

# Black Swan Liquid-Ator, Dec 2018

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

Reporting December 2018

## 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 December 2018

The S&P500 continued to lose ground in the last month of the year and retreated -9.3%. US Treasuries benefitted from their safe haven status and hence yields declined, for example, 5Y maturities by -33 bp. The Black Swan Liquid-Ator held a -500% short position in 5Y US government paper and lost -6.9%.

## Index Statistics

	BSLA
Index Level December 2018	125.4
Return ITD [since Jan 2012]	29.9%
Volatility p.a. [since January 2012]	10.3%
Sharpe Ratio [since January 2012]	0.50
Max. Monthly Gain [since Jan 2012]	9.0%
Max. Monthly Loss [since Jan 2012]	-10.8%

## Asset Allocation in December

	BSLA
SPX	0%
US Treas.	-500%

## Facts

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

## Performance History

	BSLA						
	2012	2013	2014	2015	2016	2017	2018
January	4.6%	2.0%	-3.2%	3.6%	-10.8%	-0.8%	0.2%
February	4.3%	1.4%	4.5%	-0.4%	-2.2%	4.3%	1.1%
March	3.1%	1.9%	0.3%	1.1%	3.4%	1.8%	-3.3%
April	-0.7%	1.4%	0.5%	0.3%	-0.5%	2.1%	0.6%
May	-0.1%	0.8%	3.7%	1.0%	-0.4%	1.5%	-1.8%
June	-3.4%	-2.9%	2.1%	-2.2%	-3.4%	-0.7%	1.5%
July	3.9%	5.3%	-0.8%	-2.5%	-0.3%	1.7%	1.0%
August	-1.3%	-3.5%	3.1%	-3.8%	0.0%	1.5%	3.0%
September	-2.5%	3.1%	-0.8%	3.7%	0.4%	-1.2%	0.5%
October	-0.5%	3.2%	1.5%	-8.5%	-1.8%	0.5%	-4.1%
November	1.3%	1.0%	3.3%	0.2%	9.0%	0.1%	-1.4%
December	-0.1%	2.0%	0.3%	3.2%	0.5%	0.2%	-6.9%
YTD	8.5%	16.7%	15.3%	-5.0%	-7.0%	11.5%	-9.6%

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