

## LYCHAASG LIMEYARD Absolute Alpha Switzerland (Gross Total Return)

### Objective

The LIMEYARD Absolute Alpha Switzerland implements a systematic long/short strategy that combines four selected LIMEYARD factor-weighted indices, with the aim to extract risk premia and deliver returns in excess of the market portfolio.

The LIMEYARD Absolute Alpha Switzerland is a fixed-component index with 96 constituents that aims to build an outperforming model portfolio (in relative terms, against the market portfolio given by the LIMEYARD Swiss Market Benchmark).

The LIMEYARD Absolute Alpha Switzerland implements a long/short strategy that goes long the factor index component and shorts the traditional market-cap benchmark.

### Key Facts

The LIMEYARD Absolute Alpha Switzerland implements a portfolio construction methodology that aims at creating a portfolio strategy based on a combination of non-capweighted LIMEYARD factor-selected indices. Based on the foundations of the stochastic portfolio theory (SPT), the goal is to extract risk premiums from each of the four factor indices selected in the analysis (the LIMEYARD Low Risk Factor, the LIMEYARD Momentum Factor, the LIMEYARD Quality Factor, and the LIMEYARD Value Factor). At the same time, the LIMEYARD Absolute Alpha Switzerland mitigates factor cyclicalities by adopting a systematic long-short approach and an optimized portfolio solution in allocating across the various factors.

The LIMEYARD Absolute Alpha Switzerland delivers solid outperformance in the medium and long-term investment horizons. At the same time, while the 12% volatility targeting protects the portfolio against market drawdowns, a dynamic zero-beta hedging strategy insulates the portfolio from systematic risk disturbances.

### Characteristics

**Selection feature:** Systematic long/short strategy that combines four selected LIMEYARD factor-weighted indices

**# of components:** Fixed within a quarterly rebalancing period

**Weighting Scheme:** Factor optimized weighting

**Leverage constraint:** The LIMEYARD Absolute Alpha Switzerland applies a maximum 200% leverage constraint

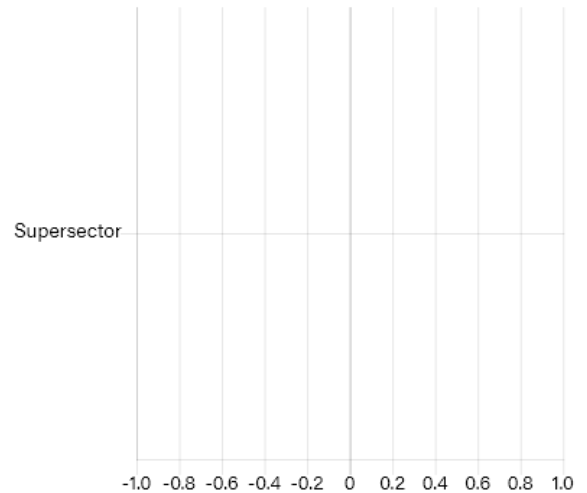
**Type of Calculation:** End of day

**Index Type:** Gross total return index

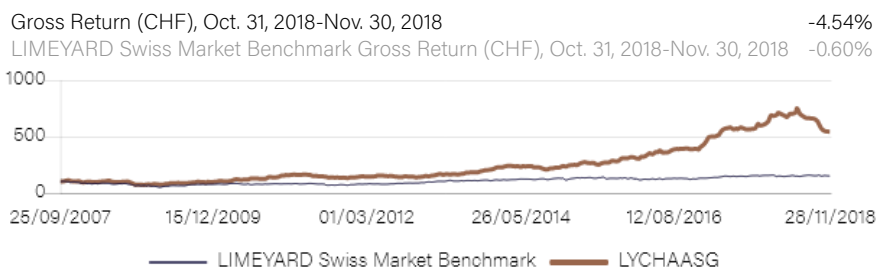
**Currency:** CHF

**Review frequency:** Semi-annual (June, December)

### Top-ten & Bottom-ten Supersectors in %



### Cumulative Index Performance



### Top & Bottom Five Constituents

Full name	Industry
<b>TOP 5</b>	
Constituent	Industry
<b>BOTTOM 5</b>	
Constituent	Industry

### Methodology

The LIMEYARD Absolute Alpha Switzerland is rule-based and transparent, and reflects a comprehensive and consistent approach to index construction. The free-float market capitalization of the constituents of the underlying LIMEYARD factor indices is reviewed on a quarterly basis. The detailed methodology can be found in the LIMEYARD factor indices methodology guide.

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## **ABOUT LIMEYARD**

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