

## Fund Descriptions

### Strategy:

An Active ETF that seeks to provide positive real investment returns in an inflationary macroeconomic environment. The Fund seeks to achieve this by investing in the public equity securities of profitable businesses which we believe are also inflation beneficiaries with scalable, economically resilient business models.

### Portfolio Managers:

James Davolos – 17 years of investment experience  
 Peter Doyle – 37 years of investment experience  
 Steven Bregman – 37 years of investment experience

## Fund Details

Ticker/CUSIP	INFL/53656F623
Inception Date	January 11, 2021
Expense Ratio	0.85%
Total Net Assets	\$ 1,300,028,428 (as of 8/5/22)
Index Tracked	None (Active ETF)
Issuer	Forside Fund Services, LLC
Stock Exchange	NYSE Arca

## Inflation Vectors

- Land / Real Estate
- Agriculture
- Energy
- Precious Metals
- Base Metals
- Real Estate
- Health Care
- Data/Research

## Portfolio Construction



### Direct Beneficiary

Asset-light companies with direct exposure to inflationary end markets<sup>1</sup>



### Indirect Beneficiary

Asset-light companies with indirect exposure to inflationary end markets<sup>1</sup>



### Opportunistic

Companies with unique direct exposure to inflationary end markets, but with modest fixed cost

## Investment Criteria



**Low capital requirements/Asset light**  
 Flexibility through full business cycles



**Underappreciated assets**  
 Inflation-correlated<sup>2</sup> dormant assets



**Exposure to real assets**  
 Tangible, high quality assets with finite supply



**Operating Leverage**  
 Volume-based, low overhead



**Cash flow vs asset price**  
 Cash generation at lower asset prices



**Misunderstood value**  
 Unique data, process, research



**Pricing power**  
 Finite supply, low on cost curve



**Re-investment in the business**  
 Compound capital over cycles

## The Firm

- Independent, employee owned, since 1994.
- Headquartered in New York with 75 employees.
- Co-founders investing together for over 30 years.
- No turnover of senior portfolio management since inception of the firm.
- Decades of experience investing in royalty and other inflation beneficiary companies
- Author of independent research since 1995.
- Extensive published research on exchange traded funds dating back to 2010.
- 19 Investment Professionals with an average tenure of 19 years with the firm and 29 years in the industry.
- Solutions centered investing and customized portfolios.

All data is as of 6/30/2022 unless otherwise specified.

<sup>1</sup> Inflationary end markets refer to the point of final sale of products/services that we feel are likely to trend higher in an inflationary environment.  
<sup>2</sup> Correlation refers to a relationship between two variables

Source: Morningstar Direct



# INFLATION BENEFICIARIES ETF (INFL)

www.horizonkinetics.com

## Performance History (%)

As of 6/30/2022

	MTD	QTD	YTD	One Year	Since Inception Annualized
<b>Total Return% (Market)</b>	<b>-10.83</b>	<b>-13.80</b>	<b>-7.76</b>	<b>-3.61</b>	<b>10.82</b>
<b>Total Return% (NAV)</b>	<b>-10.67</b>	<b>-13.67</b>	<b>-7.75</b>	<b>-3.73</b>	<b>10.84</b>
CPI Urban (3)	1.32	2.65	5.43	9.00	8.78
S&P GSCI	-7.64	2.01	35.80	45.05	51.24
MSCI ACWI All Cap	-8.63	-15.85	-20.46	-16.61	-5.48

The performance data quoted represents past performance. Past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost and current performance may be lower or higher than the performance quoted. Performance current to the most recent month-end can be obtained by calling (800) 617-0004.

Short term performance, in particular, is not a good indication of the fund's future performance, and an investment should not be made based solely on returns. Returns beyond 1 year are annualized. A fund's NAV is the sum of all its assets less any liabilities, divided by the number of shares outstanding. The market price is the most recent price at which the fund was traded.

## Fund Characteristics

Statistics	INFL	S&P 500
# of Holdings	40	505
Weighted Avg. Market Cap (\$B)	23.3	483.4
Price/Book	2.6	3.8
Price/Sales	1.5	2.3
P/FCF	16.7	20.9
Debt to Capital %	28.0	36.6
Profit Margin %	29.7	13.9

## Top 10 Holdings (%)

Texas Pacific Land Corp	6.2
Archer-Daniels Midland Co	5.1
Viper Energy Partners LP Common Units	4.9
PrairieSky Royalty Ltd	4.5
Franco-Nevada Corp	4.3
Brigham Minerals Inc	3.9
Deutsche Boerse AG	3.9
Glencore PLC	3.8
ASX Ltd	3.7
Intercontinental Exchange Inc	3.7
	43.9

Holdings are subject to change without notice.

