

iTraxx European Performance Credit Index (ITRXPFL Index)



Passive exposure to European credit markets, with minimal interest rate risk

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

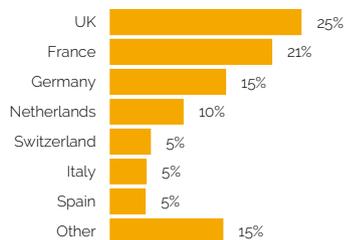
Index information

Index:	iTraxx European Performance Credit Index
Index provider:	IHS Markit
Bloomberg index ticker:	ITRXPFL
Index currency:	EUR

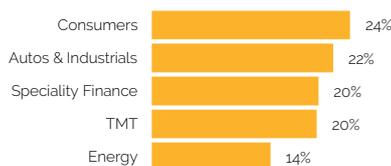
Key metrics

Estimated 12m yield:	4.90%
Credit DV01:	14.8bp
Weighted CDS spread:	342bp
Modified IR duration:	0.37

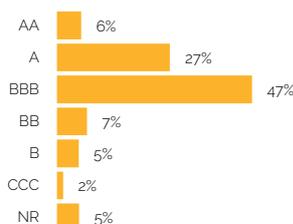
Credit exposure - country



Credit exposure - sector



Credit exposure - rating



Data: Tabula IM as of 31 May 2019. 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 change in credit spreads. Weighted average CDS spread refers to the spreads weighted by the CDS notional to NAV ratio(s).

Benefits

- Primarily investment grade
- Takes advantage of the difference between implied and realised default rates
- Enhances performance by scaling up high quality exposure, rather than lowering credit rating
- Has delivered higher returns than European high yield, with similar volatility

About the index

The ITRXPFL Index provides diversified exposure to European corporate credit, primarily investment grade. To emphasise credit risk and reduce direct interest rate risk, it takes exposure via two liquid credit default swap (CDS) indices rather than corporate bonds:

- 80% iTraxx Europe 5y (125 investment grade entities, equally weighted)
- 20% iTraxx Crossover 5y (75 sub-investment grade entities, equally weighted)

The index reflects the return from selling protection on the current series of each CDS index. It takes total market exposure of 300%, allocated in an 80/20 ratio to iTraxx Europe and iTraxx Crossover respectively, and is rebalanced monthly.

Index performance

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



	Mar 14 - Mar 15	Mar 15 - Mar 16	Mar 16 - Mar 17	Mar 17 - Mar 18	Mar 18 - Mar 19
Index	10.8%	-0.9%	5.8%	8.3%	3.0%

	YTD	1m	1y	3y (ann.)	5y (ann.)	Volatility	Sharpe ratio
Index	4.7%	-2.9%	3.0%	5.1%	4.5%	6.4%	0.76

Data: Tabula IM/IHS Markit, 31 May 2019. Volatility and Sharpe ratio are calculated over 5 years.

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About Tabula

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

Tabula specialises in 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 looking for differentiated new products.

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

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

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