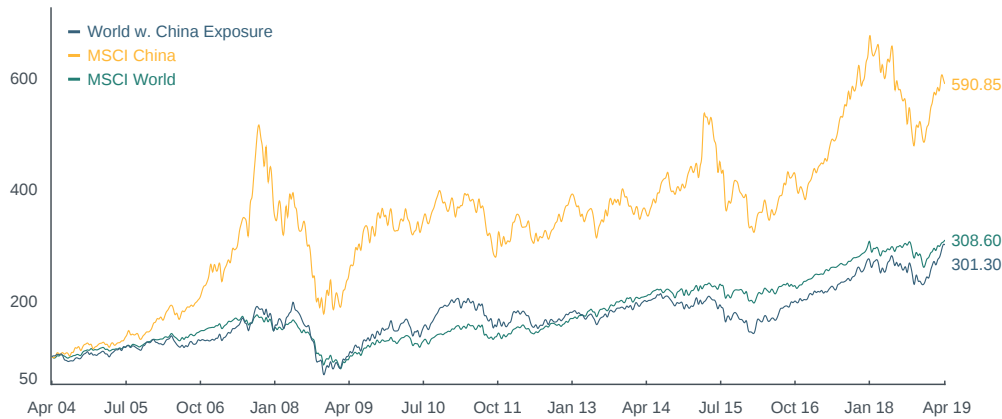


# MSCI WORLD WITH CHINA EXPOSURE INDEX (USD)

The MSCI World with China 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 constituents with the highest proportion of revenues derived from China are selected for the MSCI World with China Exposure Index. With a relatively stable 51 constituents, the index concentrates on companies with high revenue exposure to China. As a complement to the MSCI China Indexes, investors may consider this index a new benchmark for capturing the sizeable business activity in China that is conducted by developed markets\* companies.

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



## ANNUAL PERFORMANCE (%)

Year	World w. China Exposure	MSCI China	MSCI World
2018	-9.79	-18.75	-8.20
2017	29.66	54.33	23.07
2016	22.52	1.11	8.15
2015	-15.16	-7.62	-0.32
2014	0.43	8.26	5.50
2013	9.83	3.96	27.37
2012	13.38	23.10	16.54
2011	-19.94	-18.24	-5.02
2010	23.99	4.83	12.34
2009	82.01	62.63	30.79
2008	-51.80	-50.83	-40.33
2007	37.39	66.24	9.57
2006	4.65	82.87	20.65
2005	15.39	19.77	10.02

## 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
World w. China Exposure	8.35	18.86	20.04	28.25	20.77	8.53	11.13	6.91
MSCI China	2.23	8.34	-3.97	20.32	17.09	10.65	9.23	12.93
MSCI World	3.60	8.25	7.08	16.70	12.02	7.91	12.20	7.57

## FUNDAMENTALS (APR 30, 2019)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.97	14.88	13.34	2.39
2.01	14.30	11.91	1.77
2.44	18.35	15.74	2.46

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

	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since May 31, 2002	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
		3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
World w. China Exposure	8.87	13.57	15.80	18.67	1.36	0.54	0.63	0.34	66.23	2008-05-19—2008-11-20
MSCI China	12.72	17.31	20.44	20.75	0.92	0.55	0.50	0.55	73.30	2007-10-30—2008-10-27
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

<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 China Exposure Index was launched on Feb 12, 2013. 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

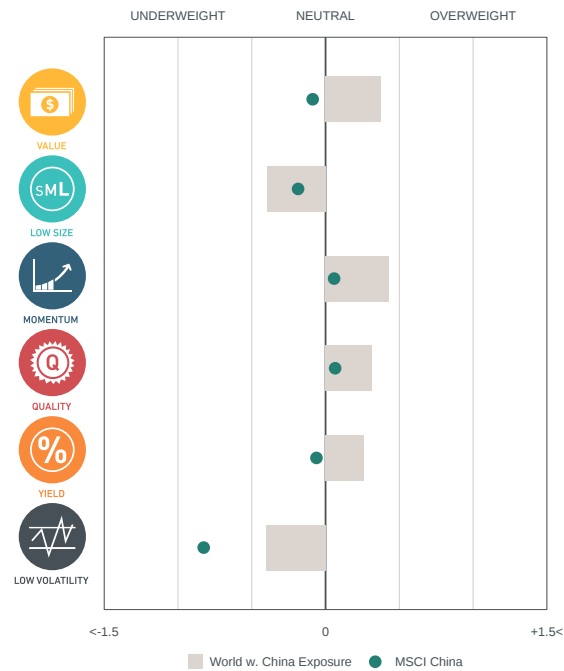
World w. China Exposure	
Number of Constituents	51
Mkt Cap ( USD Millions)	
Index	1,100,690.15
Largest	163,805.61
Smallest	1,534.07
Average	21,582.16
Median	7,019.45

## TOP 10 CONSTITUENTS

Country	Float Adj Mkt Cap ( USD Billions)	Index Wt. (%)	Sector
US	163.81	14.88	Info Tech
US	156.77	14.24	Info Tech
AU	94.48	8.58	Materials
US	76.21	6.92	Info Tech
GB	64.25	5.84	Materials
US	59.24	5.38	Info Tech
GB	55.68	5.06	Materials
JP	34.12	3.10	Info Tech
NL	30.41	2.76	Info Tech
HK	29.06	2.64	Utilities
<b>Total</b>	<b>764.01</b>	<b>69.41</b>	

## FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

### MSCI FACTOR BOX



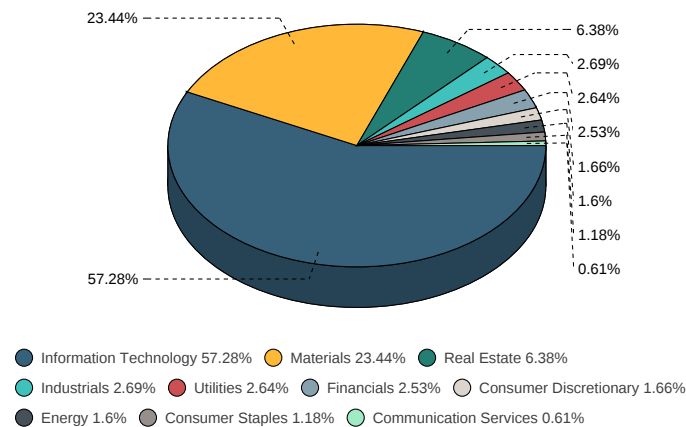
### MSCI FaCS

- 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

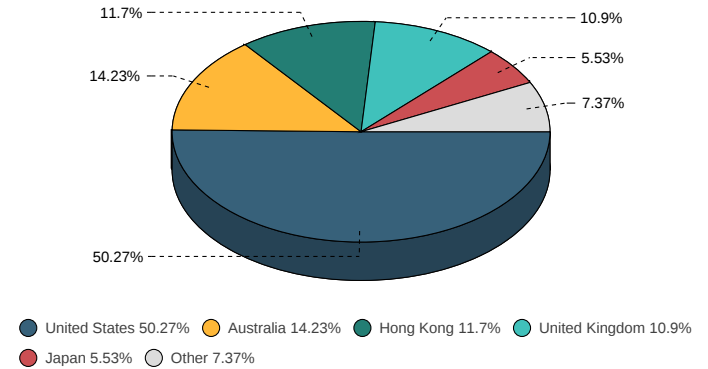
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

## SECTOR WEIGHTS



## COUNTRY WEIGHTS



## INDEX METHODOLOGY

The MSCI Economic Exposure Indexes include 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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