

# EDHEC ALTERNATIVE INDEX

## DISTRESSED SECURITIES

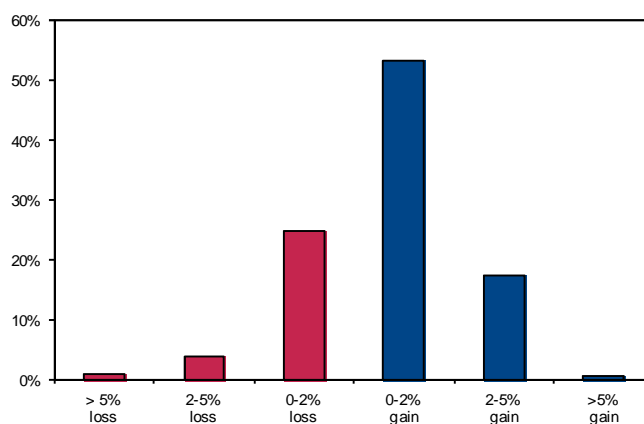
Distressed securities funds attempt to benefit from undervalued companies' stocks which are subject to financial distress (i.e. restructuring, liquidation, bankruptcy, etc.). A typical strategy consists in buying distressed company's debt at a discount price, holding it through the whole restructuring process, and selling it after it has re-appreciated.

	Jan	Feb	March	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	YTD
2017	1.91%	0.71%	-0.84%	0.51%	-0.48%	0.28%	1.17%	-0.04%	0.58%	0.00%	0.09%	1.66%	5.65%
2018	1.77%	-0.43%	-0.39%	0.49%	0.82%	0.91%	0.93%	0.02%	0.50%	-1.58%	-1.93%	-2.34%	-1.32%
2019	2.23%	0.51%	-0.10%	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	2.64%

## RISK PROFILE

Risk Profile	Edhec		
	Distressed Securities Index	S&P 500	Lehman Treasury
Monthly Std Dev Ann'd	5.69%	14.42%	4.42%
Sharpe Ratio	0.76	0.24	0.05
Information ratio	0.07	n.a.	n.a.
Min. Monthly Return	-7.75%	-16.80%	-4.39%
Max. Monthly Return	5.04%	10.93%	5.31%
Mean Monthly Return	0.67%	0.60%	0.34%
Median Monthly Return	0.88%	1.1%	0.40%
Exc. Kurtosis	3.35	1.30	1.49
Skewness	-1.05	-0.68	0.02
% of winning Months	70.78%	66.21%	58.90%
Average Winning Return	1.46%	2.88%	1.14%
% of losing Months	29.22%	33.79%	41.10%
Average Losing Return	-1.25%	-3.87%	-0.80%

## RETURN DISTRIBUTION



## CORRELATION ANALYSIS

Correlation Analysis	Edhec		
	Distressed Securities Index	S&P 500	Lehman Treasury
S&P 500	0.62	1.00	-0.34
S&P 500 Value	0.63	0.97	-0.34
S&P 500 Growth	0.58	0.97	-0.33
S&P Mid Cap	0.67	0.93	-0.33
S&P Small Cap	0.62	0.87	-0.35
Lehman Treasury	-0.32	-0.34	1.00
Baa-Aaa	-0.08	-0.06	0.05
Chg in Baa - Aaa	-0.35	-0.09	0.14
10 years - 3 Months	0.00	-0.05	0.10
Chg in 10 years - 3 Months	0.02	-0.03	-0.04
VIX	-0.39	-0.45	0.27
Chg in VIX	-0.45	-0.68	0.19

## CUMULATIVE RETURNS

