Elston Strategic Beta®
Dynamic Risk Parity

ESBDRP Index

Reporting as at 2024-01-10

Index Objective

The Elston Dynamic Risk Parity Index strategy is a multi-asset risk-based strategy.

The index strategy is designed to allocate dynamically to a diverse range of asset classes such that each asset class exposure contributes equal risk to the overall strategy. The strategy also limits the overall level of volatility.

The index provides a systematic rules-based approach for providing riskbased diversification with differentiated returns and constrained risk.

Performance Since Inception

Rebalancing Process

Step 1: The model systematically allocates a weighting to each different asset class exposures based on their expected volatility and correlation characteristics.

Step 2: When market volatility rises, the model systematically reduces the strategy's volatility by deallocating into ultra-short duration bonds.

Step 3: Asset class weightings are rebalanced monthly, and are subject to parameter constraints.

For illustrative purposes only.

Index Facts

Asset Class	Multi-Asset
Base Currency	GBP
Components	ETFs
Inception Date	28-Feb-11
Launch Date	03-Apr-18
ISIN	DE000SLA5NH0
Bloomberg Ticker	ESBDRP Index
RIC	.ESBDRP
Max Holdings	14
Rebalance Frequency	Monthly
Index Provider	Elston Indices
Weight Control	No
Turnover Control	No
Use of Income	Reinvested
Investment Type	Long-only
Leverage	No

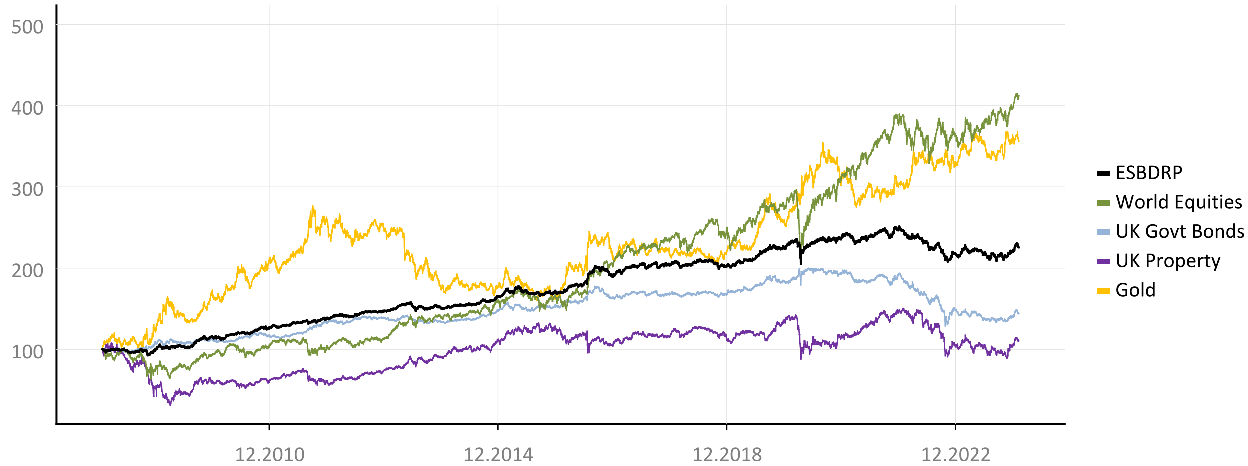
Key Statistics

1M Effective Return	-1.91%
3M Effective Return	4.80%
YTD Effective Return	-1.91%
1Y Effective Return	0.68%
3Y Effective Return	-5.50%
Volatility (1Y)	7.08%
Volatility (3Y)	7.36%
Sharpe Ratio (1Y)	-0.52
Sharpe Ratio (3Y)	-0.51

Key Points

1. Dynamic multi-asset approach
2. Risk-based diversification
3. Constrained risk

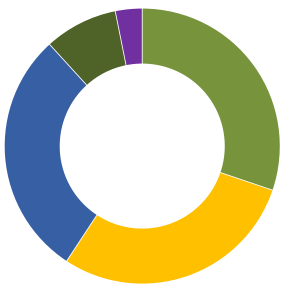
Index Performance vs Asset Class Benchmarks



Includes backtested hypothetical performance, may not reflect actual index performance.

