

# Black Swan Liquid-Ator, Oct 2017

**RODEX RISK ADVISERS**  
Analytics. Transparency. Management.

Reporting October 2017

## Investment Target & Key Points

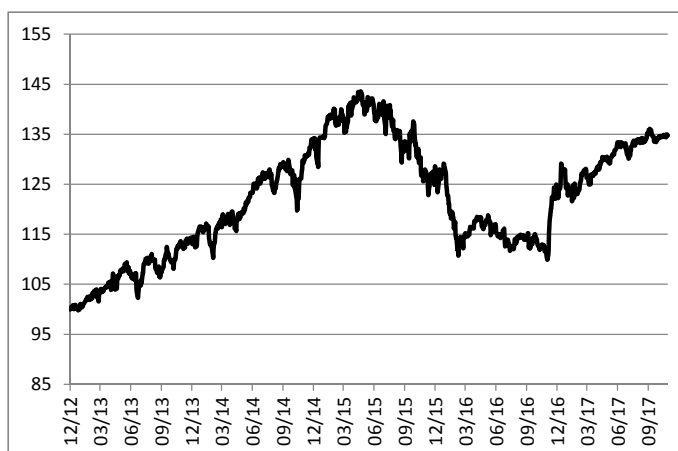
The Black Swan Liquid-Ator provides tail risk insurance against longer-term events:

- "Risk Off" environments, for example, a sell off in equity markets,
- "Risk On" market phases, for example, a strong equity price rally,
- Inflation AND deflation,
- Rising interest rates

If no tail risk event materialises, positive, absolute returns are targeted. The strategy is implemented with highly liquid instruments [futures]. Daily liquidity.

The Black Swan Liquid-Ator is based on a quantitative risk management approach which allocates in directional long and short positions in two asset classes: the S&P500 index and US Treasuries.

Performance numbers from Dec 2012 - Dec 2014 are based on a structured product issued by Zurich Kantonalbank.



## Performance Comment for October 2017

October turned out to be another string month for S&P500, which managed to add another +2.3%. Yields of 5Y US government bonds rose by +10 bp to 2.02%. The Black Swan Liquid-Ator held a +50% long position in the S&P500 and a levered long position in 5Y US Treasuries. While the equity position contributed positively in October, the position in 5Y bond futures suffered. In October, the Black Swan Liquid-Ator added +0.5%.

## Index Statistics

|                                      | BSLA   |
|--------------------------------------|--------|
| Index Level October 2017             | 134.8  |
| Return ITD [since Jan 2012]          | 28.9%  |
| Volatility p.a. [since January 2012] | 11.0%  |
| Max. Monthly Gain [since Jan 2012]   | 9.0%   |
| Max. Monthly Loss [since Jan 2012]   | -10.8% |

## Asset Allocation in October

|           | BSLA |
|-----------|------|
| SPX       | 50%  |
| US Treas. | 250% |

## Facts

|                |                     |
|----------------|---------------------|
| Index Manager  | Rodex Risk Advisers |
| Email          | info@rodexrisk.com  |
| Telephone      | +41 43 539 76 22    |
| Inception Date | 01/12/2012          |
| Currency       | CHF                 |
| Liquidity      | Daily               |
| Lock Up Period | None                |

## Performance History

|           | BSLA  |       |       |       |        |       |
|-----------|-------|-------|-------|-------|--------|-------|
|           | 2012  | 2013  | 2014  | 2015  | 2016   | 2017  |
| January   | 4.6%  | 2.0%  | -3.2% | 3.6%  | -10.8% | -0.8% |
| February  | 4.3%  | 1.4%  | 4.5%  | -0.4% | -2.2%  | 4.3%  |
| March     | 3.1%  | 1.9%  | 0.3%  | 1.1%  | 3.4%   | 1.8%  |
| April     | -0.7% | 1.4%  | 0.5%  | 0.3%  | -0.5%  | 2.1%  |
| May       | -0.1% | 0.8%  | 3.7%  | 1.0%  | -0.4%  | 1.5%  |
| June      | -3.4% | -2.9% | 2.1%  | -2.2% | -3.4%  | -0.7% |
| July      | 3.9%  | 5.3%  | -0.8% | -2.5% | -0.3%  | 1.7%  |
| August    | -1.3% | -3.5% | 3.1%  | -3.8% | 0.0%   | 1.5%  |
| September | -2.5% | 3.1%  | -0.8% | 3.7%  | 0.4%   | -1.2% |
| October   | -0.5% | 3.2%  | 1.5%  | -8.5% | -1.8%  | 0.5%  |
| November  | 1.3%  | 1.0%  | 3.3%  | 0.2%  | 9.0%   |       |
| December  | -0.1% | 2.0%  | 0.3%  | 3.2%  | 0.5%   |       |
| YTD       | 8.5%  | 16.7% | 15.3% | -5.0% | -7.0%  | 11.2% |

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