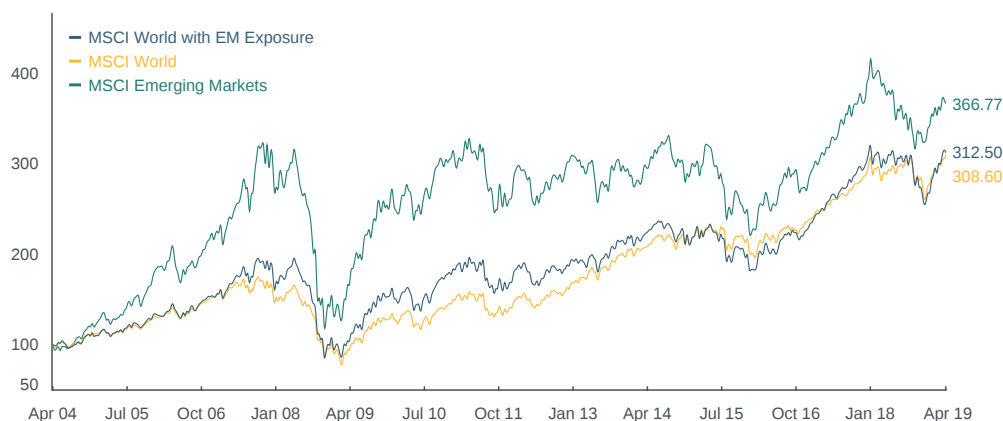


# MSCI WORLD WITH EM EXPOSURE INDEX (USD)

The MSCI World with Emerging Markets (EM) Exposure Index is derived from the MSCI World Index, its parent index. Following a review of the geographic distribution of revenues for each company in the MSCI World Index, the top-ranked constituents with the highest proportion of revenues derived from EM countries are selected for the MSCI World with EM Exposure Index. With a relatively stable 308 constituents, the index is concentrated on high EM exposure companies. As a complement to the MSCI Emerging Markets Indexes, investors may consider this index a new benchmark for capturing the sizeable business activity in emerging markets that is conducted by developed markets\* companies.

## CUMULATIVE INDEX PERFORMANCE - GROSS RETURNS (USD) (APR 2004 – APR 2019)



## ANNUAL PERFORMANCE (%)

Year	MSCI World with EM Exposure	MSCI World	MSCI Emerging Markets
2018	-13.87	-8.20	-14.24
2017	32.71	23.07	37.75
2016	13.50	8.15	11.60
2015	-8.97	-0.32	-14.60
2014	-0.67	5.50	-1.82
2013	17.84	27.37	-2.27
2012	13.22	16.54	18.63
2011	-8.79	-5.02	-18.17
2010	15.94	12.34	19.20
2009	50.44	30.79	79.02
2008	-45.03	-40.33	-53.18
2007	22.64	9.57	39.82
2006	21.25	20.65	32.55
2005	12.72	10.02	34.54

## INDEX PERFORMANCE — GROSS RETURNS (%) (APR 30, 2019)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since May 31, 2002
MSCI World with EM Exposure	4.36	11.59	4.69	20.94	14.73	6.66	11.23	7.74
MSCI World	3.60	8.25	7.08	16.70	12.02	7.91	12.20	7.57
MSCI Emerging Markets	2.12	3.24	-4.68	12.29	11.66	4.42	7.87	9.87

## FUNDAMENTALS (APR 30, 2019)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.61	17.30	15.50	2.69
2.44	18.35	15.74	2.46
2.66	13.57	12.23	1.66

## INDEX RISK AND RETURN CHARACTERISTICS (APR 30, 2019)

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			MAXIMUM DRAWDOWN		
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr	Since May 31, 2002 (%)	Period YYYY-MM-DD	
MSCI World with EM Exposure	8.14	11.59	13.26	15.97	1.12	0.48	0.71	0.43	57.69	2007-10-29—2009-03-03
MSCI World	2.18	10.17	11.06	13.25	1.03	0.66	0.89	0.46	57.46	2007-10-31—2009-03-09
MSCI Emerging Markets	6.94	13.04	15.27	18.01	0.80	0.30	0.48	0.48	65.14	2007-10-29—2008-10-27

<sup>1</sup> Last 12 months

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

<sup>3</sup> Based on ICE LIBOR 1M

\* Developed Markets 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 with EM Exposure Index was launched on Mar 29, 2012. 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

