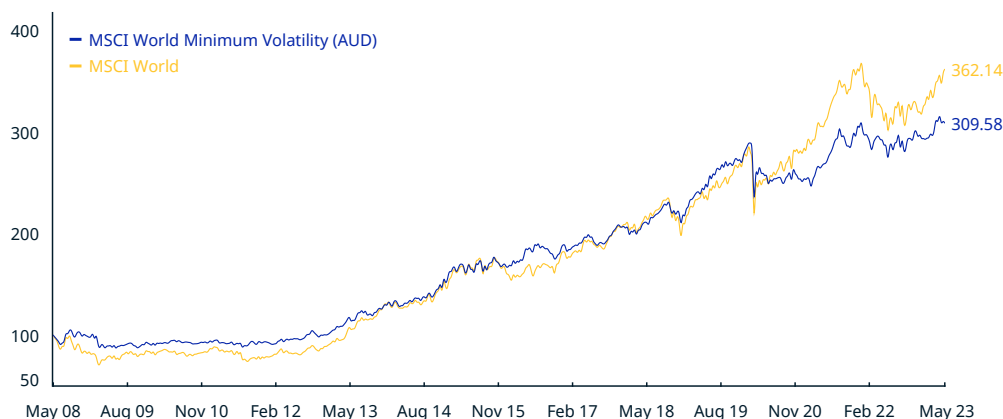


# MSCI World Minimum Volatility (AUD) Index (AUD)

The MSCI World Minimum Volatility (AUD) Index aims to reflect the performance characteristics of a minimum variance strategy applied to the large and mid cap equity universe across 23 Developed Markets (DM) countries\*\*. The index is calculated by optimizing the MSCI World Index, its parent index in AUD, 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 World Index.

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (AUD) (MAY 2008 – MAY 2023)



## ANNUAL PERFORMANCE (%)

Year	MSCI World Minimum Volatility (AUD)	MSCI World
2022	-3.86	-12.24
2021	21.65	29.29
2020	-6.25	5.58
2019	23.50	27.86
2018	6.33	1.42
2017	8.97	13.32
2016	11.10	8.02
2015	11.35	11.50
2014	17.18	14.72
2013	29.49	47.00
2012	8.05	14.38
2011	1.28	-5.55
2010	-0.66	-1.94
2009	-8.03	0.77

## INDEX PERFORMANCE – NET RETURNS (%) (MAY 31, 2023)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 2001
					3 Yr	5 Yr	10 Yr		
MSCI World Minimum Volatility (AUD)	-2.28	5.35	7.38	4.73	5.85	8.13	10.35	5.42	
MSCI World	1.10	8.21	13.14	13.72	11.91	11.21	12.95	5.04	

## FUNDAMENTALS (MAY 31, 2023)

Div Yld (%)	Grossed Up Yld* (%)	P/E	P/E Fwd	P/BV
2.90	4.30	18.39	15.82	2.51
2.11	4.17	19.16	16.20	2.82

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 2001 – MAY 31, 2023)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	(%)	Period YYYY-MM-DD
MSCI World Minimum Volatility (AUD)	0.65	6.80	20.35	9.66	9.99	9.16	34.73	2001-06-05–2003-03-10
MSCI World	1.00	0.00	2.23	11.81	12.41	11.20	46.45	2001-06-05–2003-03-10

<sup>1</sup> Last 12 months

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

\* Grossed up yield includes dividends plus corresponding franking credits.

\*\* DM countries include: 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 US.