## Sector and Country (%)

Basic Materials	26.3	United States	50.6
Financial Services	25.9	Canada	30.7
Energy	23.1	Australia	5.5
Consumer Defensive	9.5	Singapore	4.0
Real Estate	6.5	Switzerland	3.9
Healthcare	4.6	Germany	3.6
Technology	2.2	Japan	0.6
Industrials	0.9	Cash	1.1
Cash	1.1		

## Disclosures

Please consider carefully a fund's investment objectives, risks, charges and expenses. For this and other important information, obtain a statutory and summary prospectus by visiting <https://horizonkinetics.com/products/etf/infl/#overview>. Read it carefully before investing.

**Investing involves risk, including the possible loss of principal.** Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the fund. Brokerage commissions will reduce returns. Because the fund concentrates its investments in specific industries, the fund may be subject to greater risks and fluctuations than a portfolio representing a broader range of industries. The fund is non-diversified, meaning it may concentrate more of its assets in a smaller number of issuers than a diversified fund. The fund invests in foreign securities which involve greater volatility and political, economic and currency risks and differences in accounting methods. These risks are greater for investments in emerging markets. The fund may invest in the securities of smaller-capitalization companies, which may be more volatile than funds that invest in larger, more established companies. The performance of the fund may diverge from that of the index. Because the fund may employ a representative sampling strategy and may also invest in securities that are not included in the index, the fund may experience tracking error to a greater extent than a fund that seeks to replicate an index. As an actively managed fund, the Adviser seeks to select securities of companies that it expects to benefit, either directly or indirectly, from rising prices of real assets that are sensitive to inflationary pressures. To the extent the expectations for increases in the prices of real assets do not materialize (for example, because inflation did not materially increase for a period of time), the fund may underperform other funds. Diversification does not assure a profit or protect against a loss in a declining market.

Active ETF refers to investment strategies that emphasize the use of alternative weighting schemes to traditional ETF tracking market capitalization based indices. Market Capitalization is the value of the fund as determined by the market price of its issued and outstanding stock. The Weighted Average Market Capitalization of a portfolio equals the average of each holding's market cap, weighted by its relative position size in the portfolio (in such a weighting scheme, larger positions have a greater influence on the calculation). Price-Book Ratio (P/B Ratio) is used to compare a firm's market capitalization to its book value. It's calculated by dividing the company's stock price per share by its book value per share (BVPS). Price-Sales Ratio (P/S Ratio) is a valuation ratio that compares a company's stock price to its revenues. It is an indicator of the value that financial markets have placed on each dollar of a company's sales or revenues. Price-Free Cash Flow Ratio (P/FCF Ratio) is a valuation ratio that compares a company's stock price to the cash generated after considering money required to maintain or expand company assets. Profit Margin is the percentage of a company's revenues that maintained as net income. Debt/Capital is a leverage ratio that compares the company's interest-bearing debt, both short- and long-term liabilities and dividing it by the total capital. TIPs: Treasury Inflation Protected Securities. The Consumer Price Index For All Urban Consumers (CPI Urban) is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services. S&P GSCI is a composite index of commodities that measures the performance of the commodity market. The S&P GSCI is the commodity equivalent of stock indexes, such as the S&P 500 and the Dow Jones. The MSCI ACWI All Cap Index covers more than 14,000 securities and includes large, mid, small, and micro-cap size segments for all developed markets countries plus large, mid and small-cap size segments for emerging markets. The S&P 500 Index represents an unmanaged, broad-based basket of stocks.

The Horizon Kinetics Inflation Beneficiaries ETF (INFL) is distributed by Foreside Fund Services, LLC ("Foreside"). Foreside is not affiliated with INFL or Horizon Kinetics LLC or its subsidiaries.

<sup>3</sup> Since Inception All Urban Consumers (CPI Urban) is calculated from January 31, 2021. All data is as of 6/30/2022 unless otherwise specified.