QMIT's ***<u>LBO Top100 model beat the R2000V index (IWN etf hedge) by +20.5% in 2020 as the model longs more than TRIPLED off of the Covid lows. This was followed by +10% outperformance in 2021 & wrapped up 2022 finishing +15.6% better than IWN. It's already up another +28% YTD in 2023.</u>***

$ Neutral - Weekly rebalanced YTD [daily geometric chain-linked returns] – YTD 2023 as of **11/30/2023:**

	DTD	MTD	YTD
LBO100 Hedged	0.24%	1.64%	28.04%
LBO100	0.58%	10.43%	24.87%
IWN	0.35%	9.08%	1.91%

QMIT's LBO model is having a strong 2023. Top 100 Longs are up **24.87% long and 28.04% hedged YTD**. The model delivered **+15.60% hedged** in 2022, the model is **on its *24th year of index outperformance*** as per below (traded/ published LIVE by the QuantZ founder for the past ~19 years). Following the GFC in 2009 the model rang up a spectacular +84.2% return besting the index by 50.4%! Indeed, in the post-Covid rebound, the Longs have more than TRIPLED off of the COVID lows. Given the propensity of the Long-side to register outsized gains coming out of a crisis one would be well served *positioning with the Top LBO Longs for this Bear market bottom* (or for the short covering rallies) because many of them have the potential to be 3-5x baggers as we witnessed after the Covid bottom:

LBO Performance	LBO100	R2000 Val	LBO - R2000 Val
2000	29.01%	22.68%	10.82%
2001	39.37%	14.0%	26.77%
2002	12.4%	-11.42%	29.26%
2003	60.2%	46.0%	10.7%
2004	39.71%	22.14%	15.33%
2005	19.3%	4.64%	17.24%
2006	35.82%	23.45%	14.81%
2007	-2.33%	-9.8%	12.2%
2008	-27.63%	-28.96%	1.53%
2009	84.1%	20.5%	50.3%
2010	34.98%	24.49%	8.15%
2011	0.11%	-5.5%	6.3%
2012	27.59%	18.05%	8.35%
2013	51.58%	34.52%	12.75%
2014	12.71%	4.21%	8.46%
2015	-6.74%	-7.47%	1.11%
2016	41.59%	31.72%	8.15%
2017	19.35%	7.82%	11.53%
2018	-11.19%	-12.85%	3.97%
2019	28.69%	22.01%	8.12%
2020	24.28%	4.66%	20.42%
2021	40.78%	27.96%	10.09%
2022	-3.87%	-14.75%	15.6%
2023 YTD	24.87%	1.91%	28.04%

	LBO100	R2000 Val	LBO - R2000 Val
Annualized Ret	21.53%	8.45%	13.76%
Annualized Vol	25.59%	24.12%	8.26%
Sharpe Ratio	0.84	0.35	1.67
Annualized Sortino Ratio	1.23	0.5	2.61
Max DD	57.48	61.75	16.05

LBO-R2000 Val differences are daily chain-linked geometrically & not the same as the difference of cumulative time series. The QMIT Top 100 model is an equal weighted composite of the Top 100 leveraged buyout predictions re-balanced weekly. The model is meant to identify liquid US names ripe for LBO speculation, to manage event risk & to serve as a trading signal out of the box. The trading strategy itself can be viewed as a liquid/public proxy for PE type returns without the lock up. This model is on its 24th year of index outperformance with no down years vs Russell Small Cap Value with a 1.7

Sharpe and 2.6 Sortino. The model is available directly via email, FTP, AWS S3 share as well as through Crux on a daily basis. Please find more on the QMIT LBO model here.

Footnotes:

1. The LBO model excludes ADRs, REITs, Biotech's, Financials, Utilities as well as OTCs & microcaps. This model represents a ~19 year hypothetical simulation with LIVE daily publication thereafter. The portfolio is rebalanced weekly and reflects realistic institutional transaction costs. Given the low weekly 2-way turnover of ~15%, the annualized commissions + SEC costs come to 1 bp. Even with a generous assumption for slippage one arrives at 5 bps annualized for total transaction cost.
2. The LBO Hedged model is the dollar neutral version of the LBO model which shows the excess return vs. Russell 2000 Value index over the corresponding period. The LBO Hedged model assumes the same 5bps annualized for total TC & market impact while also accounting for the rebates received for the short Russell 2000 Value index position (at US 3 month T-Bill – 25 bps).
3. LBO long & hedged returns (including RUJ/ IWN benchmark) are weekly rebal but based on compounding daily returns

Best Regards,

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QMIT disclaimers
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