

Retail Investors Gain Exposure to Diversified Alternative Credit Through New Liquid Index

New York, NY (May 11, 2021) – Gapstow Capital Partners has launched the marketplace’s first liquid, investable index designed to provide exposure to a diversified portfolio of alternative credit investments. Alerian and S-Network Global Indexes are working in a partnership with Gapstow as the index calculation agent and administrator.

The Gapstow Liquid Alternative Credit Index (GLACI) is introduced as income-oriented investors navigate a challenging market environment amidst low interest rates and tight credit spreads, even across typical yield-enhancing fixed income sectors like high yield bonds, emerging market debt, and preferred securities. In this low-rate landscape, alternative credit investments are gaining increased attention due to their attractive expected return attributes of high current yield (8-10%), compelling total returns, moderate correlation to equity markets and minimal interest rate sensitivity.

GLACI tracks the share price performance of 35 publicly traded alternative credit vehicles (PACs), such as business development companies, mortgage REITs, and credit-centric closed-end funds, whose balance sheets consist of alternative credit investments and whose shares trade intra-day on major exchanges. These PACs are selected through a proprietary and transparent rules-based methodology to collectively:

- Produce a high distributable dividend, currently estimated to be 8.7% (as of March 31, 2021)
- Represent six alternative credit sectors
- Provide access to marquee investment firms, such as Blackstone, KKR, and Apollo, whose private funds are difficult for individual investors to invest in

“The appeal of alternative credit hasn’t gone unnoticed by large, sophisticated institutional investors who use private funds to build diversified alternative credit portfolios,” said David LaValle, CEO of Alerian and S-Network. “Partnering with Gapstow provides an alternative to private funds, thereby offering accessibility in this asset class to all investors, including the retail community.”

“We’re excited to provide investors with the first diversified alternative credit index with intra-day liquidity,” noted Chris Acito, CEO of Gapstow Capital Partners. “Our work with Alerian and S-Network’s innovative team provides a blueprint for implementing a portfolio that can serve as a complement to existing allocations to either high yield bonds and/or other income generating allocations.”

GLACI is tracked by the new WisdomTree Alternative Income ETF (HYIN). For more information, visit <https://snetworkglobalindexes.com/indexes/gapstow-liquid-alternative-credit-index>.

About Alerian and S-Network Global Indexes

Alerian is a leading independent index provider focused on building innovative, index-based investment strategies. The firm acquired S-Network Global Indexes in 2020, expanding their index offerings and services to partners. Combined, the firm serves the global investment community through indexing, benchmarking and calculation services. Built on a foundation of data rigor and specialty research, Alerian and S-Network Global Indexes offer a comprehensive family of energy, income, and thematic indexes. Today, the firms cumulatively have over \$23 billion in total assets tracking its indexes and over 200 customers world-wide.

Alerian and S-Network Media Contact: Kim Greenberg, kim.greenberg@alerian.com, 516-241-3892

About Gapstow Capital Partners

Gapstow Capital Partners is the index provider for a series of over 30 alternative credit performance benchmarks including the GLACI. Gapstow also advises investment management firms and investment professionals exclusively on opportunities within alternative credit. Gapstow’s advice is built upon a foundation of thought leadership, industry research, and proprietary performance indices. Their insights

are further informed by a successful ten-year track record as a credit allocator, where Gapstow was an innovator in alternative credit product design and portfolio construction. Gapstow is a registered investment advisor based in New York City.

Gapstow Media Contact: Shelley Criswell, shelley.criswell@gapstow.com, 646-735-3466