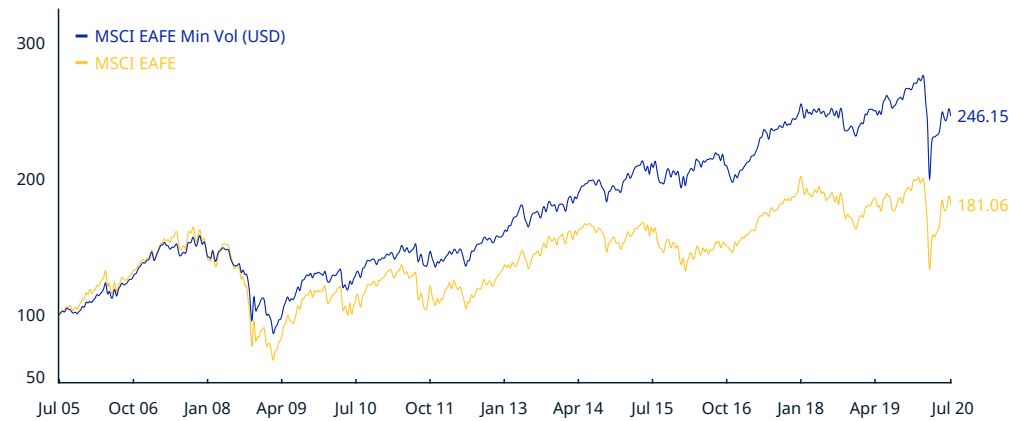


# MSCI EAFE Minimum Volatility (USD) Index (USD)

The MSCI EAFE Minimum Volatility (USD) Index aims to reflect the performance characteristics of a minimum variance strategy applied to the large and mid cap equity universe across Developed Markets countries\* around the world excluding the US and Canada. The index is calculated by optimizing the MSCI EAFE Index, its parent index, in USD 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 EAFE Index.

## CUMULATIVE INDEX PERFORMANCE – NET RETURNS (USD) (JUL 2005 – JUL 2020)



## ANNUAL PERFORMANCE (%)

Year	MSCI EAFE Min Vol (USD)	MSCI EAFE
2019	16.74	22.01
2018	-5.69	-13.79
2017	21.62	25.03
2016	-1.81	1.00
2015	7.95	-0.81
2014	4.65	-4.90
2013	16.67	22.78
2012	11.55	17.32
2011	-0.74	-12.14
2010	9.26	7.75
2009	15.97	31.78
2008	-27.47	-43.38
2007	10.62	11.17
2006	31.53	26.34

## INDEX PERFORMANCE – NET RETURNS (%) (JUL 31, 2020)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 1988
					3 Yr	5 Yr	10 Yr	Since May 31, 1988	
MSCI EAFE Min Vol (USD)	1.32	4.21	-3.51	-9.14	1.45	3.12	6.71	7.31	
MSCI EAFE	2.33	10.42	-1.67	-9.28	0.63	2.10	5.02	4.63	

## FUNDAMENTALS (JUL 31, 2020)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.97	18.25	19.93	1.89
2.79	15.54	16.90	1.50

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 1988 – JUL 31, 2020)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since May 31, 1988	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
MSCI EAFE Min Vol (USD)	0.72	6.73	20.51	10.34	10.52	10.49	0.02	0.22	0.60	0.35	27.38	2020-01-24–2020-03-23
MSCI EAFE	1.00	0.00	2.77	15.14	14.42	14.80	0.00	0.13	0.35	0.16	60.41	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

\* Developed market countries include: Australia, Austria, Belgium, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, the Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland and the UK.

