



HFRX EVENT DRIVEN INDEX (HFRXED)
FROM 01/1998 TO 04/2019

Hedge Fund Research, Inc.
10 S. Riverside Plaza, Suite 700
Chicago, IL 60606
+1-312-658-0555 | indices@hfr.com
www.hedgefundresearch.com

Index Sponsor: Hedge Fund Research, Inc.
Methodology: Representative Optimization
Geography: Other: Global

Bloomberg: HFR<GO>
Ticker: HFRXED
Website: www.hedgefundresearch.com
Contact Info: indices@hfr.com

Inception: 1/1/1998
Factsheet published on: 05/15/2019
Currency: USD

Strategy Description

Event Driven Managers maintain positions in companies currently or prospectively involved in corporate transactions of a wide variety including but not limited to mergers, restructurings, financial distress, tender offers, shareholder buybacks, debt exchanges, security issuance or other capital structure adjustments. Security types can range from most senior in the capital structure to most junior or subordinated, and frequently involve additional derivative securities. Event Driven exposure includes a combination of sensitivities to equity markets, credit markets and idiosyncratic, company specific developments. Investment theses are typically predicated on fundamental characteristics (as opposed to quantitative), with the realization of the thesis predicated on a specific development exogenous to the existing capital structure.

Hedge Fund Research, Inc. (HFR) utilizes a UCITSIII compliant methodology to construct the HFRX Hedge Fund Indices. The methodology is based on defined and predetermined rules and objective criteria to select and rebalance components to maximize representation of the Hedge Fund Universe. HFRX Indices utilize state-of-the-art quantitative techniques and analysis; multi-level screening, cluster analysis, Monte-Carlo simulations and optimization techniques ensure that each Index is a pure representation of its corresponding investment focus.

Full strategy and regional descriptions (multi-language), as well as the full "HFRX Hedge Fund Indices Defined Formulaic Methodology" may be downloaded at www.hfrx.com.

