

# MSCI EAFE Volatility Tilt Index (USD)

The **MSCI EAFE Volatility Tilt Index** is based on MSCI EAFE, its parent index, which includes large and mid-cap stocks across 21 Developed Markets (DM) countries\* across the world excluding the US and Canada. It aims to reflect the performance of a low volatility strategy with relatively high investment capacity. The indexes are created by tilting the market capitalization weights of all the constituents in the parent index based on the inverse of security price variance and then re-weighting them.

For a complete description of the index methodology, please see [Index methodology - MSCI](#).

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (MAY 2010 – MAY 2025)



## ANNUAL PERFORMANCE (%)

Year	EAFE VOLATILITY TILT	MSCI EAFE
2024	3.43	3.82
2023	16.25	18.24
2022	-13.84	-14.45
2021	12.62	11.26
2020	4.56	7.82
2019	21.96	22.01
2018	-11.61	-13.79
2017	23.70	25.03
2016	-0.22	1.00
2015	-0.84	-0.81
2014	-2.37	-4.90
2013	20.73	22.78
2012	15.01	17.32
2011	-6.51	-12.14

## INDEX PERFORMANCE – NET RETURNS (%) (MAY 30, 2025)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 1995
					3 Yr	5 Yr	10 Yr		
EAFE VOLATILITY TILT	3.36	9.38	15.31	17.53	10.82	10.85	5.84	6.37	
MSCI EAFE	4.58	8.92	13.33	16.87	11.45	11.42	5.97	5.47	

## FUNDAMENTALS (MAY 30, 2025)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.24	16.13	14.73	2.03
2.97	16.28	14.62	1.95

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 1995 – MAY 30, 2025)

				ANNUALIZED STD DEV (%) 2			SHARPE RATIO 2, 3				MAXIMUM DRAWDOWN	
	Beta	Tracking Error (%)	Turnover (%) 1	3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr	Since May 31, 1995	(%)	Period YYYY-MM-DD
EAFE VOLATILITY TILT	0.89	2.73	9.59	15.38	14.90	14.16	0.46	0.59	0.33	0.32	57.27	2007-10-31—2009-03-09
MSCI EAFE	1.00	0.00	3.82	16.53	16.07	15.27	0.47	0.59	0.33	0.25	60.41	2007-10-31—2009-03-09

<sup>1</sup> Last 12 months

<sup>2</sup> Based on monthly net returns data

<sup>3</sup> Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

\* DM countries include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

## INDEX CHARACTERISTICS

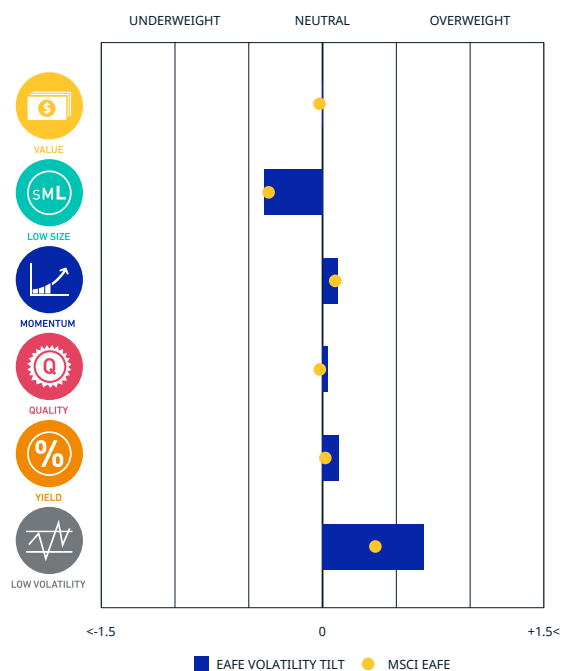
	EAFE VOLATILITY TILT	MSCI EAFE
Number of Constituents	691	694
	Weight (%)	
Largest	3.43	1.72
Smallest	0.00	0.01
Average	0.14	0.14
Median	0.06	0.07

## TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
NESTLE	CH	3.43	1.52	Cons Staples
NOVARTIS	CH	2.31	1.23	Health Care
ROCHE HOLDING GENUSS	CH	1.89	1.24	Health Care
UNILEVER PLC (GB)	GB	1.73	0.86	Cons Staples
SAP	DE	1.71	1.72	Info Tech
COMMONWEALTH BANK OF AUS	AU	1.58	1.03	Financials
ASTRAZENECA	GB	1.48	1.22	Health Care
DEUTSCHE TELEKOM	DE	1.38	0.72	Comm Srvcs
ALLIANZ	DE	1.22	0.83	Financials
SHELL	GB	1.18	1.10	Energy
Total		17.93	11.46	

## FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

## MSCI FACTOR BOX



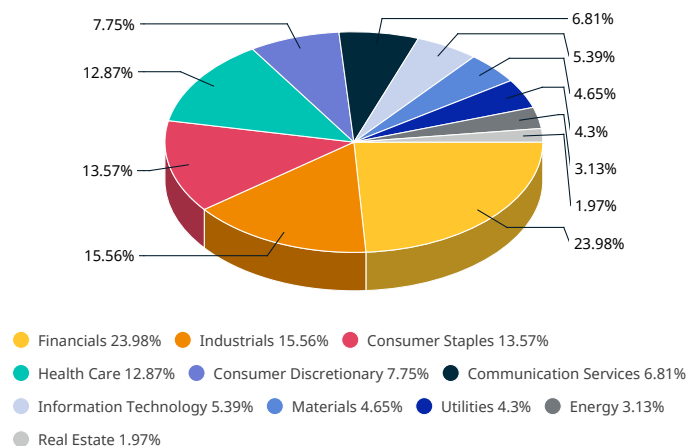
## MSCI FaCS

- VALUE**  
Relatively Inexpensive Stocks
- LOW SIZE**  
Smaller Companies
- MOMENTUM**  
Rising Stocks
- QUALITY**  
Sound Balance Sheet Stocks
- YIELD**  
Cash Flow Paid Out
- LOW VOLATILITY**  
Lower Risk Stocks

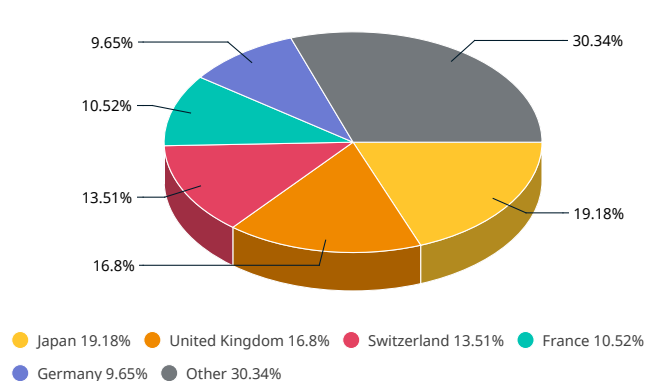
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

Neutral factor exposure (FaCS = 0) represents MSCI ACWI IMI.

## SECTOR WEIGHTS



## COUNTRY WEIGHTS



## MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology [here](#))

MSCI FaCS is a standard method for evaluating and reporting the Factor characteristics of equity portfolios. MSCI FaCS consists of Factor Groups (e.g. Value, Size, Momentum, Quality, Yield, and Volatility) that have been extensively documented in academic literature and validated by MSCI Research as key drivers of risk and return in equity portfolios. These Factor Groups are constructed by aggregating 16 factors (e.g. Book-to-Price, Earnings/Dividend Yields, LT Reversal, Leverage, Earnings Variability/Quality, Beta) from the latest Barra global equity factor risk model, GEMLT, designed to make fund comparisons transparent and intuitive for use. The MSCI Factor Box, which is powered by MSCI FaCS, provides a visualization designed to easily compare absolute exposures of funds/indexes and their benchmarks along 6 Factor Groups that have historically demonstrated excess market returns over the long run.

## ABOUT MSCI

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