



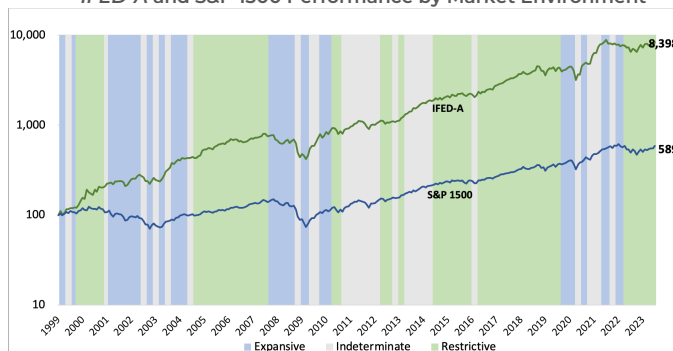
Economic Index Associates

Do You Invest with the Fed?

Economic Index Associates (EIA) is a developer and licensor of active index strategies that are replicable, investable, rules-based and transparent. EIA created the “Invest with the Fed” (IFED™) strategy, which uses Fed policy signals to guide security selection.

EIA's founders are the *authorities on the association of Fed monetary policy with security returns* – combined they have published over 200 academic articles, which have over 10,000 citations. The basic premise of their research is captured in their book - *Invest with the Fed* (McGraw-Hill, 2015).

IFED-A and S&P 1500 Performance by Market Environment



EIA's INDEX OFFERINGS & THEIR PERFORMANCE, JAN 1999 – Jun 2023

	IFED-A (All Cap)	IFED-LG (Large Cap)	IFED-LM (Large Mid)	IFED-M (Mid Cap)	IFED-S (Small Cap)	IFED-LV (Low Vol)
Annual Return	19.82%	18.17%	19.47%	18.61%	17.05%	12.75%
Alpha vs Benchmark	12.32%	10.82%	12.08%	9.16%	7.79%	3.97%
Standard Deviation	21.43%	18.77%	20.20%	20.72%	22.64%	12.99%
Upside Capture*	150.41%	138.63%	144.43%	124.88%	128.73%	121.87%
Downside Capture*	68.37%	63.79%	65.09%	70.06%	85.13%	91.67%
Tracking Error*	13.87%	10.82%	12.30%	10.13%	11.00%	5.28%
Benchmark	S&P 1500	S&P 500	Russell 1000	S&P MidCap 400	S&P SmallCap 600	S&P 500 Low Vol

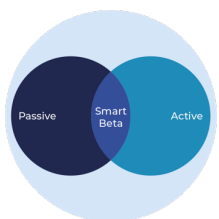
* Each IFED index vs its respective benchmark.

THE EVOLUTION OF INDEX INVESTING



CAPM

Capital Asset Pricing Model



SMART BETA

Smart beta ushered in the concept of fundamentally-weighted indexes.



ECONOMIC INDEXING

EIA applies the next generation approach – dynamically-weighted portfolios positioned to benefit from prevailing market conditions.

IFED INDEX OUTPERFORMANCE (ALPHA) BY HOLDING PERIOD

	<i>IFED-A</i> (All Cap)	<i>IFED-LG</i> (Large Cap)	<i>IFED-LM</i> (Large Mid)	<i>IFED-M</i> (Mid Cap)	<i>IFED-S</i> (Small Cap)	<i>IFED-LV</i> (Low Vol)
Full Period (Jan 1999 – Mar 2023)	12.32%	10.82%	12.08%	9.16%	7.79%	3.97%
20 Years	7.61%	7.43%	7.81%	6.29%	4.34%	4.04%
10 Years	7.02%	6.55%	5.82%	7.94%	6.40%	5.83%
5 Years	4.22%	3.15%	1.76%	7.72%	8.47%	4.74%
3 Years	7.99%	7.57%	7.04%	7.88%	9.53%	3.75%
2 Years	-5.74%	1.71%	-1.22%	2.94%	1.92%	2.38%
1 Year	9.96%	-3.56%	2.21%	4.51%	21.73%	8.21%
3 Months*	0.76%	-1.85%	-2.82%	0.73%	5.24%	1.94%
1 Month	3.92%	2.98%	3.12%	0.79%	0.84%	2.26%
YTD*	-0.77%	-10.14%	-7.42%	0.27%	9.01%	1.67%

* Not annualized

IFED METHODOLOGY



STARTING UNIVERSE AND STOCK SCORING

- Stocks listed on NYSE or Nasdaq with 3+ years of data
- EIA's proprietary market 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*
- 75 stocks with highest *Scores* for prevailing conditions are selected
- Selected stocks are weighted by *IFED Score*
- Customized *IFED* indexes integrate unique features



