

# HFR Index Factsheet

## HFRI-I Liquid Alternative UCITS ED: Merger Arbitrage Index

### 2018-01 to 2023-10



Index Publisher: HFR, Inc.  
Methodology: -  
Geography: Other: Global

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Currency: USD

#### STRATEGY DESCRIPTION

Merger Arbitrage strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are currently engaged in a corporate transaction. Merger Arbitrage involves primarily announced transactions, typically with limited or no exposure to situations which pre-, post-date or situations in which no formal announcement is expected to occur. Opportunities are frequently presented in cross border, collared and international transactions which incorporate multiple geographic regulatory institutions, with typically involve minimal exposure to corporate credits. Merger arbitrage strategies typically have over 75% of positions in announced transactions over a given market cycle. The HFRI-I Liquid Alternative UCITS Indices are designed to be representative of the overall composition of the UCITS-compliant alternative investment strategy universe. The underlying constituents are equally weighted and rebalanced on a quarterly basis.

#### FUND PERFORMANCE

| Year | Jan    | Feb    | Mar    | Apr    | May    | Jun    | Jul    | Aug    | Sep    | Oct    | Nov    | Dec    | YTD    |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| 2023 | (0.37) | (0.25) | (0.22) | (0.67) | (3.38) | 1.42   | 0.73   | 1.10   | 0.53   | (1.00) | -      | -      | (2.18) |
| 2022 | (0.23) | 0.98   | 0.21   | (0.60) | (1.79) | (0.72) | 1.59   | 0.88   | (1.11) | 1.28   | (0.85) | 0.37   | (0.04) |
| 2021 | 1.22   | 0.97   | (0.65) | 1.38   | 0.33   | 0.00   | (1.81) | 1.00   | 0.36   | 0.05   | 0.25   | 0.32   | 3.45   |
| 2020 | 0.19   | (0.48) | (8.00) | 4.81   | (0.06) | (0.64) | 1.11   | (0.22) | 0.11   | 0.77   | 2.26   | 1.35   | 0.71   |
| 2019 | 1.14   | 0.07   | 0.69   | 0.21   | (0.88) | (0.33) | 0.65   | (0.02) | 0.24   | 0.64   | 0.47   | 0.81   | 3.74   |
| 2018 | 0.20   | (0.30) | (1.47) | 0.21   | 1.20   | 0.82   | (0.37) | 0.26   | 0.42   | (0.18) | 1.28   | (0.18) | 1.87   |

#### BENCHMARKS

B1 - HFRI Fund Weighted Composite Index

B2 - HFRI Fund of Funds Composite Index

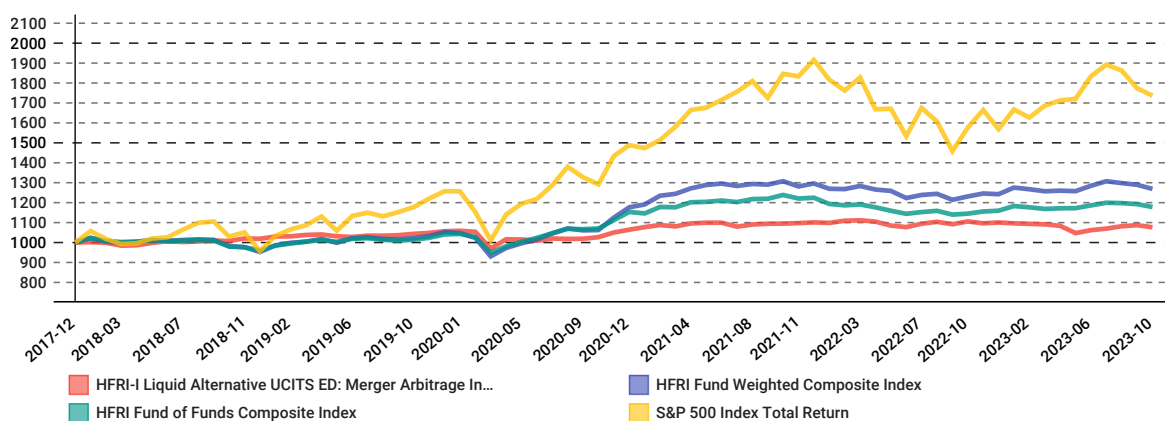
B3 - S&P 500 Index Total Return

| Risk/Return         | Index  | B1     | B2     | B3      |
|---------------------|--------|--------|--------|---------|
| Geo. Avg. Monthly   | 0.11   | 0.34   | 0.23   | 0.79    |
| Std. Deviation      | 1.45   | 2.14   | 1.70   | 5.18    |
| High Month          | 4.81   | 5.86   | 3.91   | 12.82   |
| Low Month           | (8.00) | (9.08) | (7.63) | (12.35) |
| Annualized Return   | 1.27   | 4.17   | 2.85   | 9.92    |
| Annualized Stdev    | 5.03   | 7.40   | 5.90   | 17.94   |
| Risk Free Rate      | 1.86   | 1.86   | 1.86   | 1.86    |
| Sharpe Ratio        | (0.09) | 0.34   | 0.19   | 0.51    |
| % of Winning Months | 61.43  | 57.14  | 60.00  | 64.29   |
| Max Drawdown        | 8.44   | 11.55  | 9.04   | 23.87   |

| Regression     | B1     | B2     | B3     |
|----------------|--------|--------|--------|
| Alpha          | (0.06) | (0.03) | (0.02) |
| Beta           | 0.48   | 0.59   | 0.14   |
| R-Squared      | 0.49   | 0.47   | 0.27   |
| Correlation    | 0.70   | 0.69   | 0.52   |
| Up Alpha       | (0.06) | (0.12) | (0.59) |
| Up Beta        | 0.39   | 0.51   | 0.24   |
| Up R-Squared   | 0.27   | 0.22   | 0.31   |
| Down Alpha     | 0.53   | 0.73   | 1.25   |
| Down Beta      | 0.75   | 0.99   | 0.34   |
| Down R-Squared | 0.56   | 0.70   | 0.37   |