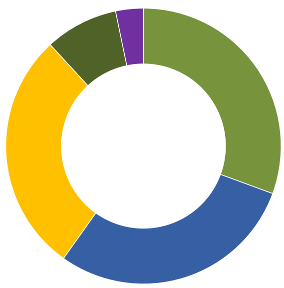
Index Composition Weightings

Current month



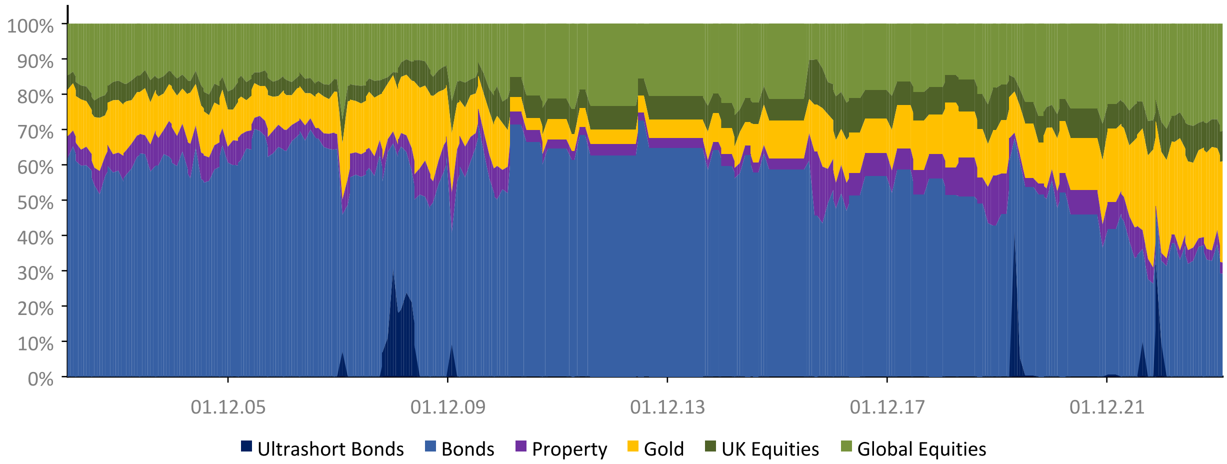
Global Equities	30.19%
Gold	29.06%
Bonds	28.99%
UK Equities	8.62%
Property	3.14%

Previous month



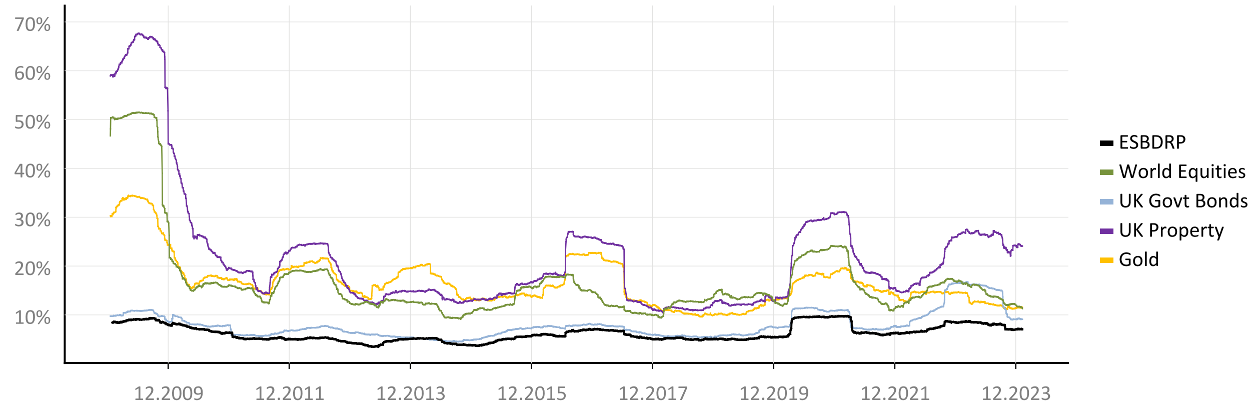
Global Equities	30.59%
Bonds	29.26%
Gold	28.31%
UK Equities	8.59%
Property	3.26%

