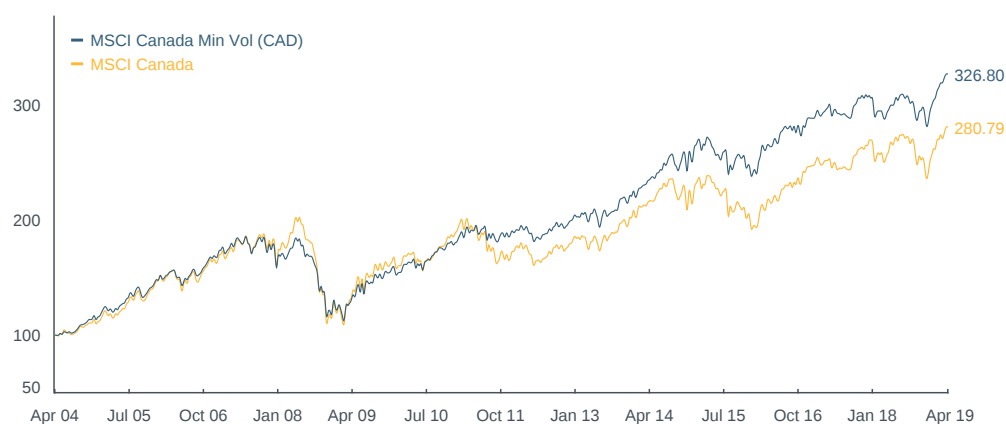


# MSCI CANADA MINIMUM VOLATILITY (CAD) INDEX (CAD)

The MSCI Canada Minimum Volatility (CAD) Index aims to reflect the performance characteristics of a minimum variance strategy applied to the MSCI large and mid cap Canadian equity universe. The index is calculated by optimizing the MSCI Canada Index, its parent index, for the lowest absolute risk (within a given set of constraints). Historically, the index has shown lower beta and volatility characteristics relative to the MSCI Canada Index.

## CUMULATIVE INDEX PERFORMANCE - NET RETURNS (CAD) (APR 2004 – APR 2019)



## ANNUAL PERFORMANCE (%)

Year	MSCI Canada Min Vol (CAD)	MSCI Canada
2018	-7.67	-9.74
2017	6.91	8.45
2016	16.65	20.26
2015	-4.35	-9.04
2014	16.28	10.65
2013	11.19	12.71
2012	5.96	6.67
2011	3.42	-10.55
2010	14.66	14.17
2009	24.51	32.63
2008	-28.72	-31.85
2007	5.97	9.89
2006	17.15	17.36
2005	23.71	25.09

## INDEX PERFORMANCE — NET RETURNS (%) (APR 30, 2019)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since May 31, 2001
MSCI Canada Min Vol (CAD)	2.41	7.83	10.86	15.08	7.23	6.61	9.75	8.11
MSCI Canada	3.75	7.72	8.83	17.08	8.78	5.14	7.90	6.07

## FUNDAMENTALS (APR 30, 2019)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.48	16.99	14.57	1.87
3.12	17.79	14.28	1.87

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 2001 – APR 30, 2019)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since May 31, 2001	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
MSCI Canada Min Vol (CAD)	0.74	4.90	18.67	7.61	7.54	8.15	0.96	0.89	1.14	0.67	42.32	2007-10-31—2009-03-09
MSCI Canada	1.00	0.00	1.96	9.14	9.21	10.56	0.97	0.59	0.74	0.40	48.40	2008-06-18—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 Canada Minimum Volatility (CAD) 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.

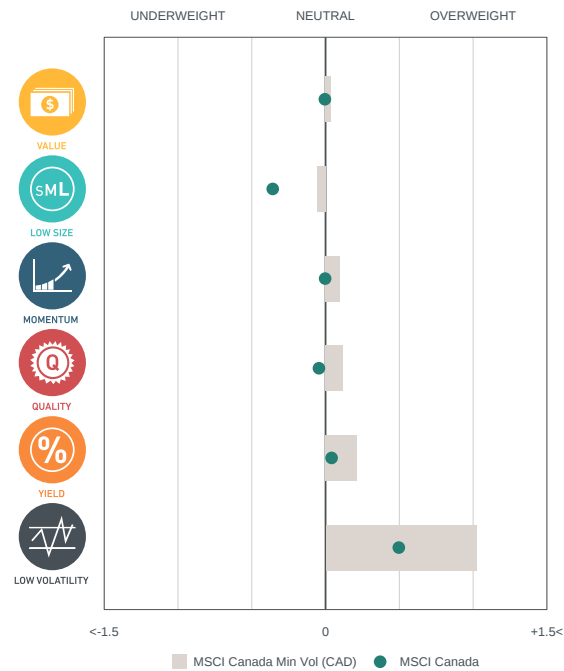
## INDEX CHARACTERISTICS

	MSCI Canada Min Vol (CAD)	MSCI Canada
Number of Constituents	66	91
	Weight (%)	
Largest	3.24	8.13
Smallest	0.09	0.11
Average	1.52	1.10
Median	1.48	0.52

## TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
TRANSCANADA CORP	3.24	3.09	Energy
POWER FINANCIAL CORP	3.12	0.45	Financials
ROYAL BANK OF CANADA	3.11	8.13	Financials
LOBLAW	3.05	0.65	Cons Staples
GREAT-WEST LIFECO	3.02	0.50	Financials
BANK MONTREAL	2.98	3.58	Financials
TORONTO-DOMINION BANK	2.96	7.40	Financials
BCE INC	2.95	0.48	Comm Svcs
FORTIS	2.94	1.12	Utilities
NATIONAL BANK OF CANADA	2.92	1.13	Financials
<b>Total</b>	<b>30.28</b>	<b>26.53</b>	

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



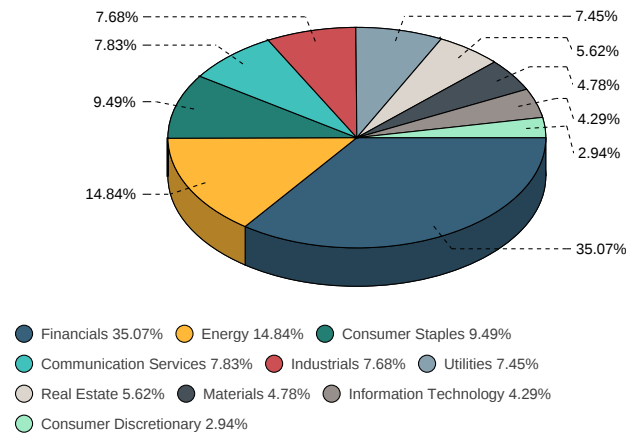
## MSCI FaCS

- 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



## INDEX METHODOLOGY

The MSCI Minimum Volatility Indexes are designed to provide the lowest return variance for a given covariance matrix of stock returns. Each MSCI Minimum Volatility Index is calculated using Barra Optimizer to optimize a given MSCI parent index for the lowest absolute volatility with a certain set of constraints. These constraints help maintain index replicability and investability and include index turnover limits, for example, along with minimum and maximum constituent, sector and/or country weights relative to the parent index. Each Minimum Volatility Index is rebalanced (or is re-optimized) semi-annually in May and November. Indexes may also be optimized for various currencies.

## 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

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