# MSCI EM Minimum Volatility Index

(USD)



The MSCI Emerging Markets Minimum Volatility Index aims to reflect the performance characteristics of a minimum variance strategy applied to large and mid cap equities across 21 Emerging Markets countries\*. The index is calculated by optimizing the MSCI Emerging Markets Index, its parent index, 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 Emerging Markets Index.

### Cumulative Index Performance — Gross Returns (Nov 2001 - Apr 2012) — USD



# Annual Performance (%)

Year	MSCI EM Min Vol	MSCI EM
2011	-5.82	-18.17
2010	29.43	19.20
2009	60.33	79.02
2008	-41.97	-53.18
2007	33.59	39.82
2006	31.96	32.55
2005	28.97	34.54
2004	33.16	25.95
2003	54.29	56.28
2002	0.79	-6.00

# Index Performance — Gross Returns (%) (April 30, 2012)

					Annualized			
	1 Mo	3 Мо	1 Yr	YTD	3 Yr	5 Yr	10 Yr	Since Nov 30, 2001
MSCI EM Min Vol	1.05	6.73	2.59	14.45	26.26	9.97	18.65	19.53
MSCI EM	-1.17	1.29	-12.34	12.79	18.67	3.75	14.26	15.75

### Fundamentals (April 30, 2012)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.57	15.24	12.79	2.23
2.88	11.88	9.96	1.68

### Index Risk and Return Characteristics (November 30, 2001 - April 30, 2012)

				Annualized Std Dev (%) <sup>1</sup>			Sharpe Ratio 1,2				
	Beta	Tracking Error	Turnover	3 Yr	5 Yr	10 Yr	Since Nov 30, 2001	3 Yr	5 Yr	10 Yr	Since Nov 30, 2001
MSCI EM Min Vol	0.77	0.07	0.21	17.78	23.29	19.40	19.09	1.40	0.46	0.88	0.93
MSCI EM	1.00	0.00	0.05	23.66	29.55	24.53	24.17	0.83	0.23	0.58	0.64

<sup>&</sup>lt;sup>1</sup>Based on monthly gross return data

<sup>&</sup>lt;sup>2</sup> Based on BBA LIBOR 1M

<sup>\*</sup> Countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Morocco, Peru, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey.

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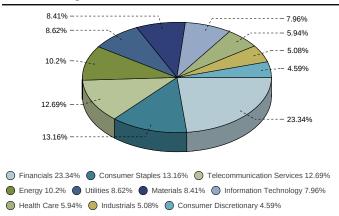
#### **Index Characteristics**

	MSCI EM Min Vol	MSCI EM	
Number of Constituents	201	817	
	Weight (%)		
Largest	2.2	3.7	
Smallest	3.67bps	0.84bps	
Average	49.75bps	12.24bps	
Median	39.44bps	5.67bps	

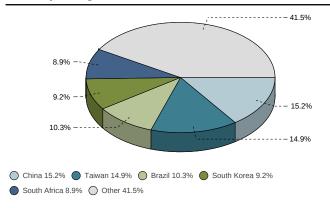
## Top 10 Constituents

<u> </u>	Country	Index	Parent	Sector	Sector
	,	Wt.%	Index		Wt.%
		0.40	Wt.%	<b>=</b> :	
CHINA MINSHENG BANK H	CN	2.18	0.15	Financials	9.3
ECOPETROL	CO	1.95	0.44	Energy	19.1
CP ALL PCL	TH	1.82	0.15	Cons Staples	13.8
ADVANCED INFO SERVICE	TH	1.59	0.15	Telecom Srvcs	12.5
FAR EASTONE TELECOM. CO	TW	1.51	0.10	Telecom Srvcs	11.9
PUBLIC BANK FGN	MY	1.47	0.13	Financials	6.3
UNILEVER INDONESIA	ID	1.43	0.09	Cons Staples	10.9
CREDICORP	PE	1.37	0.24	Financials	5.9
SHOPRITE HOLDINGS	ZA	1.33	0.20	Cons Staples	10.1
TAIWAN MOBILE	TW	1.32	0.15	Telecom Srvcs	10.4
Total		15.97	1.80		

# Sector Weights



# **Country Weights**



### Index Methodology

The MSCI Minimum Volatility Indices 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. Indices may also be optimized for various currencies.

VISCI About MSCI

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MSCI Inc. is a leading provider of investment decision support tools to investors globally, including asset managers, banks, hedge funds and pension funds. MSCI products and services include indices, portfolio risk and performance analytics, and governance tools.

The company's flagship product offerings are: the MSCI indices with approximately USD 7 trillion estimated to be benchmarked to them on a worldwide basis<sup>1</sup>; Barra multi-asset class factor models, portfolio risk and performance analytics; RiskMetrics multi-asset class market and credit risk analytics; MSCI ESG (environmental, social and governance) Research screening, analysis and ratings; ISS governance research and outsourced proxy voting and reporting services; FEA valuation models and risk management software for the energy and commodities markets; and CFRA forensic accounting risk research, legal/regulatory risk assessment, and due-diligence. MSCI is headquartered in New York, with research and commercial offices around the world.

<sup>1</sup>As of June 30, 2011, based on eVestment, Lipper and Bloomberg data.

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