



Horizon Kinetics Launches Inflation Beneficiaries Exchange Traded Fund (INFL)

January 12, 2021

Horizon Kinetics LLC announced the launch of its first exchange traded fund (ETF), the Inflation Beneficiaries ETF (INFL), an actively managed fund, which began trading on the New York Stock Exchange (NYSE) today.

This active ETF will be managed using the same long-term, value-oriented, and proprietary research-driven philosophy that has guided the management of the Firm's other products over the more than 20 years since Horizon Kinetics' inception. The ETF seeks to address what Horizon Kinetics sees as the largest threat facing investors: Inflation, by identifying unique, scalable businesses that have the potential to thrive in an inflationary environment. For more information about INFL, please visit <https://horizonkinetics.com/products/etf/infl/>.

"This is our first ETF, and we are launching it because we see an urgent need for a mechanism for inflation protection in the market. For some time, I have seen signs that we are moving toward an inflationary environment, and this trend has been accelerating of late. Debt levels have continued to rise, and central banks are loathe to raise interest rates (for good reason). In our opinion, this leaves the creation of more money – inflation and currency debasement – as the most likely outcome. So, we are launching an ETF that seeks to be positioned to benefit in an inflationary environment. Importantly we do not think that inflation is required for the fund to perform well. Even if our expectation turns out to be incorrect, we think the lack of exposure to inflation beneficiaries in the major indexes could make the Fund a valuable diversification vehicle. It is actively managed, because, as we have written for years, indexes have had a tendency to become top-heavy over time, which decreases diversification in the index. We wish to have the ability to maintain the diversification that most investors believe that are getting when they invest in an index," said Murray Stahl, Founder, CEO, and Chief Investment Officer at Horizon Kinetics.

"This portfolio is designed to provide a full cycle inflation exposure, and seeks to thrive under many different inflation scenarios. We believe this is possible because the Fund emphasizes companies that have exposure to inflationary underlying assets, yet do not have high capital intensity. We believe these "asset light" businesses have the ability to profitably endure low inflation for extended periods of time, compounding asset value and economic returns. Our research leads us to conclude that there is truly no other product like this in the market, and it represents something we believe all investors should consider when constructing a diversified portfolio," added James Davolos, Portfolio Manager.

About Horizon Kinetics LLC

Horizon Kinetics LLC, formed in May 2011, is the consolidated parent company of Horizon Asset Management LLC (founded in 1994) and Kinetics Asset Management LLC (founded in 1996) and various affiliates. Horizon Kinetics is an independently owned and operated investment boutique that adheres to a long-term, contrarian, fundamental value investment philosophy that the founders established 26 years ago at Bankers Trust Company. Horizon Kinetics has over 80 employees and has primary offices in New York City and White Plains, New York. For more information about Horizon Kinetics, visit www.horizonkinetics.com



IMPORTANT RISK 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 contacting 646-495-7333. Read it carefully before investing.

Past performance is not a guarantee of future returns and you may lose money. Opinions and estimates offered constitute our judgment as of the date made and are subject to change without notice. This information should not be used as a general guide to investing or as a source of any specific investment recommendations.

The Horizon Kinetics Inflation Beneficiaries ETF (Symbol: INFL) is an exchange traded fund ("ETF") managed by Horizon Kinetics Asset Management LLC ("HKAM"). HKAM is an investment adviser registered with the U.S. Securities and Exchange Commission. You may obtain additional information about HKAM at our website at www.horizonkinetics.com.

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. The Fund's investments in securities linked to real assets involve significant risks, including financial, operating, and competitive risks. Investments in securities linked to real assets expose the Fund to potentially adverse macroeconomic conditions, such as a rise in interest rates or a downturn in the economy in which the asset is located. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Therefore, the Fund is more exposed to individual stock volatility 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 and mid-capitalization companies, which may be more volatile than funds that invest in larger, more established companies. The fund is actively managed and may be affected by the investment adviser's security selections. Diversification does not assure a profit or protect against a loss in a declining market.

HKAM does not provide tax or legal advice, all investors are encouraged to consult their tax and legal advisors regarding an investment in the Fund.

No part of this material may be copied, photocopied, or duplicated in any form, by any means, or redistributed without the express written consent of HKAM.

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