The MSCI World Minimum Volatility (AUD) Index was launched on Jul 08, 2015. Data prior to the launch date is back-tested test (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**

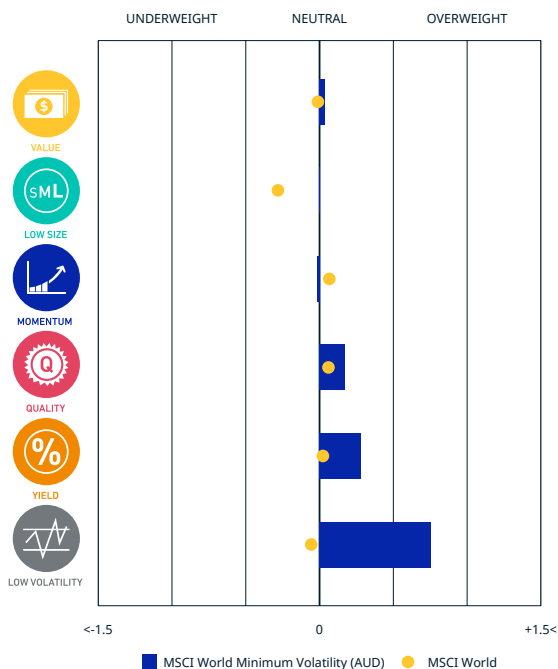
	MSCI World Minimum Volatility (AUD)	MSCI World
<b>Number of Constituents</b>	364	1,506
<b>Weight (%)</b>		
<b>Largest</b>	1.33	5.26
<b>Smallest</b>	0.02	0.00
<b>Average</b>	0.27	0.07
<b>Median</b>	0.20	0.02

**TOP 10 CONSTITUENTS**

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
JOHNSON & JOHNSON	US	1.33	0.76	Health Care
PEPSICO	US	1.20	0.47	Cons Staples
VERIZON COMMUNICATIONS	US	1.12	0.28	Comm Svcs
MERCK & CO	US	1.12	0.52	Health Care
HERSHEY CO (THE)	US	1.04	0.07	Cons Staples
ROCHE HOLDING GENUSS	CH	1.02	0.41	Health Care
FRANCO-NEVADA CORP	CA	1.01	0.05	Materials
UNITEDHEALTH GROUP	US	1.01	0.85	Health Care
BERKSHIRE HATHAWAY B	US	0.97	0.78	Financials
NEWMONT CORP	US	0.94	0.06	Materials
<b>Total</b>		<b>10.77</b>	<b>4.25</b>	

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

**MSCI FACTOR BOX**



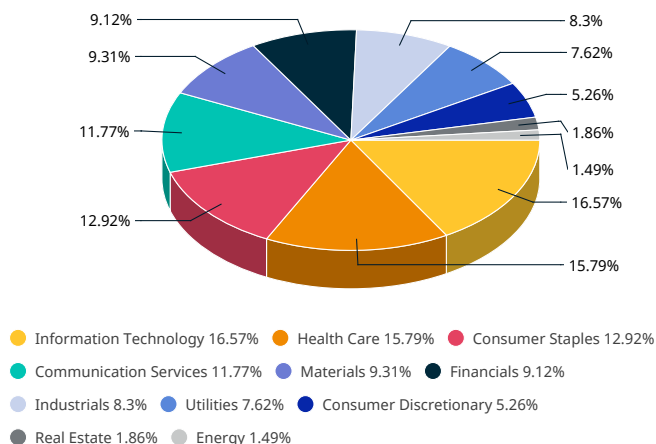
**MSCI FaCS**

- 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

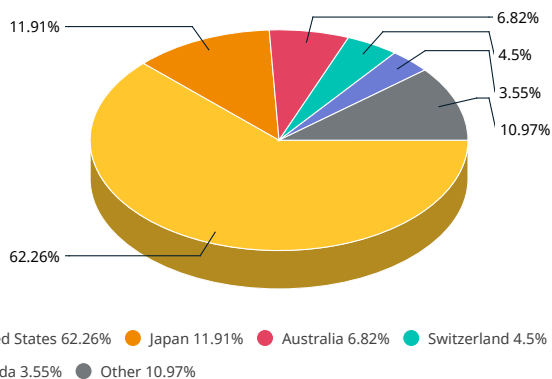
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

**SECTOR WEIGHTS**



**COUNTRY WEIGHTS**



## INDEX FRAMEWORK

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.

This summary is provided for illustrative purposes only and does not include all material elements of the index or its methodology. For a complete description of the index methodology, please see [Index methodology - MSCI](#).

## MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology [here](#))

MSCI FaCS is a standard method 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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