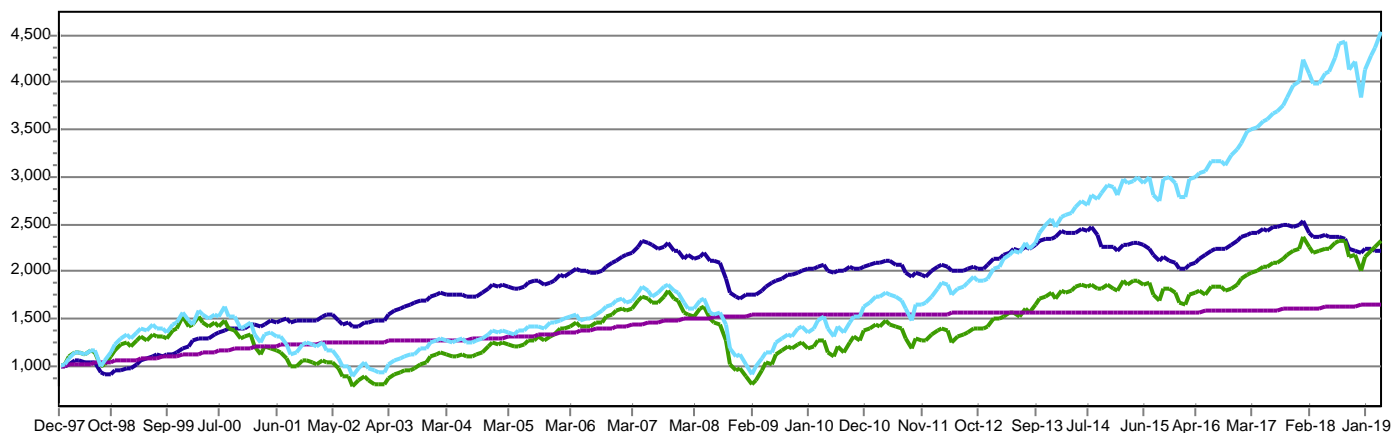
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
1998	(1.13)	4.16	2.44	0.49	(2.28)	0.13	(0.60)	(9.02)	(3.19)	0.80	3.93	1.62	(3.32)
1999	1.92	(0.15)	3.01	4.01	2.31	2.69	0.95	(0.68)	1.17	0.22	2.64	3.07	23.20
2000	2.22	4.79	0.72	0.97	(0.05)	2.89	1.40	1.84	1.16	0.28	(0.26)	0.77	17.95
2001	2.09	0.02	(0.80)	1.43	2.00	(0.30)	0.84	1.15	(2.78)	1.13	0.79	0.25	5.87
2002	0.14	(0.69)	2.73	1.47	0.63	(3.98)	(2.90)	0.34	(1.82)	0.21	2.50	0.08	(1.50)
2003	0.94	0.24	0.57	3.53	2.39	2.27	0.55	1.75	0.89	1.25	0.70	2.27	18.74
2004	1.14	0.61	(0.59)	(0.26)	(0.28)	0.19	(1.54)	0.12	0.86	1.51	2.64	2.39	6.93
2005	(1.08)	0.85	(0.44)	(1.84)	0.87	1.14	1.92	0.63	0.13	(2.05)	1.49	1.25	2.81
2006	2.81	(0.54)	2.10	1.52	(0.79)	(0.55)	(0.73)	0.51	0.99	1.93	1.85	0.85	10.32
2007	2.11	0.60	1.24	2.63	3.15	(0.94)	(0.74)	(1.98)	1.08	1.51	(2.97)	(0.71)	4.88
2008	(3.39)	1.68	(1.50)	1.16	1.47	(3.35)	(0.83)	(1.00)	(7.37)	(7.53)	(2.74)	(0.79)	(22.11)
2009	1.47	(0.01)	0.82	2.03	2.39	2.05	1.53	1.17	2.16	(0.03)	0.88	1.03	16.59
2010	0.65	(0.12)	1.75	0.82	(3.23)	(0.53)	0.90	(0.43)	2.30	(0.59)	(0.55)	1.11	1.98
2011	0.86	1.35	0.18	0.99	(0.62)	(1.31)	(0.66)	(4.05)	(2.20)	2.11	(0.96)	(0.56)	(4.90)
2012	2.80	2.36	0.56	(0.10)	(2.01)	(0.57)	0.25	0.92	0.67	(0.86)	0.58	1.29	5.96
2013	3.38	0.45	1.42	0.95	2.16	(1.14)	1.68	(0.54)	2.10	1.80	0.60	0.28	13.87
2014	0.39	2.55	(0.13)	(0.68)	0.67	1.57	(0.96)	1.32	(3.15)	(5.01)	0.00	(0.47)	(4.06)
2015	(1.56)	2.69	0.35	0.52	0.48	(1.00)	(1.73)	(2.92)	(3.24)	2.23	(1.85)	(0.93)	(6.94)
2016	(3.81)	0.06	2.63	0.43	2.67	1.37	2.37	1.34	0.05	(0.13)	1.82	1.92	11.08
2017	1.05	1.55	0.33	0.70	0.93	(0.03)	1.00	0.08	0.79	(0.13)	(0.35)	0.39	6.48
2018	1.76	(4.38)	(2.16)	0.43	0.36	(0.46)	(0.54)	(0.03)	(0.51)	(4.57)	(0.88)	(1.18)	(11.68)
2019	2.53	(0.18)	(1.52)	0.47									1.27

Benchmarks B1: MSCI Indices US\$ World Index; B2: 3-Month LIBOR USD; B3: S&P 500 w/ dividends

Risk/Return	Index	B1	B2	B3	Regression	B1	B2	B3	Returns	Index	B1	B2	B3
Geo. Avg. Monthly	0.31	0.33	0.20	0.59	Monthly Alpha	0.20	0.17	0.13	1 Month	0.47	3.37	0.21	4.05
Std. Deviation	1.90	4.37	0.18	4.29	Monthly Beta	0.31	0.83	0.29	3 Month	(1.24)	7.40	0.65	9.47
High Month	4.79	10.90	0.57	10.92	Mnt. R-Squared	0.49	0.01	0.42	6 Month	(0.80)	7.75	1.35	9.75
Low Month	(9.02)	(19.04)	0.02	(16.79)	Correlation	0.70	0.08	0.65	1 Year	(6.44)	4.42	2.56	13.48
Annualized Return	3.81	4.04	2.40	7.34	Up Alpha	0.41	0.17	0.38	2 Year Ann.	(4.16)	7.70	2.09	13.36
Annualized STD	6.58	15.12	0.61	14.87	Up Beta	0.24	0.83	0.21	3 Year Ann.	2.17	9.25	1.70	14.85
Risk Free Rate	1.94	1.94	1.94	1.94	Up R-Squared	0.19	0.01	0.15	5 Year Ann.	(1.55)	5.24	1.16	11.61
Sharpe Ratio	0.31	0.21	0.71	0.42	Down Alpha	0.38	0.00	0.32	7 Year Ann.	1.08	7.73	0.91	13.57
% of Winning Mo.	63.67	58.59	100.00	64.84	Down Beta	0.36	1.00	0.34	10 Year Ann.	2.13	9.33	0.75	15.30
Max Drawdown	25.80	55.37	0.00	50.92	Down R-Squared	0.38	0.00	0.28	Since Incept.	3.81	4.04	2.40	7.34

