

iTraxx European Crossover Credit Short index (ITRXXOVS Index)



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.

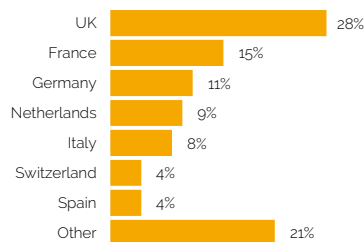
Index information

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

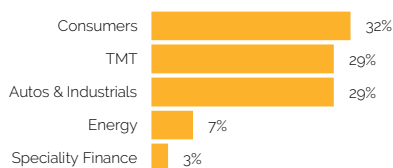
Key metrics

Estimated 12m yield:	-5.65%
Credit DVO1:	-5.4bp
Weighted CDS spread:	343bp
Modified IR duration:	-0.08

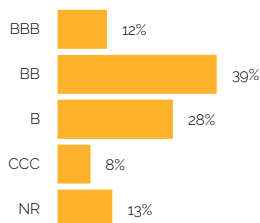
Credit exposure - country



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 DVO1 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

- 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

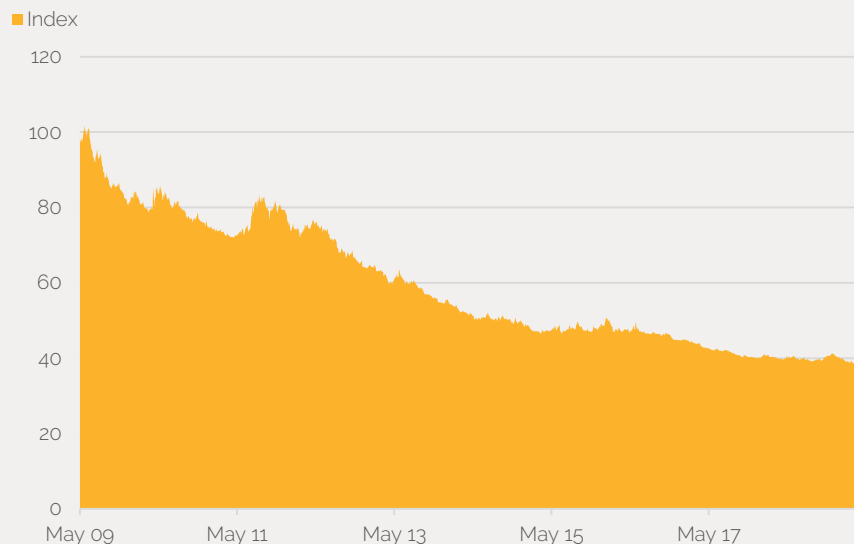
The ITRXXOVS Index provides short exposure to high yield European corporate credit. To emphasise credit risk and reduce direct interest rate risk, it takes exposure via a liquid credit default swap (CDS) index rather than corporate bonds:

- 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. It has market exposure of 100%, rebalanced monthly. Exposure is calculated as the ratio of CDS bond equivalent price to index value, so the ratio of notional to Net Asset Value may not be exactly 100%.

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	-10.3%	0.3%	-7.2%	-8.4%	-3.0%

	YTD	1m	1y	3y (ann.)	5y (ann.)	Volatility
Index	-3.6%	2.9%	-2.2%	-5.7%	-5.1%	5.8%

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

Contact us for further information

Phone +44 20 7968 7489
Email info@tabulaim.com

TabulaIM.com

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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