

Palmer Square CLO Indices Performance



Palmer Square CLO Senior Debt Index (CLOSE)

Palmer Square CLO Debt Index (CLODI)

October 30, 2020

Overview:

The Palmer Square CLO Senior Debt Index (ticker: CLOSE) and Palmer Square CLO Debt Index (ticker: CLODI) seek to reflect the investable universe for U.S. dollar denominated collateralized loan obligations ("CLOs"). CLOSE is comprised of original rated AAA and AA debt issued after January 1, 2009 subject to certain inclusion criteria, and CLODI is comprised of original rated A, BBB, and BB debt issued after January 1, 2009 subject to certain inclusion criteria. Please contact Palmer Square for more information on the methodology and inclusion criteria.

Index Constituents and Guidelines:

Both indices are comprised solely of cash and arbitrage CLOs backed by broadly syndicated leveraged loans. CLOs that do not fit these criteria include Middle-Market CLOs, ABS CDOs, Emerging Market CLOs, and Balance Sheet CLOs. Please contact Palmer Square for more information on the methodology and inclusion criteria.

Model Performance (as of 10/30/2020)

	Palmer Square Senior Debt Index (CLOSE)	Palmer Square Debt Index (CLODI)
2012	4.68%	19.51%
2013	1.19%	8.18%
2014	1.48%	1.89%
2015	1.70%	2.07%
2016	3.32%	10.40%
2017	3.16%	9.13%
2018	2.12%	0.07%
2019	4.44%	8.82%
YTD 2020	1.52%	0.92%
1 Years (annualized)	2.13%	4.64%
3 Years (annualized)	2.81%	3.56%
5 Years (annualized)	2.97%	5.64%
Annualized since Jan. 1, 2012	2.67%	6.75%
Cumulative since Jan. 1, 2012	26.17%	78.02%

Inception is June 1, 2015. Past performance is not necessarily indicative of future results. The returns prior to June 1, 2015 are hypothetical/model returns calculated using a compilation of Thompson Reuters pricing and secondary market trade quotes. While such sources are believed to be reliable, Palmer Square employees or representatives do not assume any responsibility for the accuracy of such information. There are inherent limitations of showing data derived from the retroactive application of a model. Unlike actual performance, these results may not accurately reflect the effect of certain material economic or market factors, and therefore, results may be over or under-stated due to the impact of these factors. It is unknown what effects these factors might have had on Palmer Square Capital Management LLC's decision-making if it were actually calculating the Indices during the entire time period. It should not be assumed that any information discussed herein will prove to be profitable or that decisions in the future will be profitable or provide similar results.

Firm:

Founded	2009
World headquarters	Kansas City area
Firm AUM	~\$12.6 billion
Number of employees	34

Palmer Square manages approximately \$12.6 billion in portfolios of both direct corporate and structured credit as well as diverse alternative investment strategies designed with the intent to achieve high risk-adjusted returns over market cycles. We manage CLOs, mutual funds, separately managed accounts, and private partnerships on behalf of a diverse client base which includes not only institutional clients, but also registered investment advisors, broker-dealers, and family offices.

Palmer Square CLO Indices Performance

Palmer Square Senior Debt Index (CLOSE)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	0.50%	0.20%	-4.77%	1.93%	1.60%	0.36%	0.62%	1.28%	0.09%	-0.13%			1.52%
2019	0.73%	0.30%	0.34%	0.40%	0.59%	0.29%	0.28%	0.29%	0.35%	0.18%	0.23%	0.37%	4.44%
2018	0.44%	0.07%	0.17%	0.22%	0.27%	0.16%	0.27%	0.29%	0.23%	0.32%	0.08%	-0.42%	2.12%
2017	0.31%	0.27%	0.26%	0.22%	0.30%	0.23%	0.27%	0.29%	0.31%	0.29%	0.23%	0.14%	3.16%
2016	-0.01%	-0.64%	0.89%	0.73%	0.44%	0.06%	0.48%	0.43%	0.28%	0.22%	0.18%	0.23%	3.32%
2015	0.24%	0.41%	0.37%	0.23%	0.27%	0.17%	0.05%	-0.05%	0.00%	-0.32%	0.13%	0.18%	1.70%
2014	0.16%	0.17%	0.19%	0.16%	0.17%	0.27%	0.08%	0.09%	-0.13%	0.03%	0.18%	0.10%	1.48%
2013	0.31%	0.36%	0.15%	0.17%	0.30%	-0.37%	0.27%	0.10%	0.01%	-0.17%	0.06%	-0.02%	1.19%
2012	0.45%	1.25%	0.23%	-0.14%	0.13%	0.29%	0.64%	0.46%	0.35%	0.42%	0.30%	0.22%	4.68%

