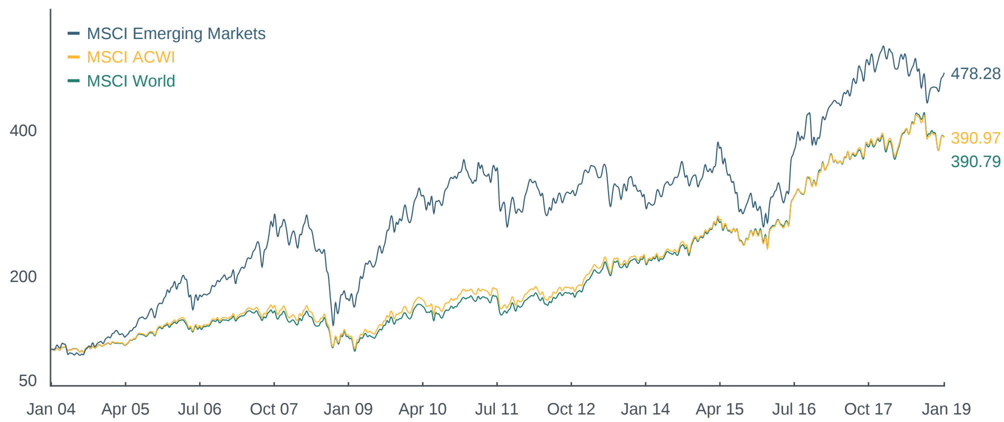
# MSCI EMERGING MARKETS INDEX (GBP)

**The MSCI Emerging Markets Index captures large and mid cap representation across 24 Emerging Markets (EM) countries*. With 1,124 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.**

## CUMULATIVE INDEX PERFORMANCE - GROSS RETURNS (GBP) (JAN 2004 – JAN 2019)




## ANNUAL PERFORMANCE (%)

| Year | MSCI Emerging Markets | MSCI ACWI | MSCI World |
|---|---|---|---|
| 2018 | -8.91 | -3.27 | -2.50 |
| 2017 | 25.83 | 13.84 | 12.42 |
| 2016 | 33.12 | 29.40 | 29.01 |
| 2015 | -9.65 | 3.84 | 5.45 |
| 2014 | 4.29 | 11.22 | 12.07 |
| 2013 | -4.08 | 21.15 | 25.00 |
| 2012 | 13.42 | 11.67 | 11.42 |
| 2011 | -17.57 | -6.17 | -4.31 |
| 2010 | 22.94 | 16.77 | 15.87 |
| 2009 | 59.39 | 20.56 | 16.45 |
| 2008 | -35.18 | -19.48 | -17.39 |
| 2007 | 37.47 | 10.30 | 7.72 |
| 2006 | 16.27 | 6.60 | 5.83 |
| 2005 | 50.46 | 24.55 | 23.04 |

## INDEX PERFORMANCE — GROSS RETURNS (%) ( JAN 31, 2019 )

| | | | | | ANNUALIZED | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 Mo | 3 Mo | 1 Yr | YTD | 3 Yr | 5 Yr | 10 Yr | Since Dec 31, 1987 |
| MSCI Emerging Markets | 5.30 | 7.16 | -6.93 | 5.30 | 18.25 | 9.94 | 11.04 | 11.95 |
| MSCI ACWI | 4.49 | -1.04 | 0.56 | 4.49 | 15.09 | 12.19 | 12.91 | 8.91 |
| MSCI World | 4.38 | -2.05 | 1.60 | 4.38 | 14.74 | 12.44 | 13.17 | 8.94 |

## FUNDAMENTALS ( JAN 31, 2019 )

| | Div Yld (%) | P/E | P/E Fwd | P/BV |
|---|---|---|---|---|
| MSCI Emerging Markets | 2.76 | 12.77 | 11.44 | 1.61 |
| MSCI ACWI | 2.61 | 16.45 | 14.07 | 2.19 |
| MSCI World | 2.59 | 17.12 | 14.52 | 2.30 |

## INDEX RISK AND RETURN CHARACTERISTICS ( JAN 31, 2019 )

| | | ANNUALIZED STD DEV (%) [2] | | | SHARPE RATIO [2, 3] | | | | MAXIMUM DRAWDOWN | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Turnover (%) [1] | 3 Yr | 5 Yr | 10 Yr | 3 Yr | 5 Yr | 10 Yr | Since Dec 31, 1987 | (%) | Period YYYY-MM-DD |
| MSCI Emerging Markets | 6.54 | 14.90 | 14.35 | 16.63 | 1.17 | 0.70 | 0.68 | 0.38 | 53.57 | 2007-10-29—2008-10-27 |
| MSCI ACWI | 2.40 | 10.30 | 9.93 | 12.13 | 1.38 | 1.17 | 1.02 | 0.29 | 50.97 | 2000-08-31—2003-03-12 |
| MSCI World | 2.02 | 10.17 | 9.86 | 11.98 | 1.37 | 1.20 | 1.05 | 0.30 | 51.44 | 2000-08-31—2003-03-12 |

[1] Last 12 months [2] Based on monthly gross returns data [3] Based on ICE LIBOR 1M

* EM countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Qatar, Russia, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

The MSCI Emerging Markets Index was launched on Jun 30, 1988. 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.

