Index+ · an S&P 500 reference portfolio with a research-signal edge and a risk dial

Signal Live Lab · Digital Hub Insights · pre-registered quantitative research, licensed as signals, models (rule-based, AI and ML) and reference portfolios

Index+ starts from the real S&P 500 weights and adds three pieces, each tested before it was used and tracked live every week, wins and losses alike. It stays close to the index (about 2.6% tracking error), so it can sit where an index fund sits today. Index+ consists of three main components:

1 · Stock tilt
Capped over- and under-weights (0–3× index weight) from a fixed score: profitability, cash flow and value, earnings surprises, price trends and short-selling activity. Rebalanced every 4 weeks.

2 · Seatbelt
Our weekly volatility forecast (SLVI, a ridge-regression model trained on market and volatility data) sets how much to hold (100% in calm markets, as low as about 20% in the worst weeks); the rest sits in T-bills. Smaller losses in sharp sell-offs.

3 · Earnings-call tilt (in live test)
An AI reader scores each earnings call; a slow, small tilt toward the best-scored calls. First live results: late December 2026.

Backtest, Jan 2011 – Sep 2026 (weekly, total return, after 0.10% trading costs per rebalance)

	Return / yr	Worst drop	Sharpe	vs SPY / yr	Ahead of SPY, 3-yr periods
SPY (S&P 500 ETF)	14.1%	–31.8%	0.81	—	—
Index+	**15.4%**	**–30.7%**	**0.87**	**+1.2%**	**85%**
Index+ with Seatbelt	**13.0%**	**–22.1%**	**0.84**	**–1.3%**	**22%**
Since 2019: Index+	19.8%	–30.7%	0.93	+2.0%	100%
Since 2019: Index+ with Seatbelt	16.8%	–22.1%	0.94	–1.1%	53%
Earnings-call tilt (add-on)	*+0.3% / yr in-sample, Aug 2025 – Sep 2026; tracking error 0.3%. Not yet in the figures above.*				

How to read it

The tilt adds a steady edge at index-like risk (its worst 12 months trailed SPY by 6.9%; a lower-tracking version, +0.7%/yr at 1.9% tracking error, is available). **The Seatbelt** is insurance: about a third smaller worst drop (–22% vs –32%) and lower volatility, paid for with lower return in calm years; it helps most in fast, volatile sell-offs (2008, 2020) and does not protect in slow declines (2022). Clients choose: tilt only, or tilt plus Seatbelt.

Why it is defensible

• Every rule and model is written down and approved before it is tested; failed tests are published (e.g. a levered Seatbelt failed in Nov 2026).
• The same score also beat its own benchmark among the 400 smaller S&P 500 companies (+0.5%/yr, 2011–26), not only in Index+.
• No single signal carries the result: removing any one of the 11 inputs keeps at least 78% of the edge, and every version stays ahead of SPY (2011–26).
• Live record since Oct 23, 2026, logged weekly against SPY, frozen when made.
• Simple, transparent rules and models (no black box); results reported with costs, against the real benchmark.
• Rules for stock selection, machine learning for risk, an AI-assisted agent for operations — each tested before use, with a human approving every weekly change.

Licensing and evaluation

Research license for analysts and PMs (weekly scores, weights and Seatbelt exposure). **Product license** for use inside a client product, priced by assets under management. To evaluate first: the **Premium research letter** (founders' price $299/yr) carries the weekly Index+ weights and Seatbelt exposure. Contact **Mehrzad Mahdavi, PhD** · mmahdavi@dh-insights.com

Try it free for 30 days — get the weekly Premium letter with the Index+ weights and Seatbelt exposure, no card needed: https://www.cybersafeid.com/signal-live

Hypothetical backtest results, prepared with the benefit of hindsight on data through Sep 2026; they do not reflect actual trading and are not a guarantee of future results. The Index+ backtest uses a reconstruction of S&P 500 weights from SEC filings; the live version uses SPY's published weights. Index+ live record since Oct 23, 2026. Research, not investment advice. Digital Hub Insights LLC, 5900 Balcones Drive #15881, Austin, TX 78731.