INDEX REBALANCE TIMING

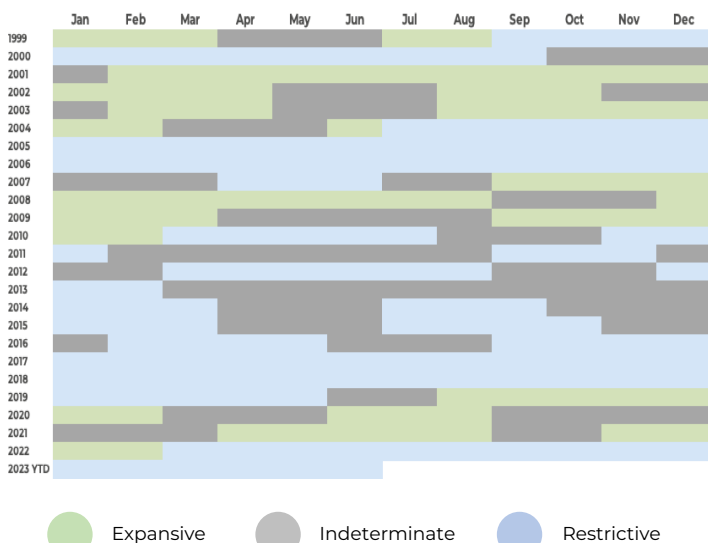
- *IFED* indexes rebalance when required to maintain alignment with market conditions.
- The *IFED Model* reacts to signaled shifts in Fed policy, rather than relying on existing rate levels or past economic conditions.
- See below....

Selected Data by Market Environment: Jan 1999 - Jun 2023

	Market Environment		
	Expansive	Indeterminate	Restrictive
Fed Signal	Easing	Mixed	Tightening
<i>IFED-A Alpha</i>	15.50%	14.08%	9.54%
Fed Mandate Priority	Full Employment	Balanced	Price Stability (Inflation)
% Sample Period	25.85%	26.19%	47.96%

MARKET ENVIRONMENT CHARACTERISTICS

IFED Turnover/Rebalance Data



* As of June 1st in any year, if there has been no change in the market environment in the prior six months, *IFED* indexes rebalance to reflect updated financial metrics.

- Shifts in Fed policy signals are the primary trigger for index rebalances
- During the 24-year period, there are 45 rebalances
 - 34 due to changes in the market environment
 - 11 due to changes in firm metrics with no change in the market environment *
- Rebalances per year: max. = 3 (e.g., 2021); min. = 1 (e.g., 2020)
 - Average number of rebalances is 1.8 per annum
 - Turnover per rebalance ranges from 40.28% to 97.35%
 - Average annual turnover is 168.98%, range of 40.28% to 281.28%
- Index composition changes with each rebalance; alpha is captured by maintaining an allocation that aligns with the environment
 - Firm metrics drive the composition, so factor and sector exposures vary substantially across environment

COMPARATIVE ANNUAL RETURNS BY HOLDING PERIOD

	<i>IFED-A</i>	S&P 1500	<i>IFED-LG</i>	S&P 500	<i>IFED-LM</i>	Russell 1000	<i>IFED-M</i>	S&P 400	<i>IFED-S</i>	S&P 600	<i>IFED-LV</i>	S&P Low Vol
Full Period	19.82%	7.50%	18.17%	7.35%	19.47%	7.38%	18.61%	9.45%	17.05%	9.26%	12.75%	8.78%
20 Years	17.74%	10.13%	17.43%	10.00%	17.94%	10.13%	16.76%	10.48%	14.63%	10.29%	13.85%	9.82%
10 Years	19.47%	12.46%	19.18%	12.62%	18.31%	12.49%	17.94%	10.01%	16.19%	9.79%	15.84%	10.01%
5 Years	16.04%	11.83%	15.29%	12.14%	13.68%	11.92%	15.51%	7.79%	13.69%	5.22%	13.04%	8.30%
3 Years	22.66%	14.67%	22.01%	14.44%	21.13%	14.09%	23.32%	15.44%	24.72%	15.19%	14.26%	10.51%
2 Years	-2.73%	3.01%	5.10%	3.39%	0.67%	1.88%	3.13%	0.20%	-2.53%	-4.44%	6.30%	3.92%
1 Year	29.20%	19.24%	16.04%	19.59%	21.58%	19.36%	22.12%	17.61%	31.48%	9.75%	12.11%	3.90%
3 Months*	9.15%	8.39%	6.89%	8.74%	5.76%	8.58%	5.58%	4.85%	8.62%	3.38%	3.25%	1.31%
1 Month*	10.71%	6.78%	9.59%	6.61%	9.87%	6.75%	9.95%	9.16%	9.07%	8.23%	6.40%	4.14%
YTD*	15.38%	16.15%	6.75%	16.89%	9.26%	16.68%	9.11%	8.84%	15.04%	6.03%	1.22%	-0.45%

* Not annualized.

All data > 12 months herein are annualized using monthly returns.

For more information:

w: www.economicindexassociates.com e: info@economicindexassociates.com p: +1 212 653 0697

DISCLAIMER: All representations and warranties are hereby disclaimed. It is not possible to invest directly in an *IFED*™ index. There is no obligation for EIA to advise third parties, including investors and/or financial intermediaries, of any errors in any *IFED* indexes. The publication and distribution of any *IFED* indexes that serve as the basis for products licensed by EIA are not intended as a recommendation for capital investment and do not contain any assurance or opinion of EIA regarding a possible investment in a financial instrument based on an Index. For access to EIA's full set of disclaimers including the limitations of back-tested indexes, please visit our [website](https://www.economicindexassociates.com).



Economic Index Associates