

### KEY FEATURES

- Risk efficient and liquid cross asset class structure
- Monthly rotation within and between asset classes
- Defensive tactical allocation to minimise systematic risk
- Asset weightings determined by risk budgeting principles
- No short positions

### TICKER

BLOOMBERG: QLABQAA  
CURRENCY: USD

### CALCULATION AGENT

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**INVESTMENT OBJECTIVE OVER A 3 YEAR HORIZON**

**RETURN : US LIBOR+3-5%**

**RISK : 4-6%**

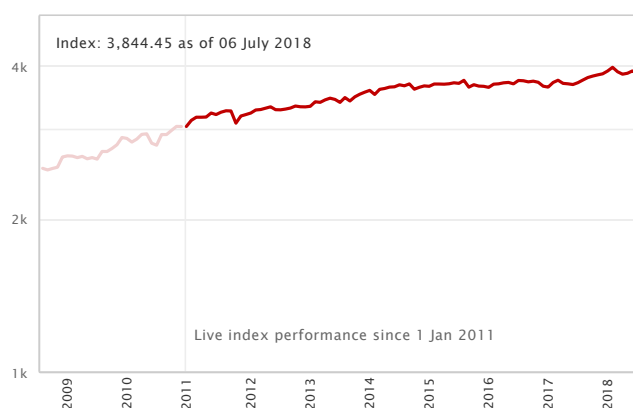
### DESCRIPTION

The QLAB Asset Allocation Index represents a dynamic, cross asset class solution that combines the advantages of passive investing with access to active premium and dynamic risk protection. The index maximises the use of entire asset classes, whilst minimising stock specific uncertainty. Investment solutions tracking the index should benefit from transparency, high liquidity, low degree of volatility and positive response to inflation risk.

### STRATEGY

The index is constructed as a basket of competing assets. The strategy explores behavioural aspects in the market and targets persistence in risk premium driven by herding, greed and fear amongst investors. The so called momentum effect in financial assets is supported in numerous academic studies and can be explained by a cycle of underreaction followed by overreaction. The index is based on a proprietary model that converts pure outperformance into statistical significance in order to avoid some of the drawbacks represented in momentum driven investing. Robust risk-budgeting principles are an integrated part of the dynamic process of deriving individual daily asset weightings. The objective is to avoid hidden systematic risks across assets and to keep variability in returns stable regardless of economic cycle.

### PERFORMANCE



YTD	1Y	3Y	5Y	10Y	RISK	MDD
-1.20%	4.24%	1.34%	2.57%	4.26%	4.80%	-6.99%

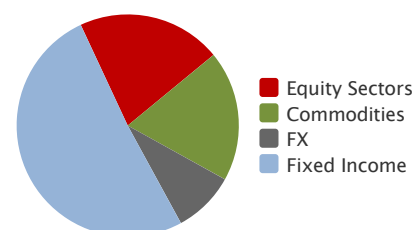
RETURNS: Annualised if > 1Y

RISK: Annualised standard deviation (volatility) 10Y

MDD: Maximum drawdown peak-to-trough, 10Y

### CURRENT ALLOCATIONS

ENERGY	3%	WHEAT	0%	US DEPO ON	51%
MATERIALS	3%	SUGAR	0%	2 YRS US TR	0%
INDUSTRIALS	3%	COFFEE	0%	5 YRS US TR	0%
HEALTHCARE	2%	CRUDE OIL (WTI)	3%	CAD/USD	0%
CONSUMER STAPLES	0%	ALUMINIUM	5%	JPY/USD	3%
CONSUMER DISCRET.	4%	COPPER	4%	CHF/USD	0%
TECHNOLOGY	3%	NICKEL	3%	AUD/USD	0%
UTILITIES	0%	ZINC	4%	NZD/USD	0%
FINANCIALS	3%	GOLD	0%	GBP/USD	3%
				EUR/USD	3%
EQ SECTORS	21%	COMMODITIES	19%	FIXED INCOME & FX	60%

