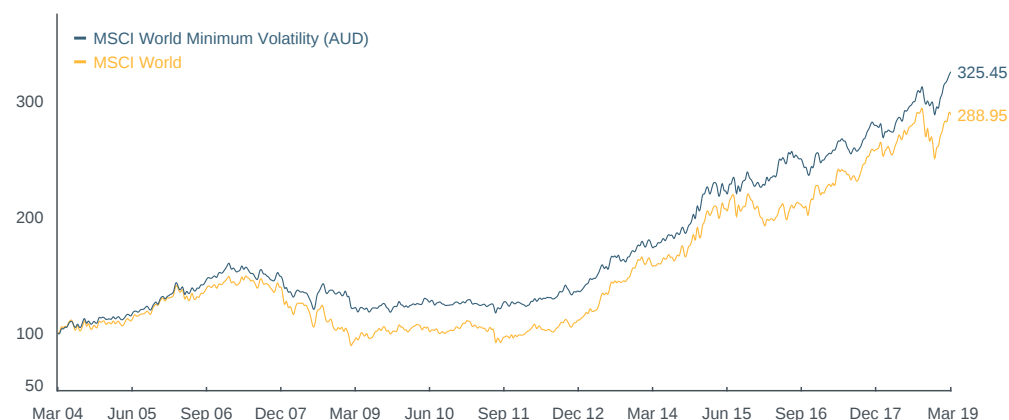


# MSCI WORLD MINIMUM VOLATILITY (AUD) INDEX (AUD)

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) (MAR 2004 – MAR 2019)



## ANNUAL PERFORMANCE (%)

Year	MSCI World Minimum Volatility (AUD)	MSCI World
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
2008	-8.73	-25.33
2007	-2.59	-2.12
2006	17.97	11.74
2005	14.98	17.00

## INDEX PERFORMANCE — NET RETURNS (%) (MAR 29, 2019)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since May 31, 2001
MSCI World Minimum Volatility (AUD)	2.25	10.34	17.84	10.34	11.87	13.18	10.34	5.24
MSCI World	1.47	11.47	12.32	11.47	13.66	12.61	12.13	3.64

## FUNDAMENTALS (MAR 29, 2019)

Div Yld (%)	Grossed Up Yld* (%)	P/E	P/E Fwd	P/BV
3.02	5.87	19.56	17.03	2.34
2.51	6.10	17.80	15.28	2.39

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 2001 – MAR 29, 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	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI World Minimum Volatility (AUD)	0.65	6.68	20.30	7.99	8.21	7.95	1.45	1.56	1.05	0.23	34.73	2001-06-05—2003-03-10
MSCI World	1.00	0.00	2.18	9.83	10.07	10.08	1.36	1.23	1.01	0.07	46.45	2001-06-05—2003-03-10

<sup>1</sup> Last 12 months      <sup>2</sup> Based on monthly net returns data      <sup>3</sup> Based on ICE LIBOR 1M

\* 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 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.

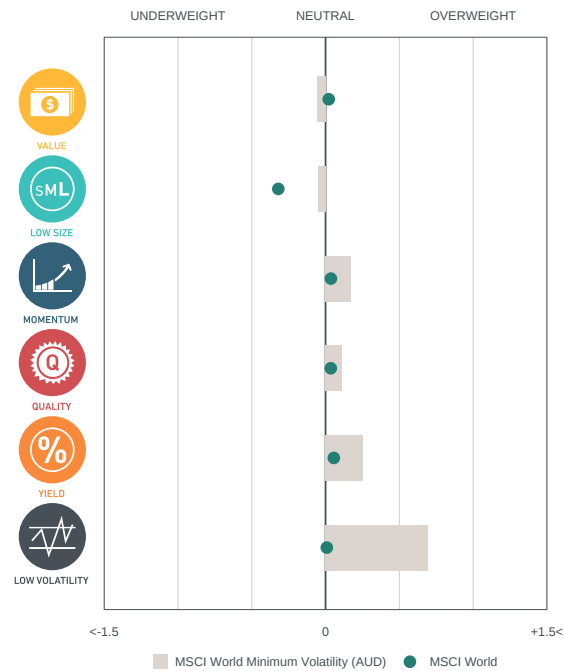
### INDEX CHARACTERISTICS

	MSCI World Minimum Volatility (AUD)	MSCI World
Number of Constituents	520	1,635
	Weight (%)	
Largest	1.17	2.26
Smallest	0.03	0.00
Average	0.19	0.06
Median	0.14	0.03

### TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
BARRICK GOLD CORP	CA	1.17	0.06	Materials
COCA COLA (THE)	US	0.99	0.48	Cons Staples
NEWMONT MINING CORP	US	0.96	0.05	Materials
DUKE ENERGY CORP	US	0.86	0.16	Utilities
NESTLE	CH	0.83	0.73	Cons Staples
PEPSICO	US	0.83	0.43	Cons Staples
SOUTHERN COMPANY (THE)	US	0.82	0.13	Utilities
VISA A	US	0.72	0.69	Info Tech
FRANCO-NEVADA CORP	CA	0.70	0.04	Materials
CONSOLIDATED EDISON	US	0.68	0.07	Utilities
<b>Total</b>		<b>8.57</b>	<b>2.83</b>	

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



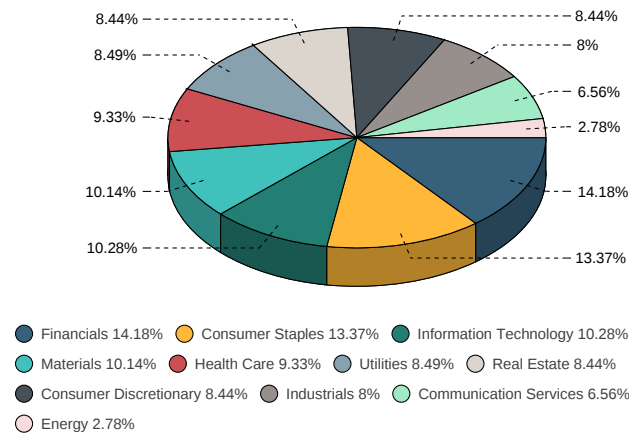
### MSCI FaCS

- 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

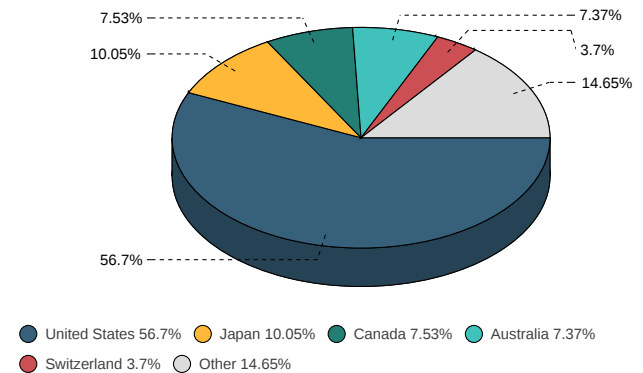
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

### SECTOR WEIGHTS



### COUNTRY WEIGHTS



## INDEX METHODOLOGY

The MSCI 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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