

# MSCI Japan with EM Exposure Index (USD)

The **MSCI Japan with Emerging Markets (EM) Exposure Index** is derived from the MSCI Japan Index, its parent index. Following a review of the geographic distribution of revenues for each company in the MSCI Japan Index, the top-ranked constituents with the highest proportion of revenues derived from EM countries are selected for the **MSCI Japan with EM Exposure Index**. With a relatively stable 75 constituents, the index concentrates on companies with high revenue exposure to EM. As a complement to the MSCI Emerging Markets Index, investors may consider this index a new benchmark for capturing the sizeable business activity in emerging markets that is conducted by Japan companies.

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

## CUMULATIVE INDEX PERFORMANCE – GROSS RETURNS (USD) (MAR 2009 – MAR 2024)



## ANNUAL PERFORMANCE (%)

Year	Japan w. EM Exposure	MSCI Japan	MSCI Emerging Markets
2023	30.37	20.77	10.27
2022	-27.30	-16.31	-19.74
2021	5.56	2.04	-2.22
2020	31.68	14.91	18.69
2019	28.34	20.07	18.88
2018	-22.19	-12.58	-14.24
2017	30.46	24.39	37.75
2016	4.27	2.73	11.60
2015	3.98	9.90	-14.60
2014	4.27	-3.72	-1.82
2013	20.23	27.35	-2.27
2012	8.99	8.36	18.63
2011	-17.03	-14.19	-18.17
2010	14.59	15.59	19.20

## INDEX PERFORMANCE – GROSS RETURNS (%) (MAR 29, 2024)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 2002	FUNDAMENTALS (MAR 29, 2024)			
					3 Yr	5 Yr	10 Yr			Div Yld (%)	P/E	P/E Fwd	P/BV
Japan w. EM Exposure	2.74	12.94	29.25	12.94	4.07	11.72	8.44	5.64		1.46	20.81	18.83	2.25
MSCI Japan	3.16	11.16	26.20	11.16	4.08	8.16	7.06	5.27		1.92	16.87	15.94	1.63
MSCI Emerging Markets	2.52	2.44	8.59	2.44	-4.68	2.61	3.33	8.10		2.83	15.61	12.13	1.71

## INDEX RISK AND RETURN CHARACTERISTICS (MAR 29, 2024)

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>				Since May 31, 2002	MAXIMUM DRAWDOWN	
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			(%)	Period YYYY-MM-DD
Japan w. EM Exposure	7.64	21.50	21.22	18.28	0.17	0.54	0.46	0.30		57.23	2007-07-20–2009-03-10
MSCI Japan	3.45	15.68	15.68	13.99	0.17	0.45	0.46	0.30		53.04	2006-05-08–2009-03-10
MSCI Emerging Markets	6.15	17.76	19.06	17.19	-0.33	0.12	0.19	0.40		65.14	2007-10-29–2008-10-27

<sup>1</sup> Last 12 months

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

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

The MSCI Japan with EM Exposure Index was launched on Feb 12, 2013. Data prior to the launch date is back-tested test (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance – whether actual or back-tested – is no indication or guarantee of future performance.

## INDEX CHARACTERISTICS

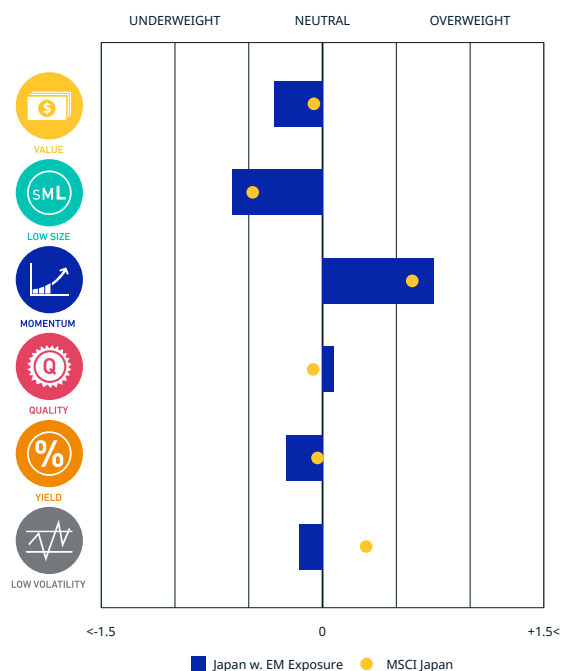
Japan w. EM Exposure	
Number of Constituents	75
Mkt Cap (USD Millions)	
Index	1,849,337.99
Largest	220,424.48
Smallest	1,995.00
Average	24,657.84
Median	13,120.10

## TOP 10 CONSTITUENTS

	Float Adj Mkt Cap (USD Billions)	Index Wt. (%)	Sector
TOKYO ELECTRON	220.42	11.92	Info Tech
TOYOTA MOTOR CORP	189.30	10.24	Cons Discr
ADVANTEST CORP	80.44	4.35	Info Tech
SONY GROUP CORP	75.80	4.10	Cons Discr
KEYENCE CORP	74.14	4.01	Info Tech
HITACHI	68.54	3.71	Industrials
DISCO CORP	65.91	3.56	Info Tech
SHIN-ETSU CHEMICAL CO	60.28	3.26	Materials
MURATA MANUFACTURING CO	59.13	3.20	Info Tech
FAST RETAILING CO	44.72	2.42	Cons Discr
Total	938.69	50.76	

## FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

## MSCI FACTOR BOX



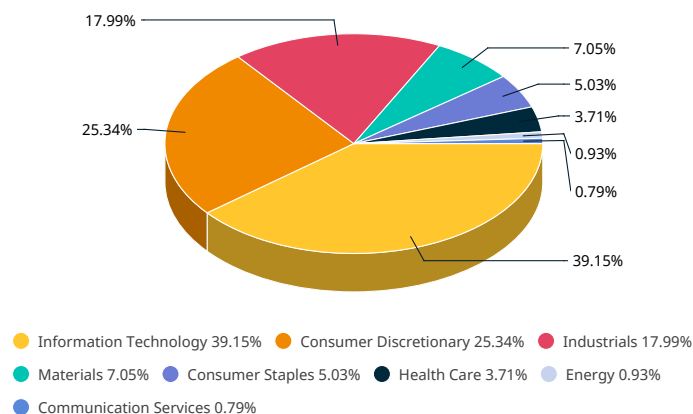
## MSCI FaCS

- 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



## 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

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. To learn more, please visit [www.msci.com](http://www.msci.com).

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