Palmer Square Debt Index (CLODI)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	2.01%	-1.04%	-20.56%	7.00%	9.11%	5.55%	0.14%	2.39%	0.71%	-1.10%			0.92%
2019	2.51%	0.67%	0.71%	0.77%	1.28%	0.08%	0.23%	-0.40%	0.64%	-1.62%	1.08%	2.58%	8.82%
2018	0.78%	0.17%	0.10%	0.19%	0.65%	0.19%	0.39%	0.48%	0.26%	0.42%	-0.56%	-2.95%	0.07%
2017	2.24%	0.55%	0.87%	0.43%	0.55%	0.50%	0.47%	0.53%	0.57%	1.01%	0.67%	0.40%	9.13%
2016	-3.05%	-5.50%	5.66%	2.76%	0.96%	0.27%	4.32%	1.56%	0.91%	0.53%	0.63%	1.37%	10.40%
2015	0.52%	1.57%	0.88%	1.05%	1.39%	-0.12%	-0.14%	-0.58%	-0.48%	-1.35%	-0.24%	-0.41%	2.07%
2014	0.97%	0.02%	0.30%	0.20%	-0.01%	0.08%	0.21%	0.28%	-0.04%	-0.71%	0.62%	-0.04%	1.89%
2013	3.07%	1.07%	0.11%	0.39%	2.36%	-5.07%	2.65%	0.47%	0.73%	0.51%	1.41%	0.42%	8.18%
2012	4.38%	1.63%	0.05%	-0.14%	0.19%	0.71%	2.09%	1.64%	5.14%	1.44%	0.52%	0.47%	19.51%

Shaded numbers are model performance that were developed with a benefit of hindsight. June 2015 to present performance is the actual return of the index.

Notes and Disclosure

This data is provided for informational purposes only and is not intended for trading purposes. This document shall not constitute an offering of any security, product or service. The addition, removal or inclusion of a security in the Palmer Square CLO Senior Debt Index and the Palmer Square CLO Debt Index (the "Indices") is not a recommendation to buy, sell, or hold that security, nor is it investment advice. It is not possible to invest directly in an index. Index performance does not reflect the deduction of any fees and expenses. Past performance is not a guarantee of future returns. There are risks involved with investing, including the possible loss of principal, that investors should be prepared to bear. The information contained herein should not be construed as personalized investment advice and should not be considered a solicitation to buy or sell any security or engage in a particular investment strategy.

The information contained in this document is current as of the publication date or as indicated herein. Palmer Square Capital Management LLC ("Palmer Square") makes no representations with respect to the accuracy or completeness of these materials and will not accept responsibility for damages, direct or indirect, resulting from an error or omission in this document. The methodology involves rebalancing and maintenance of the Indexes that is made periodically during each year and may not, therefore, reflect real time information.

The Indices are the exclusive property of Palmer Square. The Indices are calculated by NYSE Group, Inc. or its affiliates ("NYSE"). NYSE MAKES NO EXPRESS OR IMPLIED WARRANTIES, AND HEREBY EXPRESSLY DISCLAIMS ALL WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE WITH RESPECT TO THE INDICES OR ANY DATA INCLUDED THEREIN. IN NO EVENT SHALL NYSE HAVE ANY LIABILITY FOR ANY SPECIAL, PUNITIVE, INDIRECT, OR CONSEQUENTIAL DAMAGES (INCLUDING LOST PROFITS), EVEN IF NOTIFIED OF THE POSSIBILITY OF SUCH DAMAGES.

This material is subject to change without notice, and should not be relied upon by the reader as research or investment advice. With regard to sources of information, certain of the economic and market information contained herein has been obtained from published sources and/or prepared by third parties. While such sources are believed to be reliable, Palmer Square employees or representatives do not assume any responsibility for the accuracy of such information.

The securities issued under the CLO transactions have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. This overview shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of such securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Palmer Square Capital Management LLC ("Palmer Square") is an SEC registered investment adviser with its principal place of business in the State of Kansas. Registration of an investment adviser does not imply a certain level of skill or training. Palmer Square and its representatives are in compliance with the current registration and notice filing requirements imposed upon registered investment advisers by those states in which Palmer Square maintains clients. Palmer Square may only transact business in those states in which it is notice filed, or qualifies for an exemption or exclusion from notice filing requirements. Any subsequent, direct communication by Palmer Square with a prospective client shall be conducted by a representative that is either registered or qualifies for an exemption or exclusion from registration in the state where the prospective client resides. For additional information about Palmer Square, including fees and services, send for our disclosure statement as set forth on Form ADV using the contact information herein or refer to the Investment Adviser Public Disclosure web site (www.adviserinfo.sec.gov). Please read the disclosure statement carefully before you invest or send money.

No portion of this publication may be reproduced in any format or by any means including electronically or mechanically, by photocopying, or by any other form or manner whatsoever, without the prior written consent of Palmer Square.