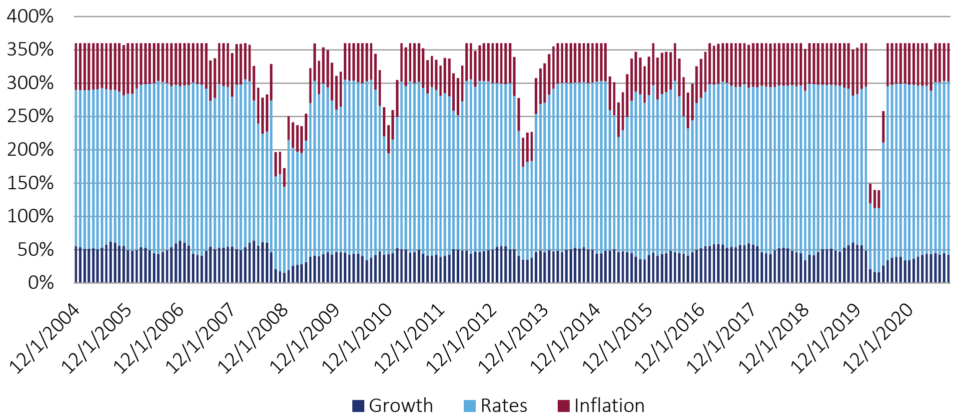
# Wilshire Risk Parity Index – 12% Target Volatility℠

As of September 30, 2021

The Wilshire Risk Parity Index – 12% Target Volatility℠ (Wilshire Risk Parity Index℠) is designed to measure the performance of a multi-asset risk parity strategy that allocates risk equally among three risk baskets: equity, rates and inflation while targeting an ex-ante volatility level of 12%. Each risk basket is designed to contain a diverse, yet still representative set of highly liquid futures to help not only capture main asset class risk drivers, but also minimize index turnover. To maximize risk diversification while maintaining asset class exposure as specified, baskets are risk-weighted at the individual basket, then main asset class level. To leverage a proxy for rates and inflation that is both widely accepted and highly liquid, U.S. Treasury Inflation Protected Securities (TIPS) are incorporated. Additionally, a long- and short-term realized variance-covariance matrix not only anchors the index to long-term volatility trends, but also provide responsiveness to short term shifts; and a daily dampener triggered by a jump in equity volatility, as represented by the S&P VIX, aims to further amplify short-term responsiveness.

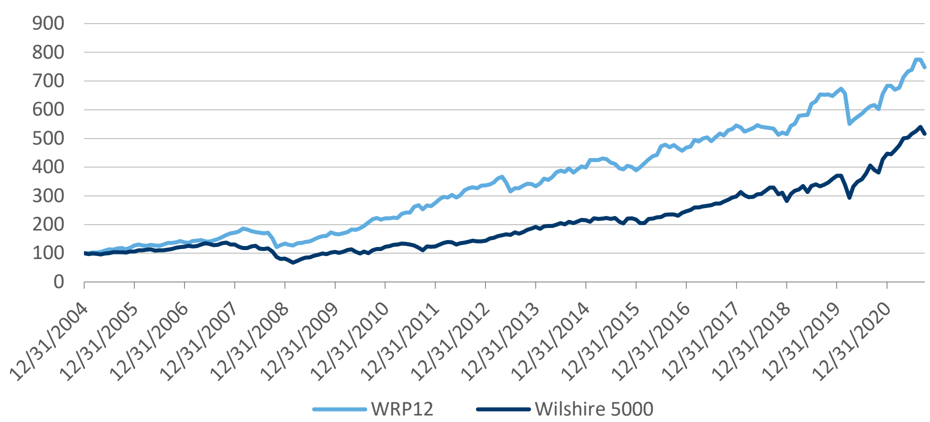
## Historic Basket Exposure (Notional Weights)




## Performance Snapshot

| Total Return (%) | | | Annualized Total Return (%) | | | | |
|---|---|---|---|---|---|---|---|
| 3-month | Ytd | 2020 | 1-year | 3-year | 5-year | 10-year | Inception |
| 1.12 | 9.37 | 3.25 | 21.35 | 11.91 | 9.40 | 11.44 | 12.76 |

## Performance History




## Objective

To measure the performance of a multi-asset risk parity strategy that utilizes liquid assets while targeting a volatility of 12%.

## Key Features

- Equal weighted risk baskets: equity, rates and inflation
- Long-term and short-term risk measures
- Includes 12 liquid futures plus U.S. Treasury Inflation Protected Securities (TIPS)
- Margin earns T-Bill return
- Notional cap at 360%
- TIPS cap at 62.5%
- Daily dampener using VIX
- Rebalanced monthly

## Quick Facts

**Number of Constituents**

13

**Weighting**

Risk-weighted

**Review Frequency**

Monthly

**Base Value**

Total Index: 100.00 (at Dec 31, 2004)

**Calculation Frequency**

Daily

**History Availability**

Monthly from December 31, 2004

Daily from December 31, 2004

## Calendar Year Performance

Year Ending December (%)

| 2019 | 2018 | 2017 | 2016 | 2015 |
|---|---|---|---|---|
| 28.55 | -5.55 | 16.56 | 20.26 | -2.66 |

## Realized Risk

Annualized Risk (ST DEV%)

| 1 Year | 3 Years | 5 Years | 10 Years | Inception |
|---|---|---|---|---|
| 12.59 | 14.08 | 11.78 | 11.01 | 12.38 |

## Expected Symbology

| Suggested Ticker | Bloomberg | Reuters Station | Yahoo |
|---|---|---|---|
| WRP12 | WRP12V<index> | us;WRP12 | ^WRP12 |

Investors cannot directly invest in an index although they can invest in mutual funds or exchange-traded funds that seek to match the holdings of an index.

## For Further Information

Please visit www.wilshire.com or email wilshireindexes@wilshire.com.

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