

# Tortoise Real Yield Index<sup>®</sup>

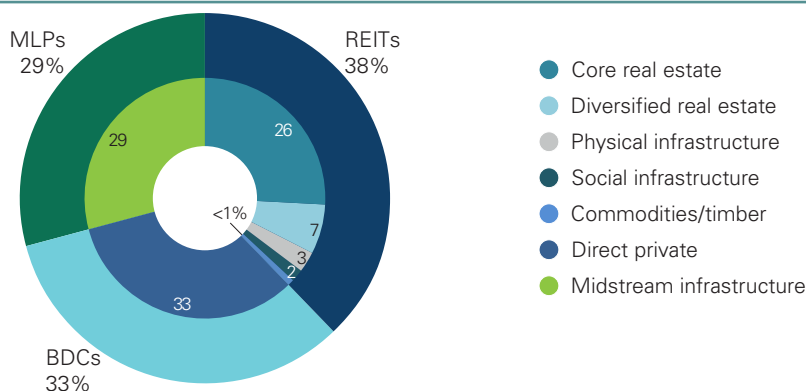
## About the index

The Tortoise Real Yield Index<sup>®</sup> is a differentiated index that aims to track real asset exposure anchored in current income. It provides an efficient benchmark for real yielding, tax pass-through, liquid companies that distribute substantial cash flow streams to investors by investing in REITs (real estate investment trusts), MLPs (master limited partnerships) and BDCs (business development companies). The index provides a benchmark of companies with tangible essential assets that are supportive of economic activity with no commodity futures, precious metals, TIPS (treasury inflation-protected securities) or foreign currency exposure.

## Why Real Yield<sup>®</sup>

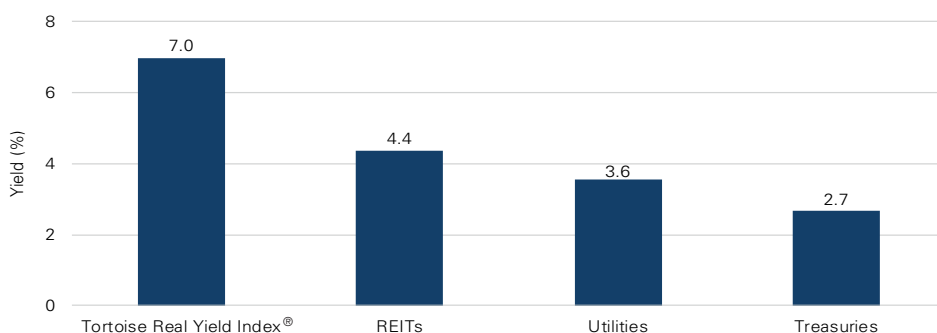
- Comprehensive yield-focused real asset companies illustrates relevant investment opportunity, now and across business cycles
- What defined the last 25 years – declining interest rates and low inflation – is not necessarily what can be expected going forward
- Defines equity-like exposure to real assets with attractive yield and diversification potential
- Helpful benchmark for investors with recurring, multi-year funding obligations

## Sector breakdown\*\*



\*REITs include core real estate, diversified real estate, physical (communication and storage) infrastructure, social (healthcare) infrastructure and timber constituents. BDCs include direct private constituents. MLPs include midstream infrastructure constituents.

## Implied yield<sup>1</sup> as of 12/31/2018



Source: Tortoise and Bloomberg. <sup>1</sup>Implied yield is calculated as the sum of distributions over prior 12 months divided by spot price of index.

