As of March 31, 2024

Economic Index Associates

Fact Sheet

Nasdaq IFED US Large-Cap Low Volatility™ Index

Objective

The Nasdaq IFED US Large-Cap Low Volatility Index (Nasdaq IFED-LV™) selects its 75 components from 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 25 years

- Annualized returns of 12.81% since 1999
- Annualized alpha (vs S&P 500 Low Vol) of 4.00%
- Beat S&P 500 Low Vol 82% of time in rolling 3-yr return (5-yr win rate =85%)
- Captured 90% of market upside and 37% of downside

Index Approach[1]

STARTING UNIVERSE AND STOCK SCORING

- Stocks listed on NYSE or Nasdaq with at least three years of data
- EIA's proprietary market 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 REBALANCE TIMING

- Nasdaq *IFED-LV* is rebalanced under two conditions:
  - the market environment changes;
  - 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 *IFED-LV*	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%
2023	0.71%	9.91%	9.20%
2024 YTD	5.84%	6.36%	0.52%

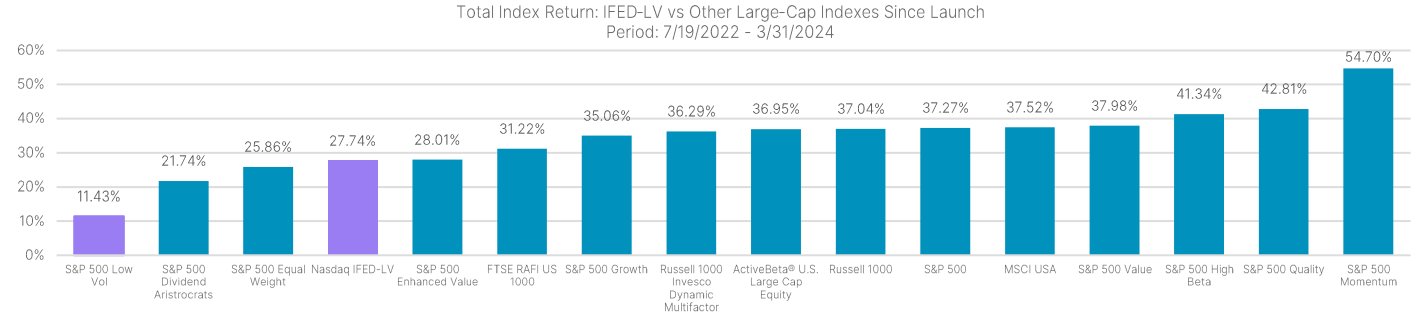
NASDAQ IFED-LV PERFORMANCE AND SUMMARY STATISTICS

	Total Returns			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 *IFED-LV*	3.06%	6.36%	6.36%	19.25%	12.44%	14.17%	15.17%	12.81%	0.69	13.06%	0.83	1.47
S&P 500 Low Vol	3.09%	5.84%	5.84%	8.49%	6.84%	7.15%	9.49%	8.81%	0.58	11.88%	0.57	0.97

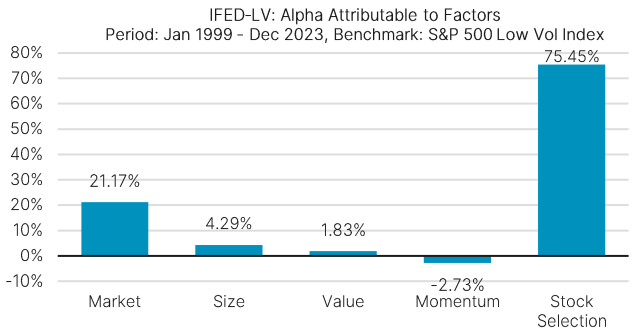
[1]A more detailed description of the Nasdaq*IFED* US Large-Cap Low Vol Index methodology is available on request.

