PUTD Alpha Long/Short Strategy

A Validus Dynamic Strategy

Harnessing the alpha of the Cboe Validus Dynamic PutWrite Index (PUTD)

The PUTD index is a systematic cash secured put write strategy on the S&P500. The index is publicly available and goes back to 2006. (Live since July 2022).

It can be considered as a "Smart Beta" strategy for the S&P500.

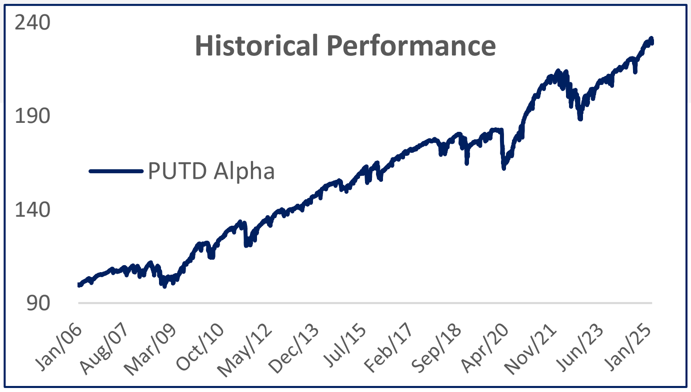
It is a new generation option overwrite strategy; in that it trades 5 times a month and selects option strikes as function of the volatility term structure.

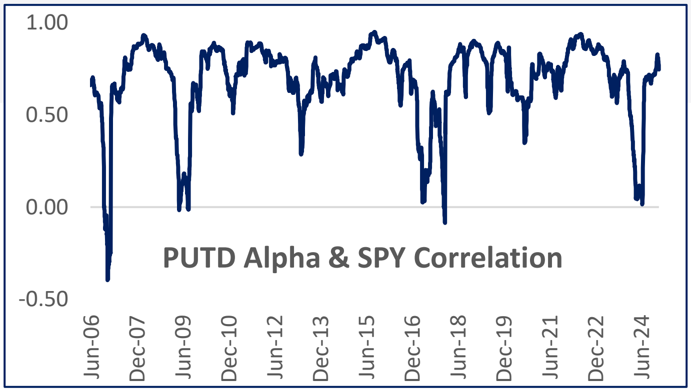
The PUTD Alpha Long/Short Strategy aims at capturing the improved characteristics of the PUTD strategy versus the S&P500 (i.e., the "Smart" part) by:

- Buying $1.00 PUTD ETF (which tracks the index)
- Selling Short between ($0.40-$.80 of SPY ETF (as a function of the volatility environment).

Annual Returns

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
PUTD Alpha	6.6%	3.0%	-5.6%	16.7%	6.4%	1.0%	6.3%	7.6%	2.6%	7.7%
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
PUTD Alpha	3.5%	4.1%	-4.4%	7.8%	5.6%	11.0%	-7.6%	8.6%	6.5%	0.9%





Performance Statistics

	Period Return	Annual Return	Annual Volatility	Information Ratio	Max DD	Longest DD
PUTD Alpha	130.5%	4.5%	6.6%	0.68	-12.2%	475

Period Returns

	YTD	1M	3M	6M	1Y	3Y	5Y	10Y	All
PUTD Alpha	0.91%	0.14%	1.16%	4.56%	6.68%	3.67%	5.43%	4.06%	4.46%

Source: Bloomberg, Validus Calculations

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