The MSCI EAFE Minimum Volatility (USD) Index was launched on Dec 01, 2009. 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**

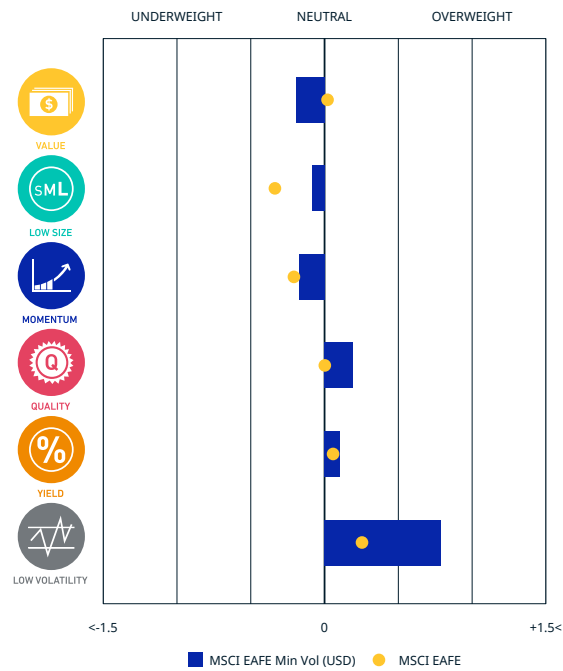
	MSCI EAFE Min Vol (USD)	MSCI EAFE
<b>Number of Constituents</b>	268	900
	Weight (%)	
<b>Largest</b>	1.58	2.64
<b>Smallest</b>	0.04	0.01
<b>Average</b>	0.37	0.11
<b>Median</b>	0.28	0.05

**TOP 10 CONSTITUENTS**

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
GIVAUDAN	CH	1.58	0.29	Materials
NESTLE	CH	1.56	2.64	Cons Staples
COLOPLAST B	DK	1.53	0.15	Health Care
SWISSCOM	CH	1.52	0.10	Comm Svcs
ROCHE HOLDING GENUSS	CH	1.38	1.82	Health Care
ZURICH INSURANCE GROUP	CH	1.36	0.41	Financials
NTT DOCOMO	JP	1.32	0.24	Comm Svcs
CHUGAI PHARMACEUTICAL CO	JP	1.32	0.22	Health Care
CLP HOLDINGS	HK	1.15	0.12	Utilities
NOVARTIS	CH	1.13	1.33	Health Care
<b>Total</b>		<b>13.86</b>	<b>7.33</b>	

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

**MSCI FACTOR BOX**



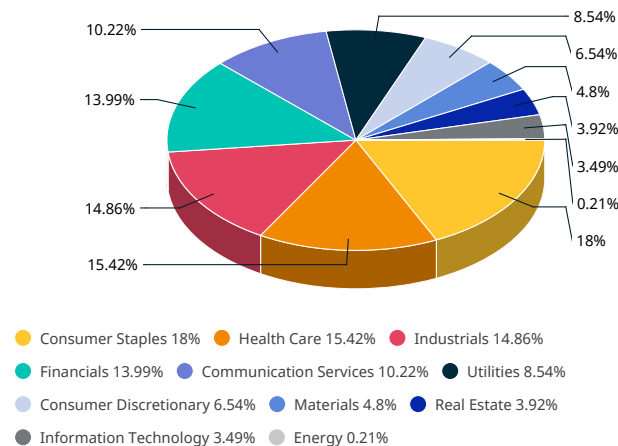
**MSCI FaCS**

- 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

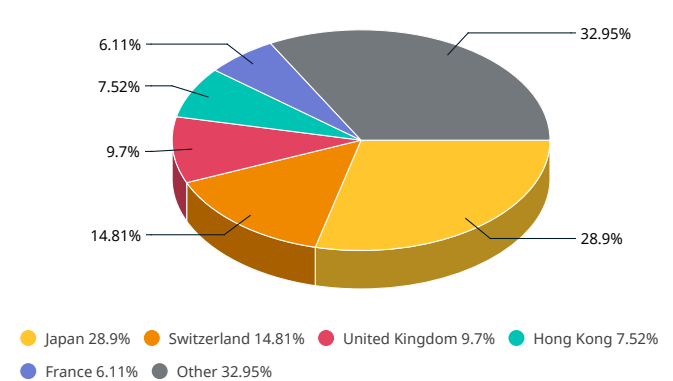
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

**SECTOR WEIGHTS**



**COUNTRY WEIGHTS**



## INDEX METHODOLOGY

The MSCI 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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