JAN 31, 2019

## INDEX CHARACTERISTICS

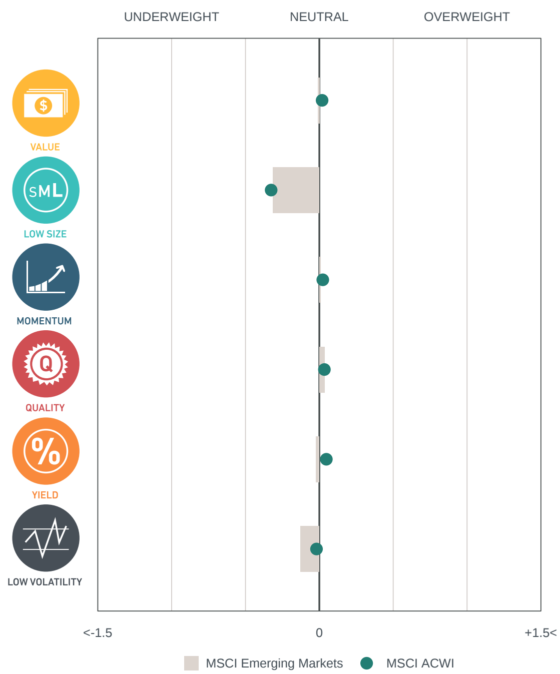
| | MSCI Emerging Markets |
|---|---|
| Number of Constituents | 1,124 |
| | Mkt Cap ( GBP Millions) |
| Index | 3,970,877.77 |
| Largest | 191,515.86 |
| Smallest | 21.99 |
| Average | 3,532.81 |
| Median | 1,459.84 |

## TOP 10 CONSTITUENTS

| | Country | Float Adj Mkt Cap ( GBP Billions) | Index Wt. (%) | Sector |
|---|---|---|---|---|
| TENCENT HOLDINGS LI (CN) | CN | 191.52 | 4.82 | Comm Srvcs |
| ALIBABA GROUP HLDG ADR | CN | 166.01 | 4.18 | Cons Discr |
| SAMSUNG ELECTRONICS CO | KR | 151.81 | 3.82 | Info Tech |
| TAIWAN SEMICONDUCTOR MFG | TW | 134.71 | 3.39 | Info Tech |
| NASPERS N | ZA | 76.39 | 1.92 | Comm Srvcs |
| CHINA CONSTRUCTION BK H | CN | 65.31 | 1.64 | Financials |
| CHINA MOBILE | CN | 48.98 | 1.23 | Comm Srvcs |
| ICBC H | CN | 40.77 | 1.03 | Financials |
| ITAU UNIBANCO PN | BR | 39.22 | 0.99 | Financials |
| PING AN INSURANCE H | CN | 38.33 | 0.97 | Financials |
| Total | | 953.04 | 24.00 | |

## 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

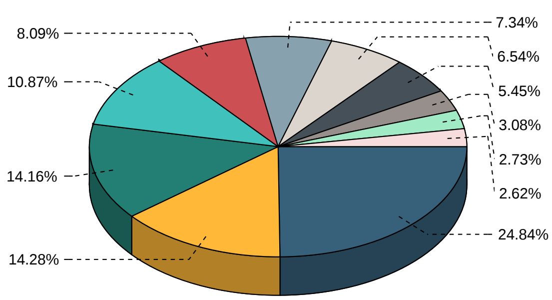
YIELD
Cash Flow Paid Out

LOW VOLATILITY
Lower Risk Stocks

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

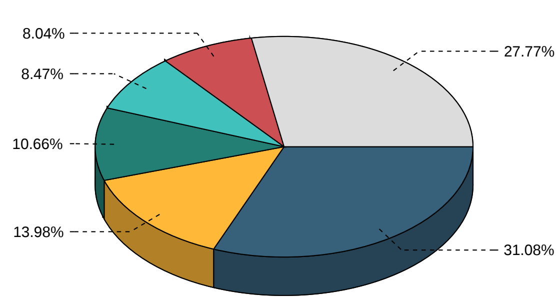
Neutral factor exposure (FaCS = 0) represents MSCI ACWI IMI.

## SECTOR WEIGHTS




Financials 24.84% Information Technology 14.28% Communication Services 14.16%
Consumer Discretionary 10.87% Energy 8.09% Materials 7.34%
Consumer Staples 6.54% Industrials 5.45% Real Estate 3.08% Health Care 2.73%
Utilities 2.62%

## COUNTRY WEIGHTS




China 31.08% South Korea 13.98% Taiwan 10.66% India 8.47% Brazil 8.04%
Other 27.77%

## INDEX METHODOLOGY

The index is based on the MSCI Global Investable Market Indexes (GIMI) Methodology —a comprehensive and consistent approach to index construction that allows for meaningful global views and cross regional comparisons across all market capitalization size, sector and style segments and combinations. This methodology aims to provide exhaustive coverage of the relevant investment opportunity set with a strong emphasis on index liquidity, investability and replicability. The index is reviewed quarterly—in February, May, August and November—with the objective of reflecting change in the underlying equity markets in a timely manner, while limiting undue index turnover. During the May and November semi-annual index reviews, the index is rebalanced and the large and mid capitalization cutoff points are recalculated.

## 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.