

# MSCI WORLD VALUE INDEX (USD)

The MSCI World Value Index captures large and mid cap securities exhibiting overall value style characteristics across 23 Developed Markets (DM) countries\*. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield.

## CUMULATIVE INDEX PERFORMANCE - GROSS RETURNS (USD) (JAN 2004 – JAN 2019)



## ANNUAL PERFORMANCE (%)

Year	MSCI World Value	MSCI World
2018	-10.09	-8.20
2017	17.95	23.07
2016	13.23	8.15
2015	-4.11	-0.32
2014	4.42	5.50
2013	27.52	27.37
2012	16.42	16.54
2011	-4.92	-5.02
2010	9.77	12.34
2009	27.70	30.79
2008	-39.85	-40.33
2007	4.09	9.57
2006	25.94	20.65
2005	10.30	10.02

## INDEX PERFORMANCE — GROSS RETURNS (%) (JAN 31, 2019)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since Dec 31, 1974
MSCI World Value	7.24	0.63	-7.55	7.24	10.94	6.00	11.13	11.60
MSCI World	7.81	0.84	-6.01	7.81	11.89	7.54	12.14	10.73

## FUNDAMENTALS (JAN 31, 2019)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.70	13.90	11.87	1.61
2.59	17.12	14.52	2.30

## INDEX RISK AND RETURN CHARACTERISTICS (JAN 31, 2019)

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Dec 31, 1974	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
MSCI World Value	18.32	10.25	10.88	14.74	0.94	0.51	0.76	na	60.70	2007-07-13—2009-03-09
MSCI World	2.02	10.60	11.10	14.22	1.00	0.64	0.84	na	57.46	2007-10-31—2009-03-09

<sup>1</sup> Last 12 months

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

<sup>3</sup> Based on ICE LIBOR 1M

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

The MSCI World Value Index was launched on Dec 08, 1997. Data prior to the launch date is back-tested data (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.

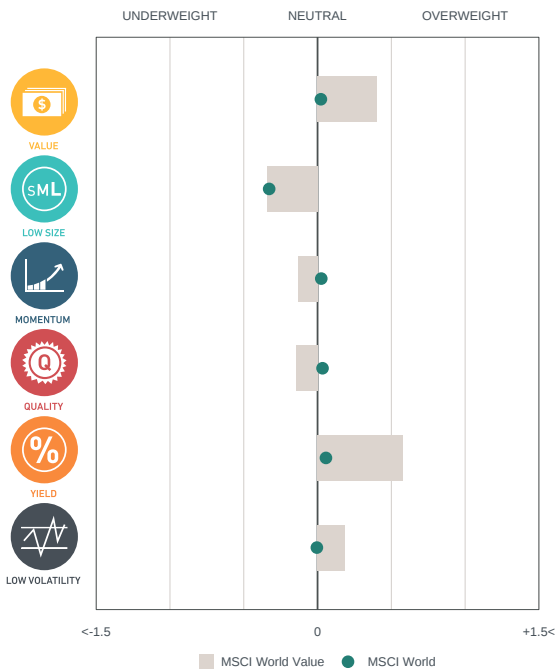
### INDEX CHARACTERISTICS

MSCI World Value	
Number of Constituents	891
Mkt Cap ( USD Millions)	
Index	19,286,149.87
Largest	357,021.18
Smallest	662.04
Average	21,645.51
Median	8,827.84

### TOP 10 CONSTITUENTS

	Float Adj Mkt Cap ( USD Billions)	Index Wt. (%)	Sector
JOHNSON & JOHNSON	357.02	1.85	Health Care
JPMORGAN CHASE & CO	347.85	1.80	Financials
EXXON MOBIL CORP	310.25	1.61	Energy
BANK OF AMERICA CORP	270.15	1.40	Financials
PFIZER	248.85	1.29	Health Care
PROCTER & GAMBLE CO	240.13	1.25	Cons Staples
VERIZON COMMUNICATIONS	227.50	1.18	Comm Srvcs
WELLS FARGO & CO	223.78	1.16	Financials
CISCO SYSTEMS	222.40	1.15	Info Tech
CHEVRON CORP	219.69	1.14	Energy
<b>Total</b>	<b>2,667.62</b>	<b>13.83</b>	

### FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN MSCI FACTOR BOX



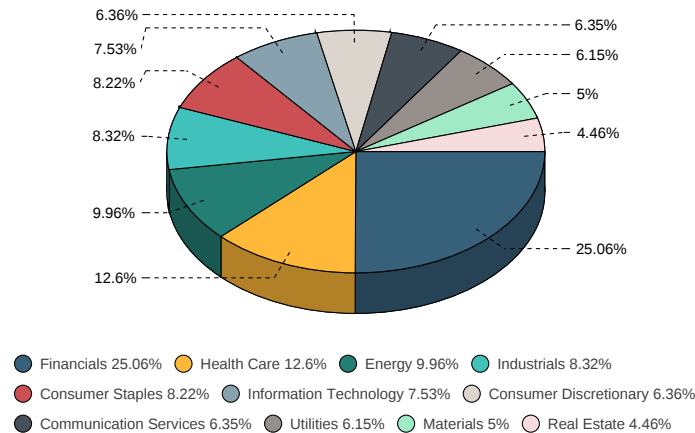
### MSCI FaCS

- 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

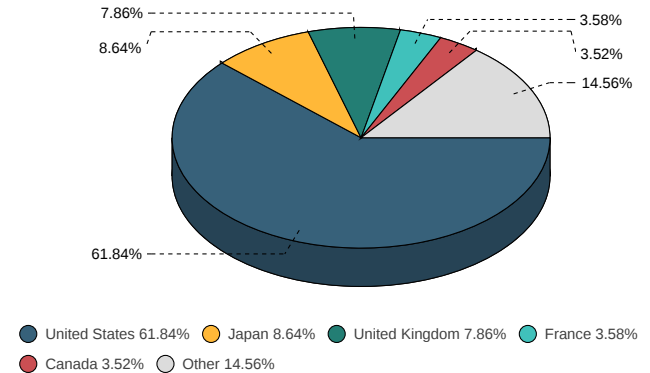
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

### SECTOR WEIGHTS



### COUNTRY WEIGHTS



## INDEX METHODOLOGY

The MSCI Global Value and Growth Indexes are based on the [MSCI Global Investable Market Value and Growth Indexes Methodology](#)—a comprehensive and state-of-the-art approach to index construction that reflects investor’s views on style definition and segmentation and provides a precise representation of the opportunity set for global style managers. The MSCI style methodology adopts a two-dimensional framework for value/growth segmentation: each security is given an overall style characteristic derived from its value and growth scores and is then placed into either a value or a growth index (or is partially allocated to both). Style characteristics are defined using eight historical and forward looking variables (three for value and five for growth). Each value and growth index is reviewed semi-annually—in May and November—with the objective of reflecting change in the style characteristics of the underlying equity markets in a timely manner, while limiting undue index turnover.

## FACTOR BOX AND FaCS METHODOLOGY

MSCI FaCS is a standard method ([MSCI FaCS Methodology](#)) 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

For more than 40 years, MSCI’s research-based indexes and analytics have helped the world’s leading investors build and manage better portfolios. Clients rely on our offerings for deeper insights into the drivers of performance and risk in their portfolios, broad asset class coverage and innovative research. Our line of products and services includes indexes, analytical models, data, real estate benchmarks and ESG research. MSCI serves 99 of the top 100 largest money managers, according to the most recent P&I ranking. For more information, visit us at [www.msci.com](http://www.msci.com).

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