

ABR 75/25 Volatility Strategy

January 31, 2023 | Strategy Fact Sheet



The **ABR 75/25 Volatility Strategy** is intended as an optimal blend of 75% ABR Dynamic Blend Equity and Volatility Index (ABRVXX) plus 25% ABR Enhanced Short Volatility Index (ABRXIV). Using ABR's proprietary models, the strategy incorporates long volatility exposure to target significant gains in extended periods of high volatility (Crisis Alpha) while using short volatility exposure to seek to harvest the volatility risk premium in normal markets. With both long and short exposures to volatility, the ABR 75/25 Volatility Strategy has the potential to produce positive returns in various market conditions. The ABRVXX and ABRXIV Indices were created on April 30, 2015 and January 31, 2017, respectively, with a time series data beginning on December 30, 2005. Each individual Index is independently calculated and published by Wilshire Associates.

Objective

Absolute return

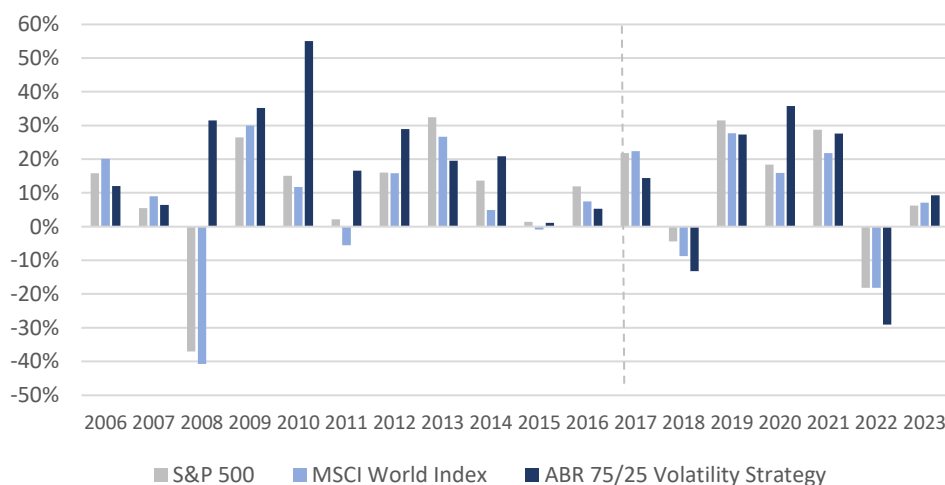
Features

- Notionally unleveraged
- Systematic, model-driven exposures in a simple portfolio:
 - VIX Futures
 - S&P 500 Futures
 - U.S. Treasuries
 - Cash
- Independent index calculation by Wilshire Associates:
 - Transparency
 - Accountability
- Created by ABR Dynamic Funds, LLC
 - Quantitative manager
 - Volatility background

Performance Snapshot

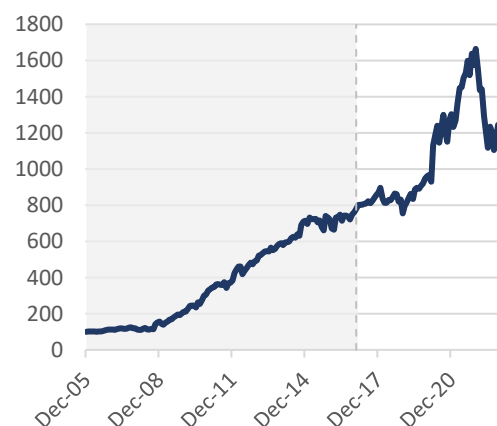
Total Return (%)			Annualized Total Return (%)			
3-month	YTD	2022	1-year	3-year	5-year	10-year
9.97	9.28	-29.07	-16.81	10.07	7.53	9.49
US Pooled Vehicle			-16.75	-	-	-

Annual Returns



The ABR 75/25 Volatility Strategy went live on Jan 31, 2017

Performance History



Risk Values - Full History

Strategy	Annualized Return	Correlation to ABR 75/25	Max Drawdown	Standard Deviation	Sharpe Ratio	Sortino Ratio
ABR 75/25 Volatility Strategy	16.1%	1.00	33.5%	16.7%	0.89	1.52
S&P 500 Index	9.3%	0.53	50.9%	15.6%	0.52	0.69
MSCI World Index	6.8%	0.50	54.0%	16.2%	0.34	0.44

Includes pre-inception performance. Past performance does not guarantee future results.

