

iTraxx European Crossover Credit Short index (IECS Index)

TABULA

Diversified short exposure to European high yield with enhanced liquidity and reduced interest rate risk

Capital is at risk. The value of the index may go down as well as up.

Index information

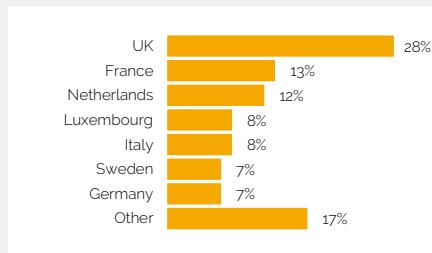
Index:	iTraxx European Crossover Credit Short index
Index provider:	IHS Markit
Bloomberg index ticker:	ITRXXOVS
Index currency:	EUR

Key metrics

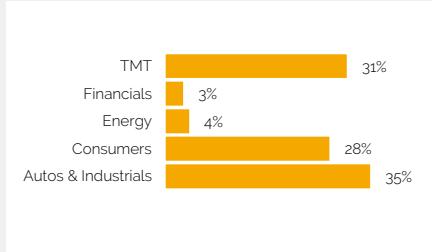
Estimated 1yr Yield:	-5.98%
Credit DV01:	0.05%
Average CDS spread:	352.0bp
Modified IR duration:	0.01

Index breakdown

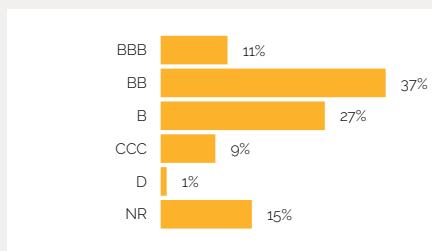
Credit exposure - country



Credit exposure - sector



Credit exposure - rating



Data: Tabula IM as of 30 November 2018. Charts show the percentage of total CDS index notional. Credit breakdown is based on S&P rating. Credit DV01 is the expected % change in NAV for a 1bp increase in credit spreads.

Benefits

- Liquid, tradeable tool for short HY credit exposure
- Strong negative correlation with European cash HY market
- Minimal interest rate exposure
- Can be used to hedge the credit component of existing HY bond holdings or for tactical positioning

About the index

The IECS Index provides diversified short exposure to European high yield corporate credit. To improve liquidity and reduce direct interest rate risk, it takes exposure via a liquid and well-established CDS index rather than via corporate bonds:

- iTraxx Crossover 5y (75 sub-investment grade entities, equal weight)

The index reflects the return from buying protection on the current series of iTraxx Crossover 5y, with market exposure of around 100%, rebalanced monthly*. It assumes a yield of EONIA – 0.25% (subject to change) on cash and is calculated net of transaction costs.

* The market exposure is based on a ratio of notional times CDS bond equivalent price to Index value, so the notional to Net Asset Value ratio typically differ from 100%.

Index performance

Index performance is calculated by IHS Markit. Past performance (actual or simulated) is not a reliable indicator of future performance.



	Sep 13 - Sep 14	Sep 14 - Sep 15	Sep 15 - Sep 16	Sep 16 - Sep 17	Sep 17 - Sep 18			
Index	-14.0%	-2.4%	-6.2%	-11.4%	-45%			
	YTD	1m	1y	3y (ann.)	5y (ann.)	Since inception	Volatility	Sharpe ratio
Index	0.8%	2.3%	0.7%	-4.8%	-6.2%	2.2%	5.7%	-105

Data: Tabula IM/IHS Markit, 30 Nov 2018. Volatility and Sharpe ratio are calculated over the 5 year period. Fund inception is 31/03/18.

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About Tabula

Tabula is a new ETF provider focused on fixed income for European institutional investors.

Tabula is focused on fixed income, supporting investors as flows into the asset class accelerate. The company believes that although fundamentals and market dynamics are positive for fixed income, the persistent innovation that ignited the equity ETF market has been lacking in this sector. As a result, the large incumbent funds continue to gather assets, but investors are hungry for new products.

Tabula has launched its first ETF and will be expanding its offering this year, providing new and more precise tools for passive credit exposure. Over time, Tabula plans to expand across the asset class, moving from investment grade and high yield credit into inflation, government debt, emerging markets, bank capital, money markets, ESG strategies and Solvency II-efficient funds.

Tabula is working in partnership with HSBC, IHS Markit, Cheyne Capital, KB Associates, ICE and PwC.

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