0.90	1.58
S&P 500 Low Vol	-1.72%	11.27%	-4.59%	-4.59%	5.44%	8.55%	11.46%	9.00%	0.58	11.96%	0.67	1.13

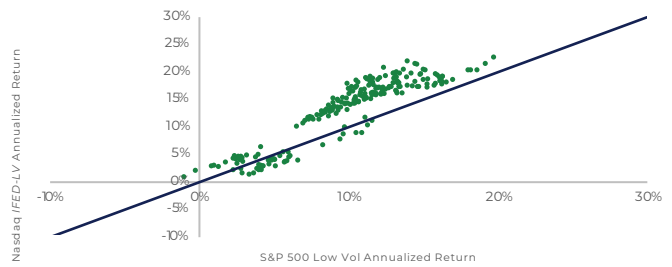
¹ A more detailed description of the Nasdaq *IFED* US Large-Cap Index methodology is available on request.

HISTORICAL PERFORMANCE (THROUGH DECEMBER 30, 2022)

Nasdaq IFED-LV and S&P 500 Low Vol Cumulative Performance

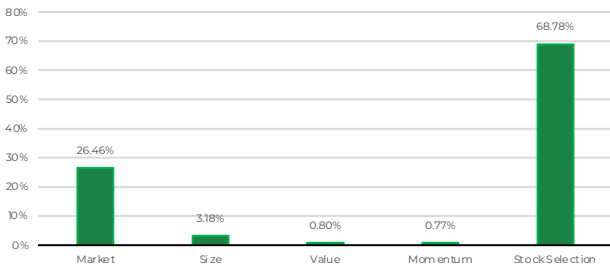


Rolling 5-Year Annualized Returns: Nasdaq IFED-LV vs S&P 500 Low Vol

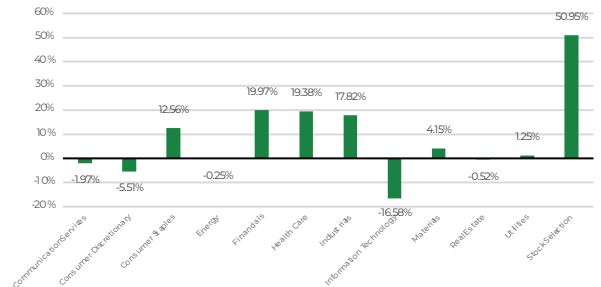


RETURN ATTRIBUTION (THROUGH DECEMBER 30, 2022)

Nasdaq IFED-LV: Alpha Attributable to Factors



Nasdaq IFED-LV: Alpha Attributable to Sectors



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

- 68.78% of alpha is attributable to stock selection

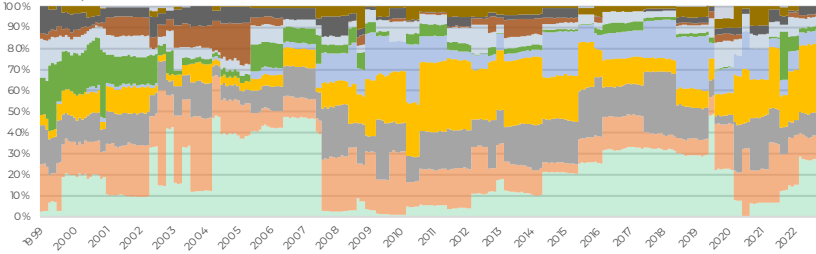


Nasdaq IFED-LV produces alpha by selecting stocks that are aligned with market conditions; it does not maintain any consistent sector bias

- 50.95% of alpha is attributable to stock selection

INDEX COMPOSITION (THROUGH DECEMBER 30, 2022)

Nasdaq IFED-LV Sector Breakdown



Average Weight	Sector
0.25%	Real Estate
2.61%	Communication Services
4.06%	Materials
3.55%	Energy
6.30%	Consumer Discretionary
5.90%	Utilities
8.86%	Information Technology
15.89%	Health Care
15.94%	Industrials
16.85%	Consumer Staples
19.79%	Financials

Largest 10 Holdings at Market Close December 30, 2022

1	McKesson Corporation	3.96%
2	Elevance Health Inc.	3.14%
3	MetLife, Inc.	3.06%
4	AmerisourceBergen Corporation	3.01%
5	Cardinal Health, Inc.	2.96%
6	Willis Towers Watson Public Limited Company	2.86%
7	Expeditors International of Washington, Inc.	2.83%
8	Travelers Companies, Inc.	2.83%
9	PACCAR Inc	2.74%
10	Aflac Incorporated	2.57%

Sector Composition at Market Close Dec 30, 2022

Health Care	33.24%
Financials	28.05%
Industrials	10.77%
Consumer Staples	10.69%
Information Technology	6.04%
Consumer Discretionary	4.89%
Materials	3.12%
Utilities	1.74%
Energy	1.46%
Communication Services	0.00%
Real Estate	0.00%

Disclaimer: The launch date of IFED-LV™ was July 13, 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 © 2023 Economic Index Associates LLC (EIA). All rights reserved. Redistribution or reproduction in whole or in part is prohibited without written permission. IFED-LV™ is a registered trademark. EIA makes 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. EIA shall have no liability for any errors, omissions, or interruptions of any index or the data included herein. 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.