

Gemstone-Enhanced™ Alpha III

Investment Objectives:

- *Provide a negative 50% correlation to the S&P 500 TR; and*
- *Deliver a positive return.*
- *Target Constant Nominal Allocation/Risk Size*
(Note all returns are arithmetic)

Implementation:

Without changing the underlying trading engine, re-engineer a non-directional, non-correlated investment (*Alpha III*) return profile with **Gemstone Financial Engineering™**, to transfer the impact of losing months in the S&P 500 TR from the investor to the Investment Manager (*Efficient Capital®*).