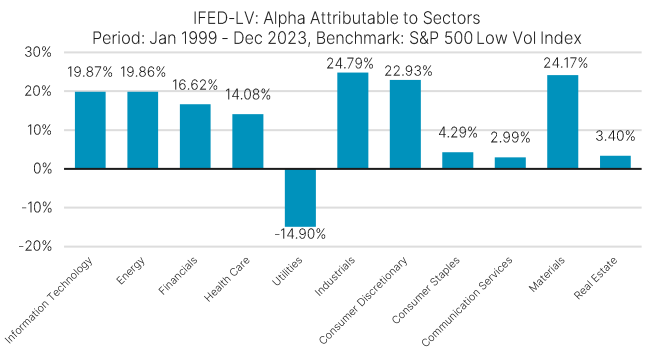
Please note that all performance/returns data prior to the live calculation of the index beginning on July 19, 2022 is back-tested. All back-tested index values for periods prior to the launch date of an index are merely indicative, and they are provided "AS IS" for informational and educational purposes only. Nasdaq makes no guarantee as to the accuracy, timeliness, completeness, or fitness for any particular purpose of or for any index values, either historical or back-tested. Nothing contained herein should be construed as investment advice, either on behalf of a particular security or an overall investment strategy. Past performance is not indicative of future results. .

HISTORICAL PERFORMANCE (THROUGH MARCH 31, 2024)



RETURN ATTRIBUTION (THROUGH DECEMBER 31, 2023)

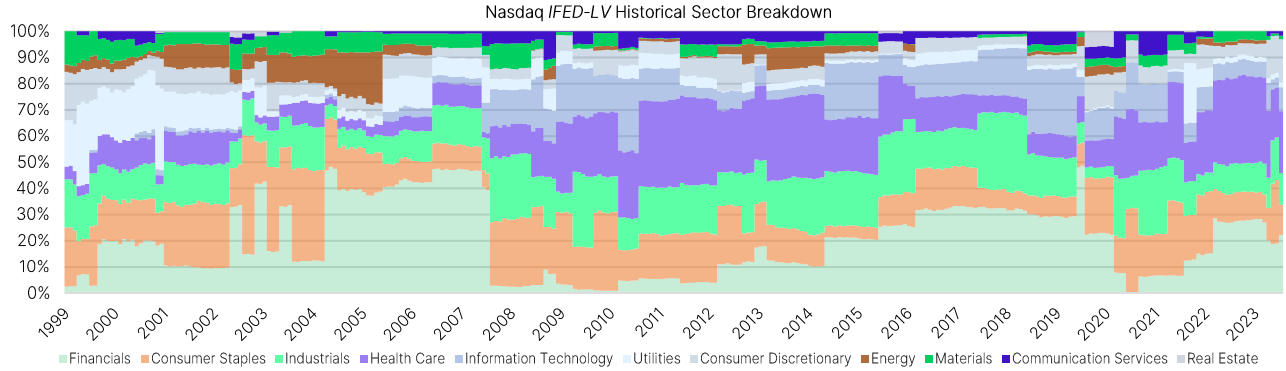




- Twelve firm-specific metrics are used to select stocks that align with prevailing conditions; thus, factor exposures are incidental, generally small and deviate over time
- 75.45% of alpha is attributable to stock selection

- Nasdaq *IFED-LV* produces alpha by selecting stocks that are aligned with market conditions; it does not maintain any consistent sector bias
- Only sector to show negative alpha attribution was Utilities

INDEX COMPOSITION (THROUGH MARCH 31, 2024)



Largest 10 Holdings at Market Close March 31, 2024

1	Cardinal Health	5.52%
2	PulteGroup	4.54%
3	NVR	4.19%
4	Aflac	3.52%
5	Textron	3.20%
6	Goldman Sachs Group	2.97%
7	Vertex Pharmaceuticals	2.90%
8	Humana	2.79%
9	Hartford Financial Services Group	2.64%
10	Cisco Systems	2.51%

Sector Composition at Market Close March 31, 2024

Health Care	23.60%
Financials	22.19%
Consumer Discretionary	16.55%
Industrials	12.10%
Consumer Staples	11.65%
Information Technology	9.15%
Utilities	1.76%
Communication Services	1.64%
Materials	1.37%
Energy	0.00%
Real Estate	0.00%

Disclaimer: The launch date of *IFED-LV*™ was July 19, 2022. 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 © 2024 Economic Index Associates LLC (EIA). All rights reserved. Redistribution or reproduction in whole or in part are 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

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