

MSCI EMERGING MARKETS HORIZON INDEX (USD)

The MSCI Emerging Markets (EM) Horizon Index captures large and mid-cap representation and is designed to track the equity performance of the smallest 25% of countries excluding Brazil, China, India, and Russia from the universe of MSCI Emerging Markets Index countries.

CUMULATIVE INDEX PERFORMANCE - NET RETURNS (USD) (DEC 2003 – DEC 2018)



ANNUAL PERFORMANCE (%)

Year	MSCI EM Horizon	MSCI Emerging Markets	MSCI Frontier Markets
2018	-14.53	-14.58	-16.41
2017	25.49	37.28	31.86
2016	4.33	11.19	2.66
2015	-20.69	-14.92	-14.46
2014	-2.80	-2.19	6.84
2013	-9.69	-2.60	25.89
2012	24.55	18.22	8.85
2011	-12.07	-18.42	-18.73
2010	30.18	18.88	23.75
2009	63.70	78.51	11.61
2008	-45.65	-53.33	-54.15
2007	34.21	39.42	41.94
2006	29.35	32.14	-8.91
2005	26.37	34.00	72.68

INDEX PERFORMANCE — NET RETURNS (%) (DEC 31, 2018)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since May 30, 2003
MSCI EM Horizon	-0.25	-5.17	-14.53	-14.53	3.82	-2.91	6.16	8.94
MSCI Emerging Markets	-2.66	-7.47	-14.58	-14.58	9.25	1.65	8.02	10.03
MSCI Frontier Markets	-2.93	-4.33	-16.41	-16.41	4.21	0.67	4.75	5.92

FUNDAMENTALS (DEC 31, 2018)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.01	15.38	12.65	1.85
2.91	12.00	10.50	1.52
4.06	12.52	na	1.73

INDEX RISK AND RETURN CHARACTERISTICS (DEC 31, 2018)

	Turnover (%) ¹	ANNUALIZED STD DEV (%) ²			SHARPE RATIO ^{2, 3}			Since May 30, 2003	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
MSCI EM Horizon	32.92	14.61	14.00	17.51	0.25	-0.20	0.40	0.47	56.83	2007-10-29—2009-03-09
MSCI Emerging Markets	6.54	14.81	15.19	19.27	0.59	0.13	0.47	0.49	65.25	2007-10-29—2008-10-27
MSCI Frontier Markets	11.80	12.00	12.03	15.57	0.30	0.05	0.34	0.33	67.47	2008-01-15—2009-03-03

¹ Last 12 months

² Based on monthly net returns data

³ Based on ICE LIBOR 1M

The MSCI Emerging Markets Horizon Index was launched on Jul 31, 2014. 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.

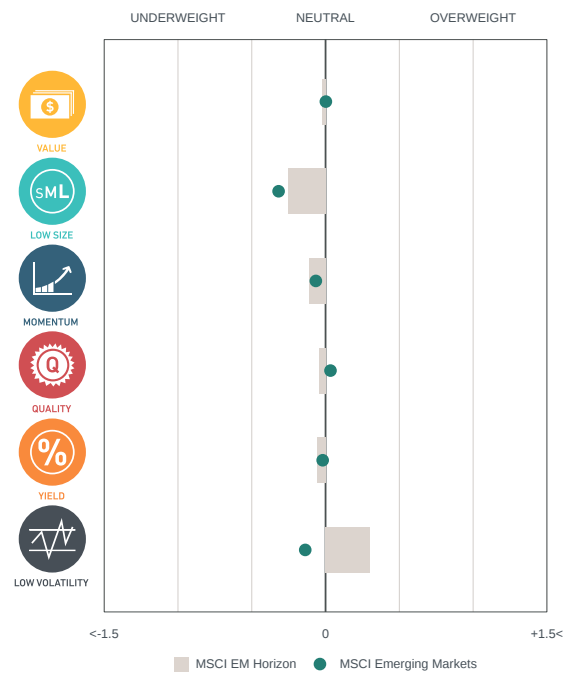
INDEX CHARACTERISTICS

MSCI EM Horizon	
Number of Constituents	303
Mkt Cap (USD Millions)	
Index	1,130,730.05
Largest	88,196.86
Smallest	509.17
Average	3,731.78
Median	2,361.57

TOP 10 CONSTITUENTS

	Country	Float Adj Mkt Cap (USD Billions)	Index Wt. (%)	Sector
NASPERS N	ZA	88.20	7.80	Communication Services
QATAR NATIONAL BANK AMERICA MOVIL L	QA	24.24	2.14	Financials
	MX	23.89	2.11	Communication Services
BANK CENTRAL ASIA	ID	17.83	1.58	Financials
PUBLIC BANK	MY	17.44	1.54	Financials
FEMSA UNIT UBD	MX	16.66	1.47	Cons Staples
SASOL	ZA	16.57	1.47	Materials
STANDARD BANK GROUP	ZA	16.09	1.42	Financials
FIRSTRAND	ZA	15.34	1.36	Financials
CREDICORP	PE	15.03	1.33	Financials
Total		251.29	22.22	

FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN MSCI FACTOR BOX



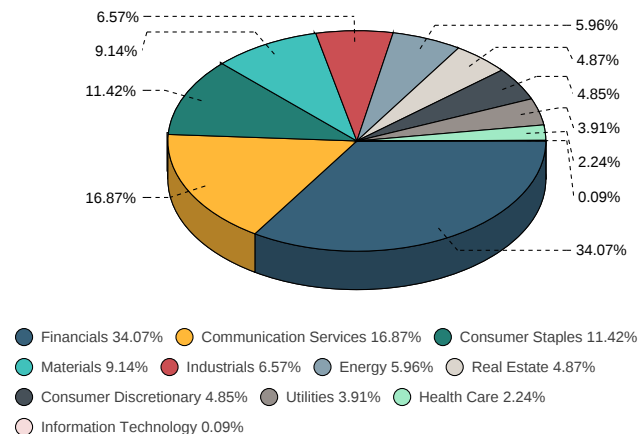
MSCI FaCS

- 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

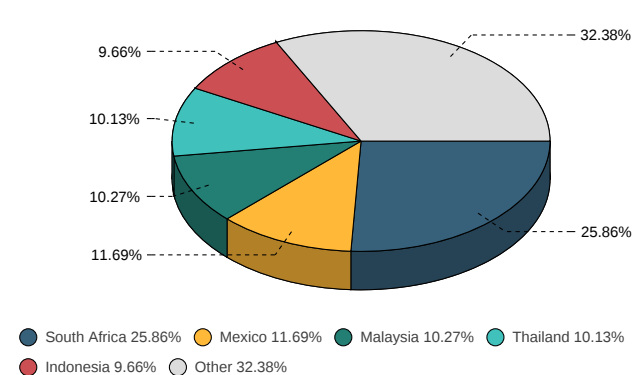
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

SECTOR WEIGHTS



COUNTRY WEIGHTS



INDEX METHODOLOGY

The [MSCI Emerging Markets Horizon Index](#) is designed to track the equity performance of the smallest 25% of countries excluding Brazil, China, India, and Russia from the universe of MSCI Emerging Markets Index countries. The countries are selected by ranking them in the descending order of their free float adjusted market cap weights and then selecting all the countries where the cumulative weight is between 75% and 100%. Subsequently, Brazil, China, India and Russia are excluded from the list of countries selected in the previous step. All the securities in the final list of selected countries that comprise the MSCI Emerging Markets Horizon Index are weighted based on their free float adjusted market capitalization. The Index is rebalanced annually in May.

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.

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