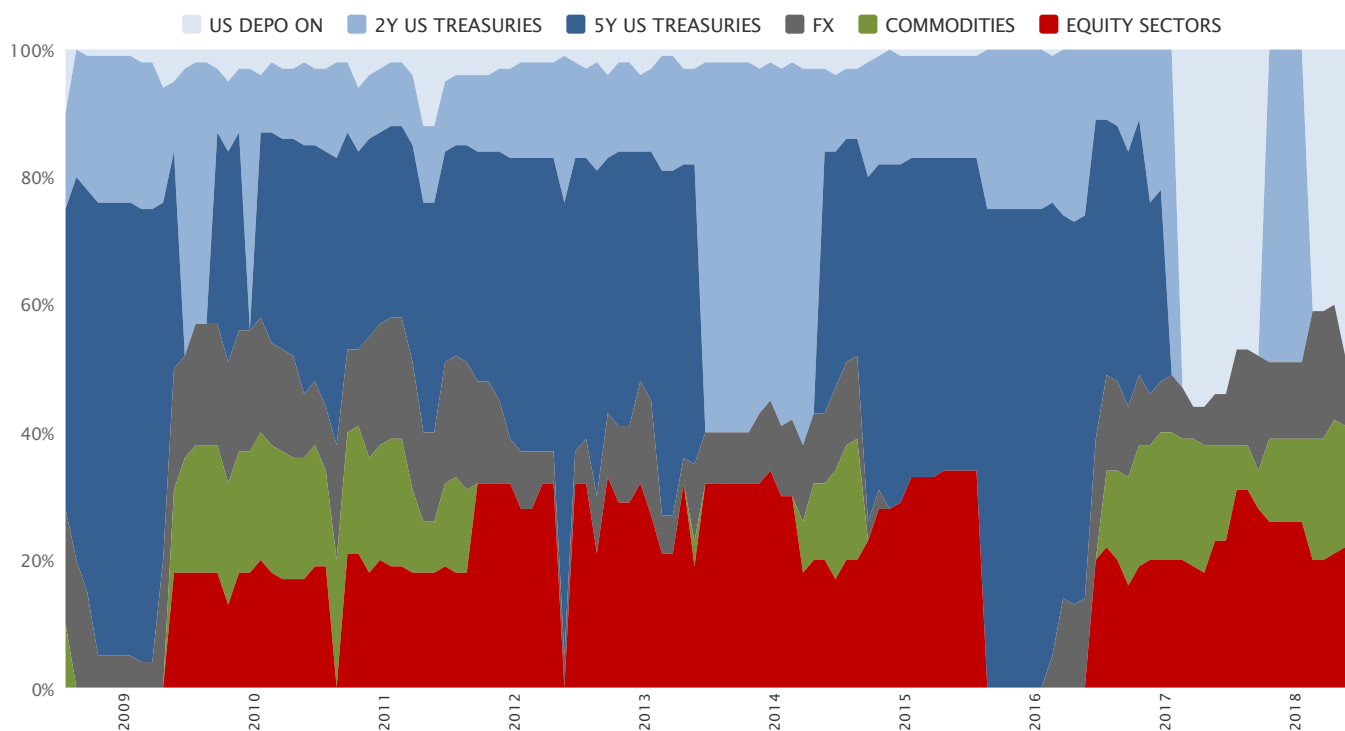


### MONTHLY STATISTICS [%]

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
JAN	0.79	-0.55	-2.00	0.87	1.14	1.71	-1.04	0.83	1.65	1.98	1.79
FEB	3.17	-0.75	1.53	1.12	0.32	-0.02	1.80	0.29	0.28	0.63	-1.57
MAR	-0.18	1.03	1.97	-0.30	0.49	1.25	-0.11	-0.07	0.20	-0.64	-1.02
APR	-1.06	-1.00	0.57	1.92	0.81	0.93	0.84	-0.09	0.18	-0.64	0.25
MAY	0.18	0.90	-3.37	-0.26	-0.75	-0.98	0.23	0.77	-0.69	-0.09	0.52
JUN	1.41	-1.40	-1.10	0.23	-0.75	-1.29	0.82	-0.50	1.49	0.72	-0.75
JUL	-0.52	3.05	3.60	1.09	0.79	2.08	-0.42	1.51	0.04	1.25	-0.40
AUG	-0.55	1.36	-0.03	-0.08	0.25	-1.20	0.86	-2.30	-0.69	0.99	
SEP	0.25	1.59	2.55	-4.98	0.86	1.61	-2.18	0.36	0.58	0.60	
OCT	0.47	0.47	2.06	3.48	-0.71	1.38	0.71	-0.51	-0.63	0.66	
NOV	4.32	3.20	-0.87	-0.06	0.47	1.10	0.73	-0.43	-1.51	0.47	
DEC	1.37	0.12	3.48	0.61	0.16	0.73	-0.35	-0.28	-0.71	1.21	
<b>YEAR RETURN</b>	<b>9.95</b>	<b>8.19</b>	<b>8.42</b>	<b>3.48</b>	<b>3.09</b>	<b>7.48</b>	<b>1.86</b>	<b>-0.48</b>	<b>0.14</b>	<b>7.34</b>	<b>-1.20</b>

Live index performance since 1 Jan 2011

### HISTORICAL ALLOCATIONS



Disclaimer: QLAB Asset Allocation Index is calculated and sponsored by QLAB Invest using the same set of algorithms used in Spectrum Absolute Return Index independently calculated by Thomson Reuters since January 2011. The index history was generated by QLAB Invest Ltd since Jan-2000 by applying the algorithms governing the allocation structure provided by the index sponsor on a historical asset data set covering the opportunity set of the index (source Thomson Reuters). Past performance is not necessarily indicative of future results and products replicating the index may carry charges in excess of the estimated costs accounted for in the index calculation. Any investments with the objective of exceeding the risk free rate of return will implicitly carry a degree of risk.