

# MSCI Japan Equal Weighted Index (USD)

The MSCI Japan Equal Weighted Index represents an alternative weighting scheme to its market cap weighted parent index, the MSCI Japan Index. The index includes the same constituents as its parent (large and mid cap securities from Japanese markets). However, at each quarterly rebalance date, all index constituents are weighted equally, effectively removing the influence of each constituent's current price (high or low). Between rebalances, index constituent weightings will fluctuate due to price performance.

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



## ANNUAL PERFORMANCE (%)

Year	MSCI Japan Equal Weighted	MSCI Japan
2020	7.58	14.48
2019	17.55	19.61
2018	-12.95	-12.88
2017	25.14	23.99
2016	4.97	2.38
2015	12.39	9.57
2014	-1.14	-4.02
2013	26.08	27.16
2012	4.70	8.18
2011	-9.73	-14.33
2010	18.15	15.44
2009	12.14	6.25
2008	-24.75	-29.21
2007	-4.80	-4.23

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

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since Jun 30, 1994
					3 Yr	5 Yr	10 Yr		
MSCI Japan Equal Weighted	3.11	1.38	17.03	3.75	5.29	8.02	7.69	2.84	
MSCI Japan	3.07	1.47	19.96	3.07	7.64	9.11	7.88	1.70	

## FUNDAMENTALS (AUG 31, 2021)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.04	18.78	15.97	1.40
2.07	17.03	15.23	1.47

## INDEX RISK AND RETURN CHARACTERISTICS (JUN 01, 1994 – AUG 31, 2021)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Jun 01, 1994	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI Japan Equal Weighted	1.00	6.15	28.88	15.99	13.11	13.12	0.32	0.56	0.57	0.10	56.91	1994-07-15–1998-01-12
MSCI Japan	1.00	0.00	3.98	15.27	12.53	13.13	0.47	0.66	0.59	0.03	60.58	2000-03-31–2003-04-28

<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 Japan Equal Weighted Index was launched on Jan 22, 2008. 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

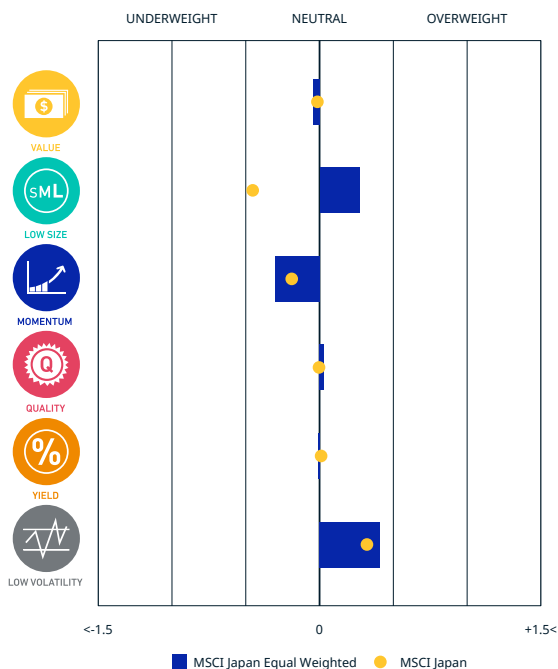
	MSCI Japan Equal Weighted	MSCI Japan
<b>Number of Constituents</b>	272	272
	Weight (%)	
<b>Largest</b>	0.74	4.63
<b>Smallest</b>	0.25	0.04
<b>Average</b>	0.37	0.37
<b>Median</b>	0.36	0.19

### TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
NIPPON YUSEN K.K	0.74	0.33	Industrials
Z HOLDINGS CORP	0.54	0.43	Comm Svcs
KOBE BUSSAN CO	0.53	0.13	Cons Staples
LASERTEC CORP	0.49	0.41	Info Tech
SHIMANO	0.49	0.55	Cons Discr
AJINOMOTO CO	0.48	0.34	Cons Staples
RECRUIT HOLDINGS CO	0.48	2.01	Industrials
IBIDEN CO	0.48	0.14	Info Tech
HOYA CORP	0.47	1.51	Health Care
EISAI CO	0.47	0.49	Health Care
<b>Total</b>	<b>5.18</b>	<b>6.35</b>	

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

#### MSCI FACTOR BOX



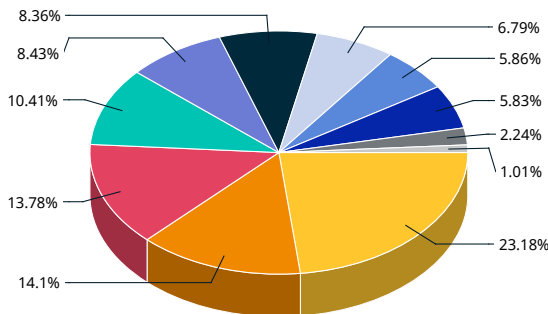
#### MSCI FaCS

- 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



- Industrials 23.18%
- Consumer Discretionary 14.1%
- Information Technology 13.78%
- Consumer Staples 10.41%
- Health Care 8.43%
- Financials 8.36%
- Materials 6.79%
- Real Estate 5.86%
- Communication Services 5.83%
- Utilities 2.24%
- Energy 1.01%

## INDEX METHODOLOGY

Each MSCI Equal Weighted Index includes the same constituents as its market cap weighted parent index and is rebalanced in February, May, August and November, coinciding with the quarterly and semiannual index reviews of its parent. Corporate events are also generally reflected simultaneously in both the equal weighted index and its parent. However, at each quarterly rebalance date, all equal weighted index constituents are weighted equally. This tends to give greater exposure to smaller cap index constituents versus the parent index where larger cap constituents have a more dominant impact on index valuations.

## 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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