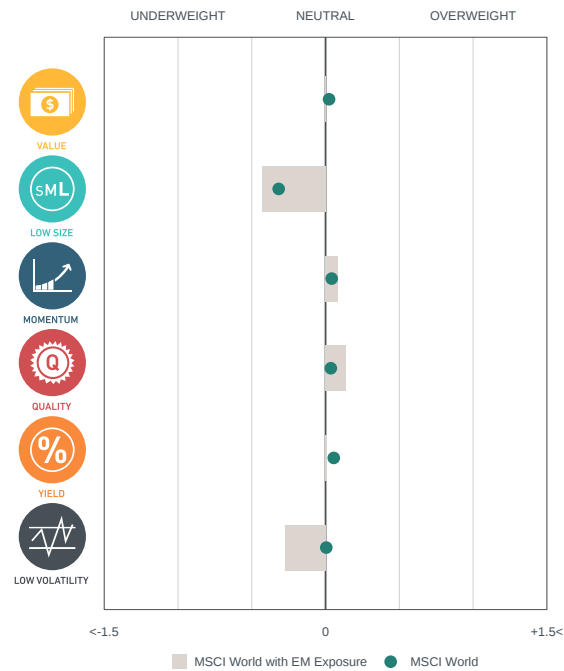
MSCI World with EM Exposure	
Number of Constituents	308
Mkt Cap ( USD Millions)	
Index	8,526,864.84
Largest	826,288.82
Smallest	1,883.86
Average	27,684.63
Median	10,043.13

## TOP 10 CONSTITUENTS

	Country	Float Adj Mkt Cap ( USD Billions)	Index Wt. (%)	Sector
APPLE	US	826.29	9.69	Info Tech
INTEL CORP	US	242.44	2.84	Info Tech
NESTLE	CH	226.71	2.66	Cons Staples
QUALCOMM	US	225.15	2.64	Info Tech
BROADCOM	US	209.17	2.45	Info Tech
PHILIP MORRIS INTL	US	173.49	2.03	Cons Staples
BOEING CO	US	153.67	1.80	Industrials
NVIDIA	US	153.05	1.79	Info Tech
TEXAS INSTRUMENTS	US	149.33	1.75	Info Tech
BHP GROUP (AU)	AU	133.22	1.56	Materials
<b>Total</b>		<b>2,492.52</b>	<b>29.23</b>	

## FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

### MSCI FACTOR BOX



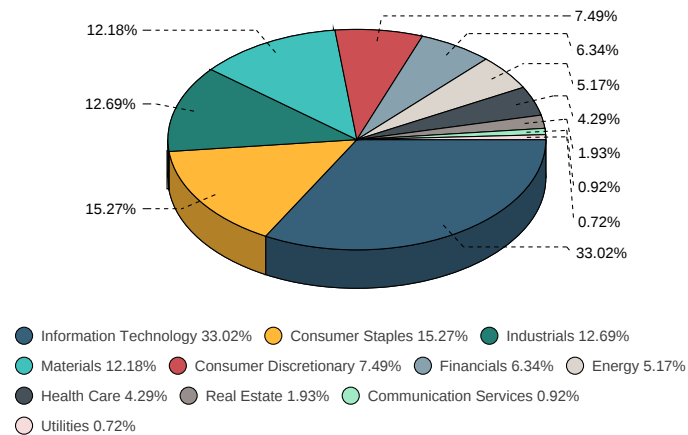
### MSCI FaCS

- 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

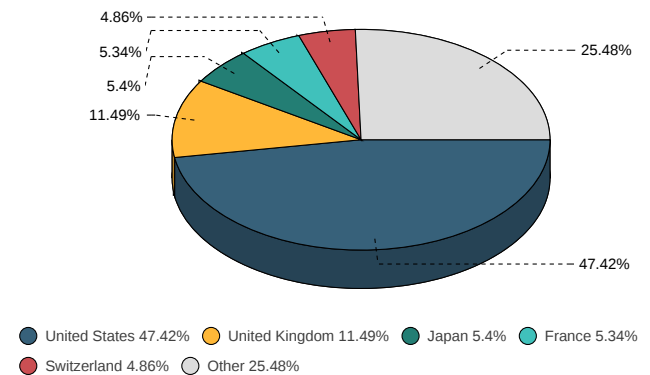
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

## SECTOR WEIGHTS



## COUNTRY WEIGHTS



## INDEX METHODOLOGY

The MSCI Economic Exposure Indexes select top-ranked constituents with the highest proportion of revenues derived from a target country (or region). The indexes target a fixed number of companies, seeking to attain high exposure to the target country/region while maintaining reasonable market cap coverage. If multiple companies hold comparable rankings, the number of constituents may deviate from the fixed number established for the index.

The MSCI Economic Exposure Indexes apply a consistent and transparent methodology for estimating a firm's economic exposure using the geographic distribution of its revenues, despite the many disparities in the way companies report their sales across geographic segments. For each reported geographic revenue segment that includes the target country/region, MSCI applies the latest nominal GDP weights of that target relative to that of the reported geographic segment to determine a "target multiplier" for that revenue segment. For example, to determine an EM multiplier for a company's revenues from "Asia ex Japan", MSCI calculates the GDP weights of all EM countries relative to the combined GDP weight of Asia ex Japan. The exposure of a company to the target country (or region) is then calculated as the weighted average of the percentage of each geographic revenue segment and its target country/region multiplier.

The constituents of the MSCI Economic Exposure Indexes are weighted by the product of their market capitalization and their economic exposure to the target country/region. (The final security level inclusion factor is determined as the ratio of the security level weight and the security level pro forma market cap weight in the related MSCI parent index.) The MSCI Economic Exposure Indexes are rebalanced semi-annually in May and November. Buffer zones (at +/- 20% of the target number of companies) help maintain low index turnover and stability.

## 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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