Historical Weightings By Asset Class



Source: Elston Indices as at reporting date. Past performance is no guarantee of future results. Returns shown before the index inception date reflect hypothetical historical performance resulting from a simulation. Please see Notices for important information.

Rolling 12 Month Annualised Volatility vs Asset Class Benchmarks



Includes backtested hypothetical performance, may not reflect actual index performance.

Statistical Analysis Review

	Index	World Equities	UK Govt Bonds
Effective Return (1M)	-1.91%	-0.63%	-2.27%
Effective Return (3M)	4.80%	9.19%	6.06%
Annualised Return (1Y)	0.68%	11.83%	-1.29%
Annualised Return (5Y)	1.79%	11.66%	-3.53%
Annualised Return (since Inception)	1.75%	11.33%	-2.78%
Annualised Volatility (1Y)	7.08%	11.30%	9.16%
Annualised Volatility (5Y)	7.58%	15.89%	10.82%
Annualised Volatility (since Inception)	7.27%	15.61%	10.26%
Sharpe Ratio (1Y)	-0.52	0.65	-0.60
Sharpe Ratio (5Y)	0.06	0.62	-0.43
Sharpe Ratio (since Inception)	0.07	0.62	-0.37
Sortino Ratio (1Y)	-0.77	0.97	-0.89
Sortino Ratio (5Y)	0.08	0.85	-0.62
Sortino Ratio (since Inception)	0.10	0.85	-0.54
Maximum Drawdown (1Y)	-8.43%	-7.55%	-10.63%
Maximum Drawdown (5Y)	-17.21%	-25.27%	-35.53%
Maximum Drawdown (since Inception)	-17.21%	-25.27%	-35.53%

Historical Monthly Performance

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2024	-1.91%												-1.91%
2023	3.84%	-2.57%	2.11%	-0.74%	-2.18%	-1.04%	1.82%	-1.04%	-0.79%	0.53%	2.37%	4.36%	6.58%
2022	-3.42%	0.27%	0.59%	-1.33%	-2.52%	-3.16%	2.09%	-2.57%	-4.69%	-0.55%	3.38%	-1.12%	-12.54%
2021	-1.17%	-3.74%	1.05%	2.09%	0.91%	0.00%	2.17%	1.03%	-2.63%	1.33%	1.27%	-0.00%	2.14%
2020	1.27%	-2.05%	-2.37%	2.81%	1.94%	0.86%	0.20%	-0.71%	0.73%	-1.23%	1.66%	2.56%	5.65%
2019	2.48%	-0.23%	1.96%	-0.10%	0.80%	2.29%	2.22%	2.00%	0.84%	-0.98%	0.34%	1.09%	13.40%
2018	-1.77%	-0.25%	0.63%	0.82%	1.82%	-0.94%	0.16%	-0.01%	-1.36%	-0.90%	-1.00%	-0.13%	-2.94%
2017	-1.04%	3.55%	0.15%	0.42%	1.00%	-1.70%	0.82%	2.11%	-2.37%	0.89%	-0.12%	2.18%	5.88%
2016	2.19%	2.31%	0.75%	-0.49%	0.99%	6.52%	3.06%	1.75%	-0.44%	-1.78%	-2.69%	2.76%	15.58%
2015	4.58%	-1.95%	1.83%	-1.43%	0.69%	-2.70%	0.62%	-0.70%	0.14%	0.62%	0.71%	-0.63%	1.60%
2014	0.65%	1.61%	-0.16%	0.09%	1.19%	-0.32%	0.46%	3.20%	-1.50%	1.19%	2.95%	0.98%	10.75%
2013	0.99%	2.10%	1.90%	0.71%	-1.09%	-3.26%	1.98%	-1.48%	0.68%	1.77%	-1.30%	-0.72%	2.14%
2012	2.16%	0.12%	-0.59%	-0.63%	1.65%	0.53%	1.68%	0.30%	0.03%	-0.35%	1.08%	0.10%	6.20%
2011	-2.41%	2.18%	0.35%	1.86%	0.71%	0.05%	1.39%	-0.78%	-0.52%	2.30%	1.34%	0.41%	6.99%
2010	-1.51%	2.65%	2.57%	1.10%	0.68%	0.01%	-0.63%	3.42%	1.49%	0.30%	0.26%	3.11%	14.16%