For Institutional Investors only – not for Retail use

ABR 75/25 Volatility Strategy – Monthly Returns

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2023	9.3%												9.3%
2022	-6.8%	-7.3%	0.3%	-10.3%	-6.8%	-7.3%	10.4%	-2.5%	-8.0%	6.0%	6.1%	-5.2%	-29.1%
2021	-5.5%	2.9%	7.4%	6.3%	0.3%	3.5%	1.9%	4.3%	-4.9%	7.9%	-3.8%	5.5%	27.6%
2020	0.7%	-3.8%	21.8%	4.5%	4.7%	-7.5%	6.7%	6.3%	-7.2%	-4.6%	10.7%	2.4%	35.8%
2019	5.5%	2.9%	2.7%	2.7%	-3.4%	6.4%	1.1%	-0.7%	1.8%	1.3%	3.2%	1.3%	27.3%
2018	3.2%	-6.8%	-2.7%	-0.1%	2.0%	-0.3%	1.9%	2.6%	-0.4%	-4.6%	1.3%	-9.2%	-13.2%
2017	2.2%	3.1%	0.1%	-0.1%	0.8%	0.2%	1.4%	-1.3%	1.6%	1.9%	2.2%	1.4%	14.4%
2016	-6.9%	-1.2%	10.3%	0.1%	2.0%	-4.5%	4.0%	-0.1%	-0.8%	-2.2%	4.0%	1.4%	5.3%
2015	-2.5%	5.2%	-1.2%	0.1%	0.3%	-2.7%	1.5%	-5.2%	-2.7%	12.0%	-1.2%	-1.3%	1.1%
2014	-1.8%	2.3%	0.4%	0.7%	2.7%	1.7%	-0.8%	3.1%	-1.5%	9.6%	2.8%	0.4%	20.9%
2013	5.4%	0.8%	2.1%	1.7%	0.2%	-0.5%	3.9%	-2.5%	1.3%	2.8%	1.8%	1.0%	19.5%
2012	10.6%	4.7%	4.0%	-0.1%	-9.1%	4.6%	3.2%	3.5%	3.1%	-1.9%	3.5%	0.9%	28.9%
2011	2.3%	2.7%	0.9%	4.1%	0.4%	-0.8%	-0.9%	4.7%	-8.4%	7.4%	0.8%	3.3%	16.6%
2010	0.1%	6.0%	8.4%	0.9%	0.0%	-4.6%	12.5%	-3.8%	9.0%	8.7%	1.7%	7.6%	55.0%
2009	-7.8%	-3.5%	8.2%	4.3%	6.1%	1.6%	6.4%	3.3%	5.1%	-2.3%	5.3%	5.2%	35.2%
2008	-5.0%	-2.8%	0.2%	6.8%	3.5%	-7.8%	0.3%	2.8%	-1.4%	25.5%	5.3%	3.9%	31.5%
2007	0.9%	-1.4%	2.0%	3.2%	1.6%	-1.6%	-1.4%	1.8%	4.8%	0.9%	-4.3%	0.0%	6.4%
2006	1.5%	0.5%	-0.2%	0.1%	-0.9%	0.4%	0.4%	2.6%	2.0%	3.2%	1.7%	0.2%	12.0%

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History of ABR Dynamic Funds

Founded in 2015, ABR focuses on maximizing risk-adjusted returns in highly scalable, systematic solutions using proprietary research and quantitative modelling.

Taylor Lukof - Founder / CEO / Fund Manager

Mr. Lukof is the Founder/CEO and Fund Manager. He has 19 years of investment experience. He was formerly a partner at Toro Trading LLC, where he co-managed equity derivative trading strategies. Mr. Lukof, as a market maker, was responsible for trading single name and index-related exchanged traded products. He began his career at TANSTAFL Research & Trading, LLC, as the youngest member of the American Stock Exchange at that time.

Mr. Lukof graduated from Bucknell University, Cum Laude, with a Bachelor of Science in Business Administration.

