

# MSCI EMU ex Controversial Weapons Index (EUR)

The MSCI EMU ex Controversial Weapons Index is based on MSCI EMU, its parent index, which captures large and mid cap representation across 10 Developed Markets (DM) countries in the EMU\*. The index excludes companies from the parent index that have involvement with the production of cluster bombs, landmines, chemical and biological weapons and depleted uranium weapons. Constituent selection is based on data from MSCI ESG Research.

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (EUR) (MAY 2006 – MAY 2020)



## ANNUAL PERFORMANCE (%)

Year	MSCI EMU ex Controversial Weapons	MSCI EMU
2019	25.62	25.47
2018	-12.72	-12.71
2017	12.49	12.49
2016	4.41	4.37
2015	9.83	9.81
2014	4.40	4.32
2013	23.31	23.36
2012	19.31	19.31
2011	-14.93	-14.89
2010	2.45	2.40
2009	27.32	27.32
2008	-44.85	-44.85
2007	7.80	7.82

## INDEX PERFORMANCE – NET RETURNS (%) (MAY 29, 2020)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 2006
					3 Yr	5 Yr	10 Yr	Since May 31, 2006	
MSCI EMU ex Controversial Weapons	4.73	-7.67	-5.23	-16.45	-2.53	0.11	5.49	2.39	
MSCI EMU	4.73	-7.67	-5.35	-16.45	-2.56	0.09	5.47	2.37	

## FUNDAMENTALS (MAY 29, 2020)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.21	15.25	16.11	1.38
2.21	15.25	16.11	1.38

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 2006 – MAY 29, 2020)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since May 31, 2006	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI EMU ex Controversial Weapons	1.00	0.08	2.53	16.40	16.08	15.32	-0.05	0.11	0.43	0.18	60.12	2007-06-01–2009-03-09
MSCI EMU	1.00	0.00	1.69	16.39	16.08	15.31	-0.05	0.11	0.43	0.18	60.13	2007-07-16–2009-03-09

<sup>1</sup> Last 12 months

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

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

The MSCI ESG Indexes use ratings and other data supplied by MSCI ESG Research Inc, a subsidiary of MSCI Inc.

\* DM countries in the EMU include: Austria, Belgium, Finland, France, Germany, Ireland, Italy, the Netherlands, Portugal and Spain.

The MSCI EMU ex Controversial Weapons Index was launched on Jan 16, 2012. 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

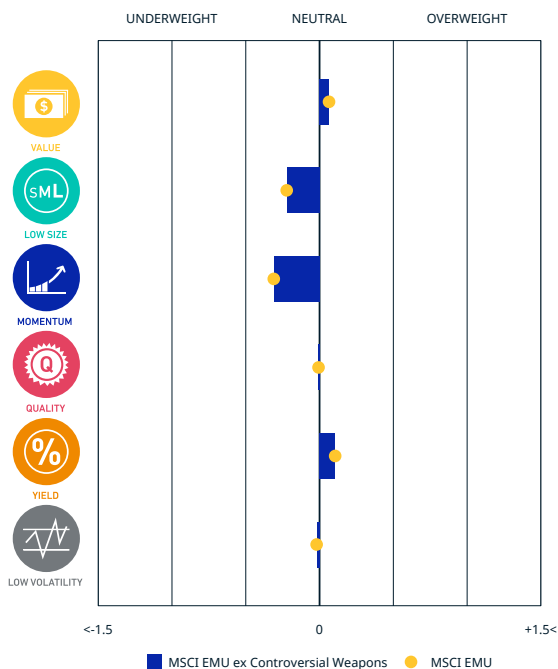
	MSCI EMU ex Controversial Weapons	MSCI EMU
<b>Number of Constituents</b>	244	244
<b>Weight (%)</b>		
<b>Largest</b>	3.53	3.53
<b>Smallest</b>	0.02	0.02
<b>Average</b>	0.41	0.41
<b>Median</b>	0.21	0.21

### TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
ASML HLDG	NL	3.53	3.53	Info Tech
SAP	DE	3.15	3.15	Info Tech
LVMH MOET HENNESSY	FR	2.95	2.95	Cons Discr
SANOFI	FR	2.79	2.79	Health Care
TOTAL	FR	2.28	2.28	Energy
SIEMENS	DE	2.13	2.13	Industrials
UNILEVER NV (NL)	NL	1.93	1.93	Cons Staples
ALLIANZ	DE	1.92	1.92	Financials
LOREAL	FR	1.86	1.86	Cons Staples
BAYER	DE	1.69	1.69	Health Care
<b>Total</b>		<b>24.22</b>	<b>24.22</b>	

### FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

#### MSCI FACTOR BOX



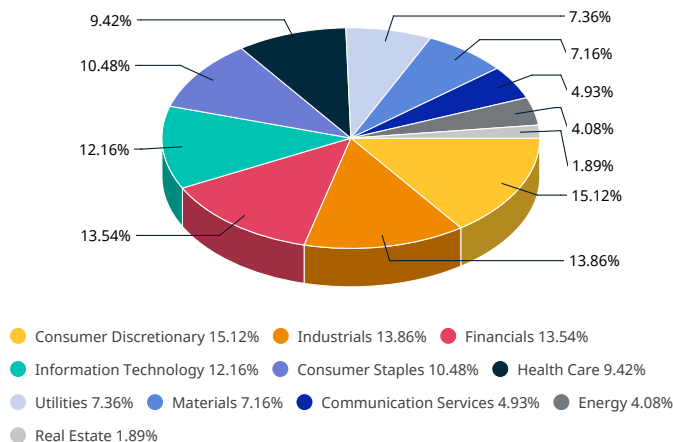
#### MSCI FaCS

- 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

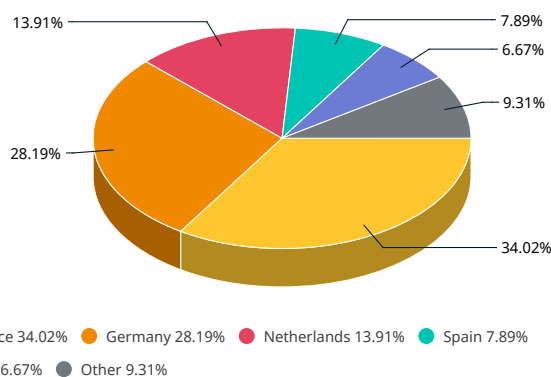
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

### SECTOR WEIGHTS



### COUNTRY WEIGHTS



## INDEX METHODOLOGY

Each MSCI Global ex Controversial Weapons Index excludes any constituents from its MSCI parent index that are involved with controversial weapons. The indexes are maintained following the [MSCI Global Investable Market Indexes \(GIMI\) Methodology](#)—a comprehensive and consistent approach to index construction that allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. This methodology aims to provide exhaustive coverage of the relevant investment opportunity set with a strong emphasis on index liquidity, investability and replicability. The index is reviewed quarterly—in February, May, August and November—with the objective of reflecting change in 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

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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