

# MSCI Kokusai Volatility Tilt Index (USD)

The **MSCI Kokusai Volatility Tilt Index** is based on MSCI Kokusai, its parent index, which includes large and mid-cap stocks across 22 of 23 Developed Markets (DM) countries\* excluding Japan. It aims to reflect the performance of a low volatility strategy with relatively high investment capacity. The indexes are created by tilting the market capitalization weights of all the constituents in the parent index based on the inverse of security price variance and then re-weighting them.

For a complete description of the index methodology, please see [Index methodology - MSCI](#).

## CUMULATIVE INDEX PERFORMANCE – GROSS RETURNS (USD) (MAR 2009 – MAR 2024)



## ANNUAL PERFORMANCE (%)

Year	MSCI Kokusai Volatility Tilt	MSCI Kokusai
2023	19.34	24.66
2022	-15.39	-17.83
2021	23.82	24.03
2020	11.93	16.63
2019	28.51	29.19
2018	-5.92	-7.78
2017	21.01	22.94
2016	9.15	8.69
2015	-1.04	-1.21
2014	8.19	6.38
2013	24.91	27.37
2012	14.83	17.36
2011	3.50	-3.99
2010	10.36	11.99

## INDEX PERFORMANCE – GROSS RETURNS (%) (MAR 29, 2024)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 1995
					3 Yr	5 Yr	10 Yr		
<b>MSCI Kokusai Volatility Tilt</b>	2.88	6.78	19.93	6.78	8.57	11.23	9.60	9.48	
<b>MSCI Kokusai</b>	3.28	8.87	25.68	8.87	9.51	12.98	10.21	9.15	

## FUNDAMENTALS (MAR 29, 2024)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.22	20.84	17.87	3.42
1.81	22.41	18.94	3.61

## INDEX RISK AND RETURN CHARACTERISTICS (MAY 31, 1995 – MAR 29, 2024)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2, 3</sup>			Since May 31, 1995	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr		(%)	Period YYYY-MM-DD
<b>MSCI Kokusai Volatility Tilt</b>	0.86	3.23	13.65	15.82	16.84	13.87	0.44	0.60	0.63	0.55	53.94	2007-10-31–2009-03-09
<b>MSCI Kokusai</b>	1.00	0.00	2.23	17.35	18.47	15.20	0.46	0.65	0.62	0.48	58.31	2007-10-31–2009-03-09

<sup>1</sup> Last 12 months

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

<sup>3</sup> Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date

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

The MSCI Kokusai Volatility Tilt Index was launched on Jun 04, 2014. Data prior to the launch date is back-tested test (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

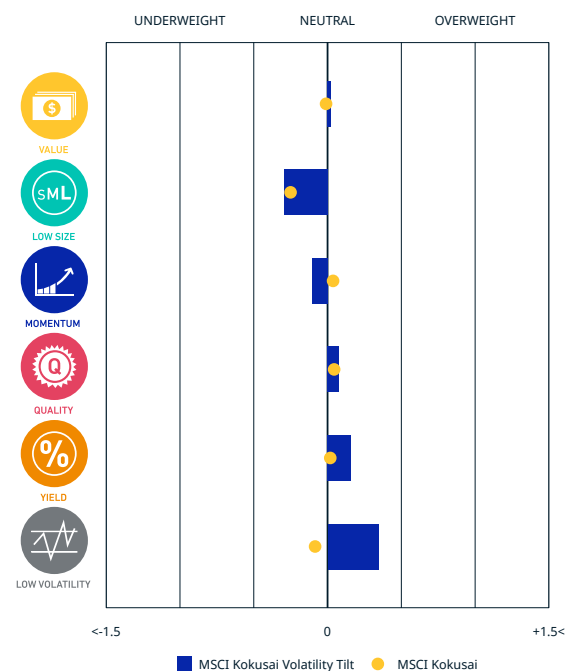
	MSCI Kokusai Volatility Tilt	MSCI Kokusai
<b>Number of Constituents</b>	1,241	1,247
	<b>Weight (%)</b>	
<b>Largest</b>	5.00	4.87
<b>Smallest</b>	0.00	0.00
<b>Average</b>	0.08	0.08
<b>Median</b>	0.03	0.03

## TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
MICROSOFT CORP	US	5.00	4.87	Info Tech
APPLE	US	4.02	4.13	Info Tech
BERKSHIRE HATHAWAY B	US	1.88	0.90	Financials
JOHNSON & JOHNSON	US	1.69	0.62	Health Care
AMAZON.COM	US	1.61	2.75	Cons Discr
NESTLE	CH	1.49	0.47	Cons Staples
PROCTER & GAMBLE CO	US	1.37	0.63	Cons Staples
UNITEDHEALTH GROUP	US	1.09	0.75	Health Care
NVIDIA	US	1.08	3.66	Info Tech
ALPHABET A	US	1.02	1.46	Comm Srvcs
Total		20.24	20.25	

## FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

## MSCI FACTOR BOX



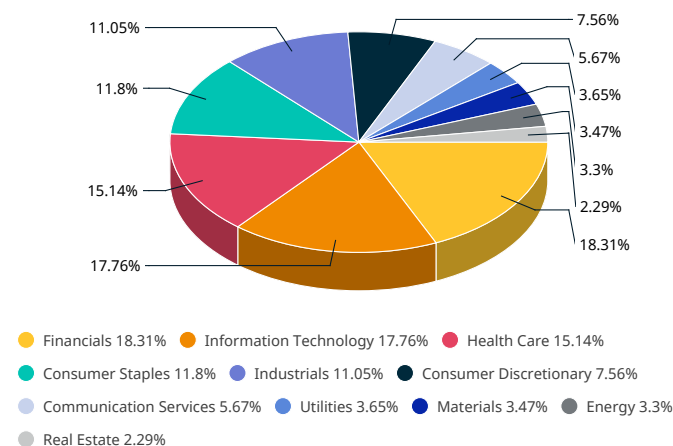
## MSCI FaCS

- 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

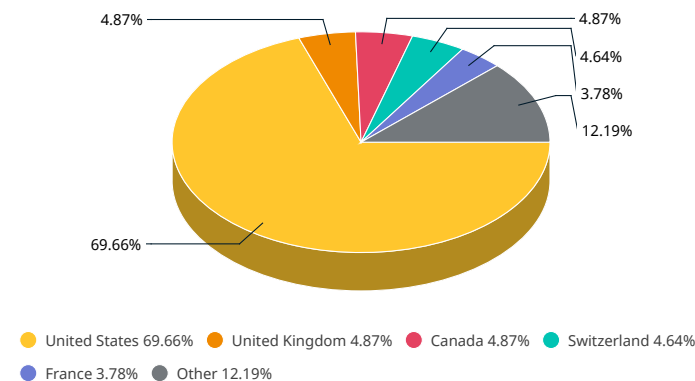
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

## SECTOR WEIGHTS



## COUNTRY WEIGHTS



## MSCI FACTOR BOX AND FaCS FRAMEWORK (Please refer to complete description of the MSCI FaCS methodology [here](#))

MSCI FaCS is a standard method 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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