

# MSCI Kokusai Diversified Factor Mix Index (USD)

The MSCI Kokusai Diversified Factor Mix Index is based on the MSCI Kokusai Index, its parent index, which includes large and mid-cap stocks across 22 Developed Markets (DM) countries\* excluding Japan. The index is constructed using a combination of six Factor Indexes to align rebalancing schedules – Quality, Momentum, High Dividend Yield, Enhanced Value, Minimum Volatility and Equal Weighted.

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (MAY 2006 – MAY 2021)



## ANNUAL PERFORMANCE (%)

Year	MSCI Kokusai Diversified Factor Mix	MSCI Kokusai
2020	9.83	16.02
2019	26.75	28.43
2018	-7.24	-8.31
2017	23.11	22.25
2016	7.17	8.02
2015	-0.80	-1.78
2014	6.74	5.79
2013	27.29	26.63
2012	15.22	16.59
2011	-0.08	-4.55
2010	11.73	11.37
2009	32.82	33.14
2008	-40.74	-41.95
2007	12.38	10.66

## INDEX PERFORMANCE – NET RETURNS (%) (MAY 31, 2021)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Nov 30, 2001
					3 Yr	5 Yr	10 Yr		
MSCI Kokusai Diversified Factor Mix	1.88	10.56	35.68	11.53	12.77	12.90	10.36	9.39	
MSCI Kokusai	1.43	10.41	41.97	12.22	15.13	14.63	10.58	8.05	

## FUNDAMENTALS (MAY 31, 2021)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.08	22.51	16.86	2.86
1.66	27.78	20.04	3.46

## INDEX RISK AND RETURN CHARACTERISTICS (NOV 30, 2001 – MAY 31, 2021)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Nov 30, 2001	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI Kokusai Diversified Factor Mix	0.92	2.46	29.12	17.30	14.01	13.10	0.70	0.85	0.76	0.58	57.68	2007-10-31–2009-03-09
MSCI Kokusai	1.00	0.00	2.50	18.68	15.08	14.33	0.77	0.90	0.72	0.48	58.69	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 ICE LIBOR 1M

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

The MSCI Kokusai Diversified Factor Mix Index was launched on Dec 29, 2014. 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**

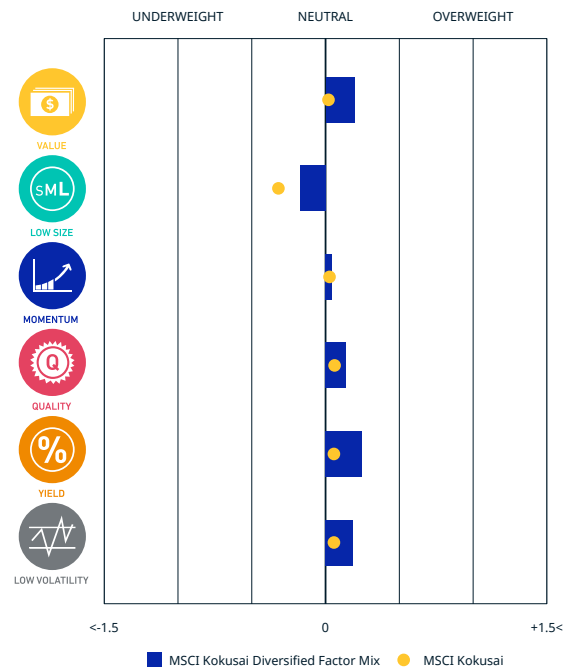
	MSCI Kokusai Diversified Factor Mix	MSCI Kokusai
<b>Number of Constituents</b>	1,290	1,290
	<b>Weight (%)</b>	
<b>Largest</b>	1.64	3.94
<b>Smallest</b>	0.00	0.00
<b>Average</b>	0.08	0.08
<b>Median</b>	0.03	0.03

**TOP 10 CONSTITUENTS**

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
APPLE	US	1.64	3.94	Info Tech
JOHNSON & JOHNSON	US	1.51	0.84	Health Care
INTEL CORP	US	1.26	0.44	Info Tech
NESTLE	CH	1.22	0.67	Cons Staples
CISCO SYSTEMS	US	1.06	0.42	Info Tech
ROCHE HOLDING GENUSS	CH	1.02	0.46	Health Care
ALPHABET C	US	1.00	1.34	Comm Svcs
MICROSOFT CORP	US	0.93	3.37	Info Tech
ASML HLDG	NL	0.91	0.53	Info Tech
AT&T	US	0.88	0.39	Comm Svcs
<b>Total</b>		<b>11.45</b>	<b>12.38</b>	

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

**MSCI FACTOR BOX**



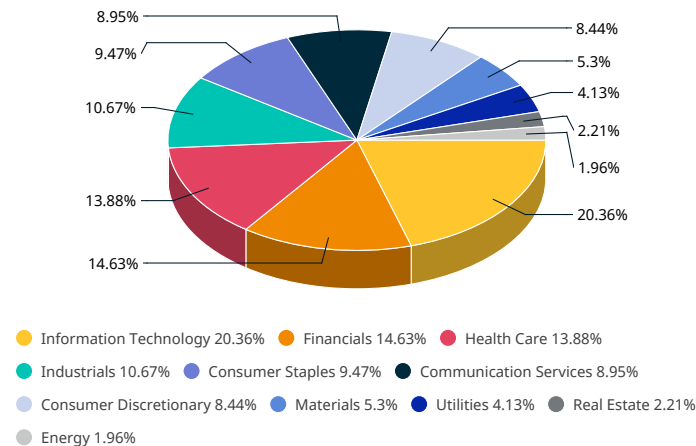
**MSCI FaCS**

- 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

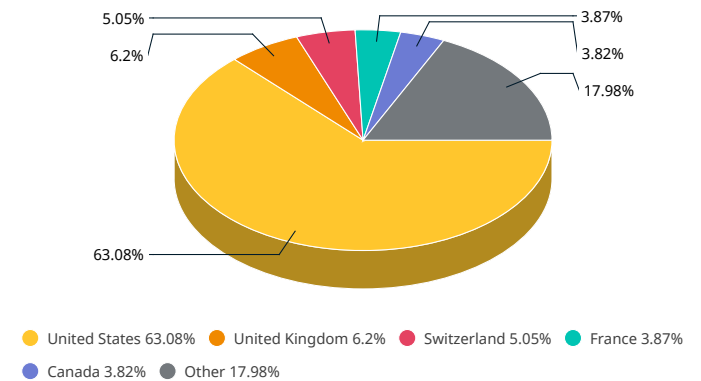
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

**SECTOR WEIGHTS**



**COUNTRY WEIGHTS**



## INDEX METHODOLOGY

The MSCI Diversified Factor Mix Indexes are constructed by using a combination of six MSCI Factor Indexes or variations thereof to align rebalancing schedules ("Component Indexes"): Quality, Momentum, High Dividend Yield, Enhanced Value, Minimum Volatility and Equal Weighted.

Each Component Index in the MSCI Diversified Factor Mix Index is attributed equal weight at each rebalancing. All constituents of each Component Index are included in the MSCI Diversified Factor Mix Index. The weight of each security in the MSCI Diversified Factor Mix Index is determined based upon: the security's weight in each underlying Component Index and the weight of each underlying Component Index in the MSCI Diversified Factor Mix Index

The MSCI Diversified Factor Mix Indexes are rebalanced on a semi-annual basis, usually as of the close of the last business day of May and November, coinciding with the May and November Semi-Annual Index Reviews (SAIRs) of the MSCI Global Investable Market Indexes.

## 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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