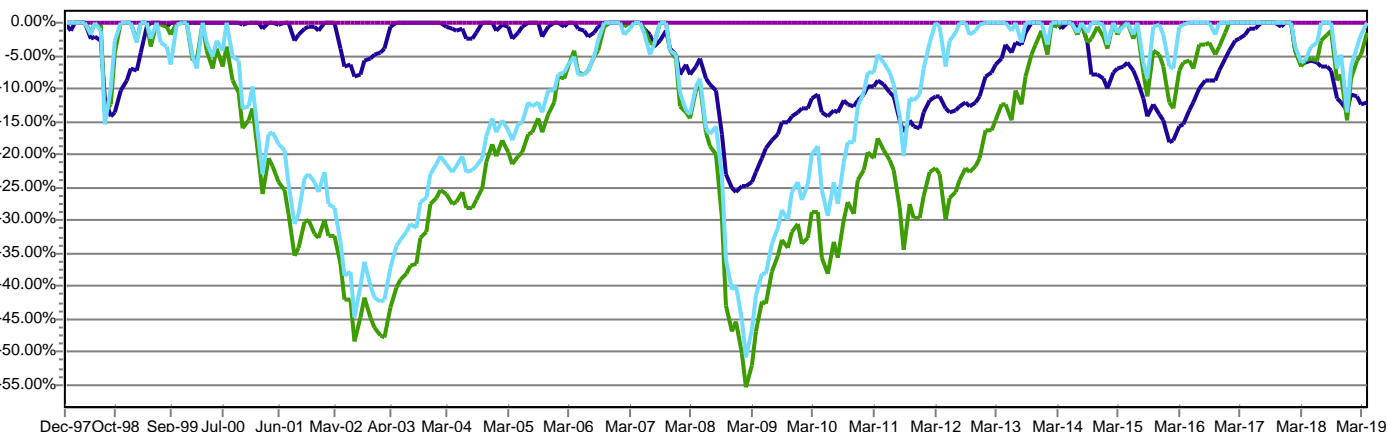
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VAMI - Growth of 1,000



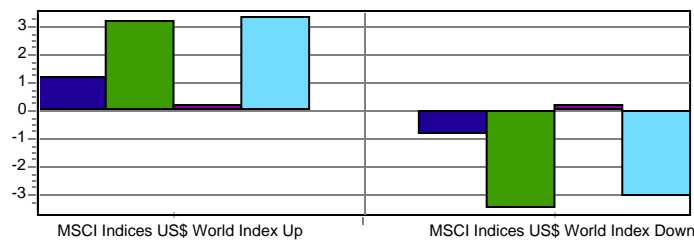
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Peak To Trough Drawdown



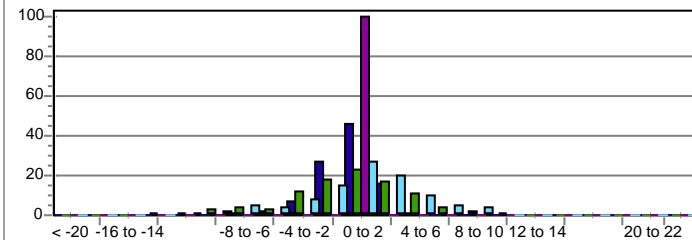
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Up Capture/Down Capture



■ HFRX Event Driven Index ■ MSCI Indices US\$ World Index ■ 3-Month LIBOR USD ■ S&P 500 w/ dividends

Distribution %



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Disclaimer (continued)

The MSCI World Index is a free float-adjusted market capitalization index that is designed to measure global developed market equity performance.

The London Inter Bank Offering Rate (LIBOR) is an average of the interest rate on dollar-denominated deposits, also known as Eurodollars, traded between banks in London. The top and bottom quartile is eliminated and an average of the remaining quotations calculated to arrive at fixing.

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