

# MSCI Europe Growth Target Index (USD)

The MSCI Europe Growth Target Index is based on MSCI Europe, its parent index, which includes large and mid cap stocks across 15 Developed Markets (DM) countries in Europe\*. The index is designed to represent the performance of a strategy that seeks to capture increased exposure to the Growth factor while exhibiting lower or equal ex-ante total risk to the underlying parent index.

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



## ANNUAL PERFORMANCE (%)

Year	MSCI Europe Growth Target	MSCI Europe
2020	8.44	5.38
2019	22.63	23.77
2018	-16.22	-14.86
2017	26.04	25.51
2016	-2.26	-0.40
2015	1.92	-2.84
2014	-8.80	-6.18
2013	25.38	25.23
2012	17.38	19.12
2011	-12.42	-11.06
2010	1.62	3.88
2009	35.16	35.83
2008	-47.31	-46.42
2007	12.14	13.86

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

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 1999
					3 Yr	5 Yr	10 Yr		
MSCI Europe Growth Target	1.50	2.09	31.36	16.42	10.50	10.53	7.26	5.70	
MSCI Europe	1.51	1.98	29.18	15.59	9.71	10.11	7.43	4.99	

## FUNDAMENTALS (AUG 31, 2021)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.52	18.34	16.36	2.10
2.44	20.57	15.85	2.18

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 1999 – AUG 31, 2021)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since May 31, 1999	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
MSCI Europe Growth Target	1.01	3.30	40.59	19.74	16.72	16.72	0.54	0.61	0.46	0.29	62.01	2007-10-31–2009-03-09
MSCI Europe	1.00	0.00	2.07	19.07	16.07	16.13	0.51	0.60	0.48	0.25	62.99	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 in Europe include: Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the UK.

The MSCI Europe Growth Target Index was launched on Aug 17, 2020. 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

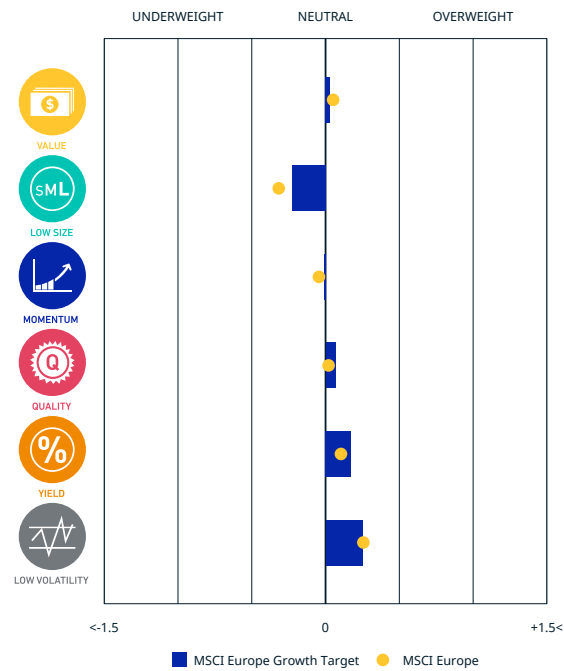
	MSCI Europe Growth Target	MSCI Europe
<b>Number of Constituents</b>	79	432
	Weight (%)	
<b>Largest</b>	3.37	3.22
<b>Smallest</b>	0.00	0.02
<b>Average</b>	1.27	0.23
<b>Median</b>	1.08	0.12

### TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
ADYEN NV	NL	3.37	0.56	Info Tech
NOVO NORDISK B	DK	3.36	1.52	Health Care
ASTRAZENECA	GB	3.16	1.60	Health Care
DEUTSCHE POST	DE	2.85	0.62	Industrials
TOTALENERGIES	FR	2.77	0.97	Energy
ABB LTD	CH	2.72	0.57	Industrials
ADIDAS	DE	2.53	0.60	Cons Discr
ALLIANZ	DE	2.52	0.86	Financials
ENEL	IT	2.22	0.65	Utilities
INVESTOR B	SE	2.17	0.38	Financials
<b>Total</b>		<b>27.66</b>	<b>8.33</b>	

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

#### MSCI FACTOR BOX



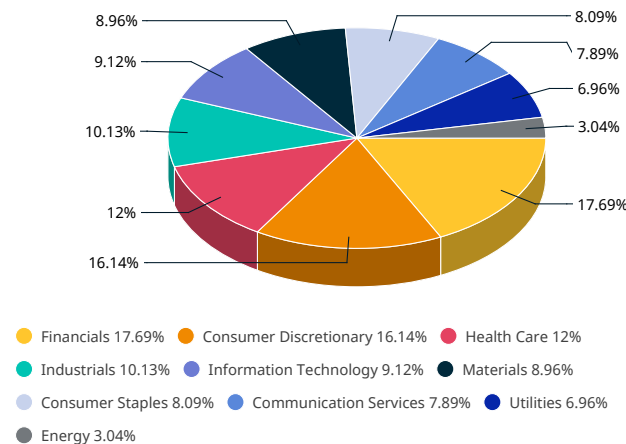
#### MSCI FaCS

- 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

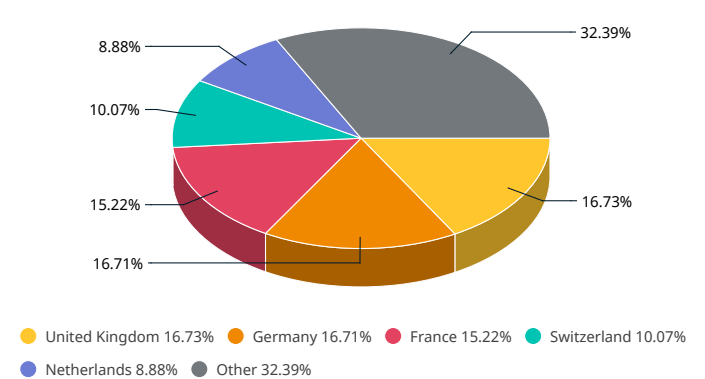
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

#### SECTOR WEIGHTS



#### COUNTRY WEIGHTS



## INDEX METHODOLOGY

The MSCI Growth Target Indexes are constructed by optimization from an underlying Parent Index using MSCI's Barra Equity Risk Model to maximize the index-level exposure to the Growth factor while constraining other non-target factors and maintaining total risk equal to or less than the ex-ante risk of the Parent Index at the time of rebalancing.

MSCI categorizes the MSCI Growth Target Indexes as part of the family of MSCI Factor Indexes, which are designed to reflect the systematic elements of particular investment styles or strategies. While capitalization weighted indexes represent the broad market beta, investors increasingly recognize that there are additional sources of systematic return associated with particular investment styles and strategies, such as value, momentum, volatility, quality etc. that could be represented through alternatively weighted indexes. The Growth factor is an addition to other systematic factors such as Size, Value and Low Volatility and may provide diversification to a factor portfolio or a standalone single factor strategy.

The 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

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. To learn more, please visit [www.msci.com](http://www.msci.com).

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