Source: Elston Indices as at reporting date. Past performance is no guarantee of future results. Returns shown before the index inception date reflect hypothetical historical performance resulting from a simulation. Please see Notices for important information.

Notices & Additonal Information

Notices

Use of information

Any investments or strategies referenced herein are generic in nature and reflect the performance of a strategy. It is not impossible to invest in a strategy without investing in a product that is linked to the strategy. The Strategy does not take into account the investment objectives, financial situation or particular needs of any specific person. Product suitability must be independently determined for each individual investor. Elston Consulting Limited explicitly disclaims any responsibility for product suitability or suitability determinations related to individual investors. For further information and disclosure about third party funds or products that follow this strategy, including relevant risk factors, please refer to related third party documentation.

This document is not an advertisement or financial promotion. It is provided for informational purposes only and is not intended to be an offer or solicitation, or the basis for any contract to purchase or sell any security or other instrument, or for Elston to enter into or arrange any type of transaction as a consequence of any information contained herein. All information is provided for information purposes only. Every effort is made to ensure that all information given in this publication is accurate, but no responsibility or liability can be accepted by Elston, or its licensors or agents, for any errors or for any loss from use of this publication. Neither Elston, nor any of its licensors or agents, makes any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of this Strategy or any Elston Strategy or the fitness or suitability of this Strategy or any Elston Strategy for any particular purpose to which it might be put. No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of Elston. Distribution of Index values or constituents and the use of Elston Strategies to create financial products requires a licence with Elston and/or its licensors."

Performance & Simulation

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may incorporate partially or wholly back-tested performance. All performance presented prior to the index inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. However, back-tested data may reflect the application of the index methodology with the benefit of hindsight, and the historic calculations of an index may change from month to month based on revisions to the underlying data used in the calculation of the index. The results obtained from "back-testing" information should not be considered indicative of the actual results that might be obtained from an investment or participation in a financial instrument or transaction referencing the Index. Neither the Index Provider (Elston Indices) nor its Licensors nor its appointed Calculation Agent provide assurance or guarantee that the products linked to the Index will operate or would have operated in the past in a manner consistent with these materials. The hypothetical historical levels presented herein have not been verified by an independent third party, and such hypothetical historical levels have inherent limitations. Alternative simulations, techniques, modelling or assumptions might produce significantly different results and prove to be more appropriate. Actual results will vary, perhaps materially, from the simulated returns presented in this document.

Additional Notices relating to this Strategy

Strategy Type:	Non-significant Benchmark Index
Data Contributors:	Elston Indices & Milliman
Methodology Owner:	Elston Indices
Benchmark Index Administrator:	Elston Indices

All information is provided for information purposes only. Every effort is made to ensure that all information given in this publication is accurate, but no responsibility or liability can be accepted by Elston, Milliman or their licensors for any errors or for any loss from use of this publication. Neither Elston, Milliman nor any of their licensors makes any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the Elston Dynamic Risk Parity Index or the fitness or suitability of the Index for any particular purpose to which it might be put. No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of Elston. Distribution of Elston index values and the use of Elston indices to create financial products requires a licence with Elston and/or its licensors.

For more information, visit www.elstonsolutions.co.uk/indices