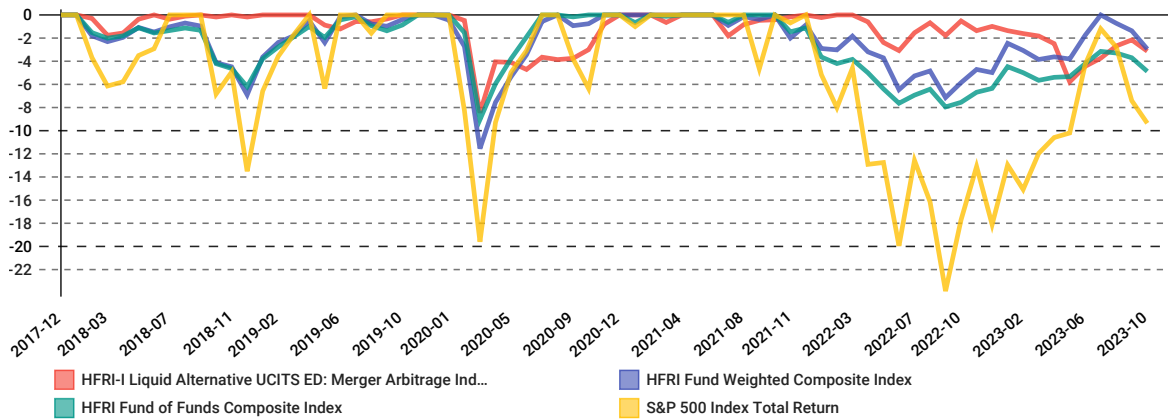
| Returns         | Index  | B1     | B2     | B3     |
|-----------------|--------|--------|--------|--------|
| 1 Month         | (1.00) | (1.60) | (1.22) | (2.10) |
| 3 Month         | 0.63   | (2.95) | (1.79) | (8.25) |
| 6 Month         | (0.68) | 0.69   | 0.54   | 1.39   |
| 1 Year          | (2.64) | 3.07   | 2.89   | 10.14  |
| 2 Year Ann.     | (0.84) | (1.49) | (2.48) | (3.02) |
| 3 Year Ann.     | 1.58   | 6.09   | 3.25   | 10.36  |
| 5 Year Ann.     | 1.33   | 5.28   | 3.74   | 11.01  |
| 7 Year Ann.     | -      | -      | -      | -      |
| 10 Year Ann.    | -      | -      | -      | -      |
| Since Inception | 1.27   | 4.17   | 2.85   | 9.92   |

#### VAMI - GROWTH OF 1000

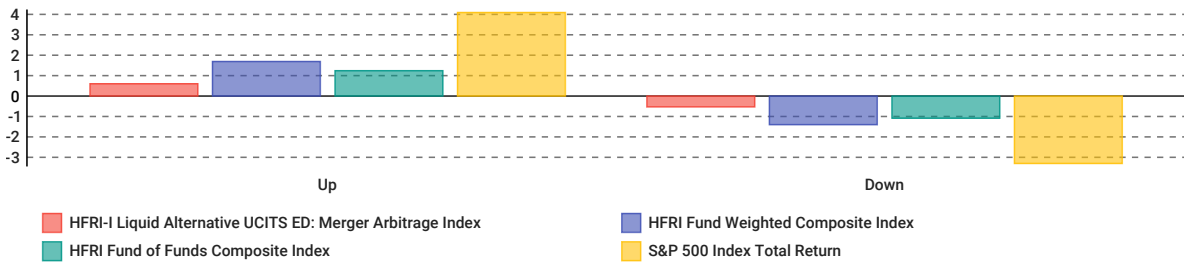


#### PEAK TO TROUGH DRAWDOWN

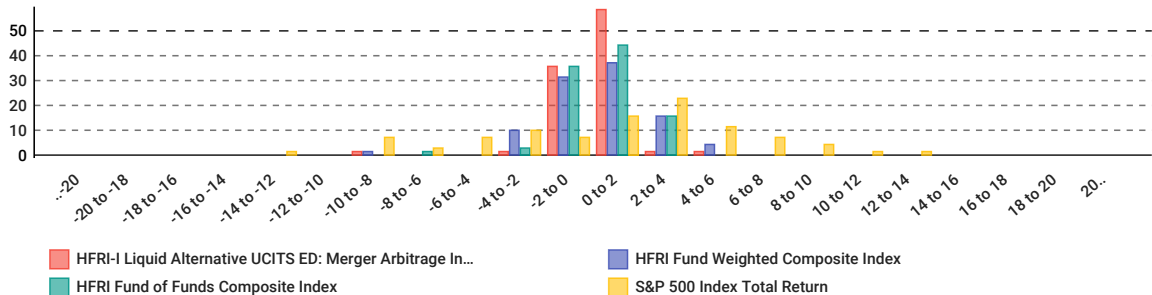
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The HFRI Fund Weighted Composite Index is a global, equal-weighted index of single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or \$10 Million under management and a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.

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