David Skordal - Co-Founder / Fund Manager

Mr. Skordal is a co-Founder and Fund Manager at ABR Dynamic Funds. He has 20 years of investment experience. He was formerly a Trader at Toro Trading LLC, where he worked alongside Mr. Lukof. At Toro Trading, he developed and managed the international Exchange Traded Funds desk. Before joining Toro Trading in 2009, Mr. Skordal was a specialist on the American Stock Exchange for Susquehanna International Group. He has a 13-year working relationship with Mr. Lukof.

Mr. Skordal graduated from Massachusetts Institute of Technology (MIT) with a Bachelor of Science (SB) degree in Physics.

More information:

ABR Dynamic Funds: please visit: <https://abrfunds.com/home/> or email info@abrfunds.com

Disclosures:

Past performance does not guarantee future results.

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The S&P 500 Total Return Index, as adjusted to reflect reinvestment of dividends is an index of 500 stocks arrayed by market capitalization. The MSCI World Index is a free-float weighted equity index that includes developed markets. The "ABR 75/25" Volatility Strategy is represented by 75% of the returns of the ABR Dynamic Blend Equity & Volatility Index Powered by Wilshire (ABRVXX) and 25% of the returns of the ABR Enhanced Short Volatility Index Powered by Wilshire (ABRXIV), respectively (collectively, the ABR Indexes). Wilshire® is a service mark of Wilshire Associates Incorporated (Wilshire), and has been licensed for use by ABR Dynamic Funds, LLC. The ABR Indexes are not sponsored, endorsed, sold or promoted by Wilshire, and Wilshire makes no representations or warranties with respect to the ABR Indexes. ABR Dynamic Funds, LLC receives compensation in connection with licensing its indices to third parties. Investors cannot invest directly in an index.

The hypothetical performance history was systematically calculated utilizing a static blend of the firm's long and short volatility models. The ABR strategy returns are shown net of 3.00% hypothetical expenses. Actual expenses may vary. There exists an ABR-advised pooled vehicle in the US, which follows the ABR 75/25 Volatility Strategy, and for which various terms, including expenses, differ from what is shown in this material. The inception date of the US Pooled vehicle was 8/3/2020. For more information on the live-trading performance of various ABR-advised strategies or the hypothetical performance presented, please contact us.

ABRVXX was launched 4/30/15, and ABRXIV was launched 1/31/17, such that performance information before those dates constitutes pre-inception index performance. HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM. ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. Hypothetical performance does not reflect actual trading experience and does not necessarily reflect the deduction of all expenses.

The strategy may acquire or enter into derivatives instruments and transactions. Derivatives are financial instruments that have a value which depends upon, or is derived from, a reference asset, such as one or more underlying securities, pools of securities, options, futures, indexes or currencies. Derivatives may result in investment exposures that are greater than their cost would suggest; in other words, a small investment in a derivative may have a large impact on the strategy's performance. The successful use of derivatives generally depends on the ability to predict market movements. There may be an imperfect correlation between a derivative and its reference asset. Certain transactions, such as those involving investing in certain derivatives, may give rise to leverage, causing the Fund to be more volatile than if it had not been leveraged.

Certain derivatives transactions may involve one or more counterparties. A counterparty may become bankrupt or otherwise fail to perform its obligations due to financial difficulties, jeopardizing the value of the strategies' investment. The strategy may experience significant delays in recovering an investment in a bankruptcy or other reorganization proceeding and recover only a limited amount or none of its investment in such circumstances.

Incorporating a dynamic volatility strategy into a portfolio is designed to help an investor potentially mitigate, and potentially benefit from, volatility in the U.S. stock market. However, all investing involves risk including the possible loss of principal. There can be no assurance such a strategy will achieve a gain or prevent a loss. Volatility assets and strategies may not be suitable for some investors due to their financial circumstances and risk tolerance. A volatility strategy should not be viewed as a complete investment program.

Volatility assets entail their own unique risks that investors should consider when evaluating a volatility strategy. Volatility based futures can become volatile and difficult to value and can be imperfectly correlated to the underlying asset or index. Due to leverage, the loss on a long futures contract could greatly exceed the initial investment. The loss on a short contract theoretically is unlimited since the appreciation of the shorted asset also theoretically is unlimited. Thus, a small investment in derivatives could have a large potential impact on the performance of a portfolio. Further, a volatility strategy may at times call for high portfolio turnover rates, which increases brokerage costs. High turnover also may generate net short term capital gains.