## Key information

### Tickers

Price	TYLD
Total return	TYLDT

**Base date** March 2, 2007

**Inception date** August 26, 2015

**Calculated by** NYSE

**Rebalancing** Quarterly

### Index portfolio characteristics\*

**Number of constituents** 157

**Market capitalization** \$1,265 billion

### Constituent size

Average \$8,112 million

Median \$4,260 million

### Key eligibility requirements

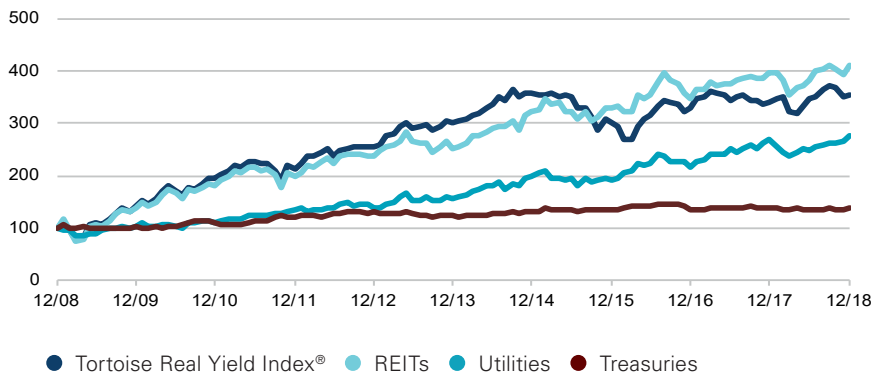
- NYSE, NASDAQ, NYSE MKT or another major U.S. exchange-listed REITs (excluding mortgage REITs), oil and gas MLPs and BDCs
- Market capitalization of \$500 million for REITs and MLPs, \$300 million for BDCs
- Three-month average daily value traded is \$5 million for REITs and MLPs and \$3 million for BDCs

### Top 10 constituents\*

Name	Index weight
Ares Capital Corporation	13.9%
Enterprise Products Partners L.P.	7.5%
Prospect Capital Corporation	4.9%
Main Street Capital Corporation	4.6%
MPLX LP	3.4%
FS Investment Corporation	2.8%
TPG Specialty Lending, Inc.	2.6%
Spectra Energy Partners, LP	2.3%
Hercules Capital, Inc.	2.3%
Simon Property Group, Inc.	2.2%
<b>Total</b>	<b>46.5%</b>

\*As of most recent rebalance date (12/10/2018). Due to rounding, totals may not always equal 100%.

## 10 year historical index performance as of 12/31/2018



## Historical index statistics as of 12/31/2018

	TYLDT	REITs	Utilities	Treasuries
<b>Total returns</b>				
10 year	11.33%	12.49%	10.45%	2.96%
7 year	5.46%	9.01%	9.71%	1.76%
5 year	1.32%	8.24%	10.77%	2.87%
3 year	3.34%	4.12%	10.73%	1.46%
1 year	-6.35%	-4.39%	4.13%	0.89%
<b>Sharpe ratio</b>				
10 year	0.63	0.66	0.82	0.47
7 year	0.45	0.69	0.76	0.27
5 year	0.11	0.62	0.82	0.48
<b>Sortino ratio</b>				
10 year	1.00	1.03	1.25	1.86
7 year	0.64	1.13	1.19	1.03
5 year	0.14	1.03	1.38	1.76

## Disclaimers

**The characteristics provided for the index are illustrative of the characteristics of an asset class and are not indicative of the performance of any investment product. The historical data of the index prior to its inception date was calculated on the same basis on which the index is currently calculated. Past characteristics are no guarantee of future results. It is not possible to invest directly in an index.**

REITs = FTSE NAREIT All Equity REITs Index, a free-float adjusted, market capitalization-weighted index of U.S. equity REITs. Constituents of the index include all tax-qualified REITs with more than 50% of total assets in qualifying real estate assets other than mortgages secured by real property. Utilities = S&P Utilities Select Sector Index, a modified market-cap weighted index composed of constituents of the S&P 500 in the utility sector (as defined by the Global Industry Classification Standard). Treasuries = BofA Merrill Lynch 7-10 Year U.S. Treasury Index, a subset of the BofA Merrill Lynch U.S. Treasury Index that includes all securities with a remaining term to final maturity greater than or equal to seven years and less than 10 years. Sharpe ratio is the excess return per unit of risk in an index (total return minus risk free rate divided by standard deviation). Risk free rate is the interest an investor would expect from a risk-free investment and is based on the BofA Merrill Lynch 3-Month Treasury Bill Index, an unmanaged index that measures returns of three-month treasury bills. Standard deviation is a statistical measure of the historical volatility of the index, usually computed using monthly returns. Sortino ratio is calculated as the measure of excess return per unit of downside risk in an index. Downside risk reflects the standard deviations of monthly total returns below 0% divided by total number of months, on an annualized basis.

Index return data: Bloomberg.

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 index is not a recommendation to buy, sell or hold that security, nor is it investment advice. The information contained in this document is current as of the publication date. Tortoise Index Solutions, LLC 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 index that is made periodically during each year and may not, therefore, reflect real time information.

The Tortoise Real Yield Index® is the exclusive property of Tortoise Index Solutions, LLC. 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 Tortoise Index Solutions, LLC.

The Tortoise Real Yield Index® is calculated by NYSE 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 TORTOISE REAL YIELD INDEX® 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.



For additional information, please call 844-TR-INDEX (844-874-6339) or visit [www.tortoiseadvisors.com](http://www.tortoiseadvisors.com).