

# MSCI Kokusai Minimum Volatility (JPY) Index (JPY)

The **MSCI Kokusai Minimum Volatility (JPY) Index** aims to reflect the performance characteristics of a minimum variance strategy applied to the MSCI large and mid cap equity universe across 22 of 23 Developed Markets countries\* (excluding Japan). The index is calculated by optimizing the MSCI Kokusai Index, its parent index, in JPY, 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 Kokusai Index.

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

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



## ANNUAL PERFORMANCE (%)

Year	MSCI Kokusai Minimum Volatility (JPY)	MSCI Kokusai
2023	15.74	33.19
2022	3.99	-5.84
2021	30.02	38.34
2020	-0.39	10.80
2019	23.75	27.96
2018	-4.13	-10.19
2017	13.85	18.74
2016	5.01	5.38
2015	3.30	-0.88
2014	27.31	21.35
2013	45.12	54.83
2012	24.58	31.88
2011	1.48	-8.92
2010	-3.58	-2.43

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

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED				Since May 31, 1988
					3 Yr	5 Yr	10 Yr		
MSCI Kokusai Minimum Volatility (JPY)	4.12	12.76	25.85	12.76	17.63	14.02	12.48	10.74	
MSCI Kokusai	4.43	16.87	42.92	16.87	21.62	20.28	14.54	10.57	

## FUNDAMENTALS (MAR 29, 2024)

Div Yld (%)	P/E	P/E Fwd	P/BV
2.44	22.24	18.02	3.42
1.81	22.41	18.94	3.61

## INDEX RISK AND RETURN CHARACTERISTICS (NOV 30, 2001 – MAR 29, 2024)

	Beta	Tracking Error (%)	Turnover (%)	ANNUALIZED STD DEV (%)			SHARPE RATIO			Since Nov 30, 2001	MAXIMUM DRAWDOWN	
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr	(%)	Period YYYY-MM-DD	
MSCI Kokusai Minimum Volatility (JPY)	0.72	7.35	21.07	13.53	14.27	13.12	1.27	1.00	0.97	0.73	55.66	2007-07-19–2009-03-09
MSCI Kokusai	1.00	0.00	2.23	16.02	18.20	16.88	1.31	1.11	0.89	0.58	65.35	2007-07-13–2009-03-06

<sup>1</sup> Last 12 months <sup>2</sup> Based on monthly gross returns data <sup>3</sup> Based on JBA TIBOR 1M from Sep 1 2021 & on ICE LIBOR 1M prior that date

\* The Developed Markets countries in the index 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 Minimum Volatility (JPY) Index was launched on Mar 01, 2011. 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

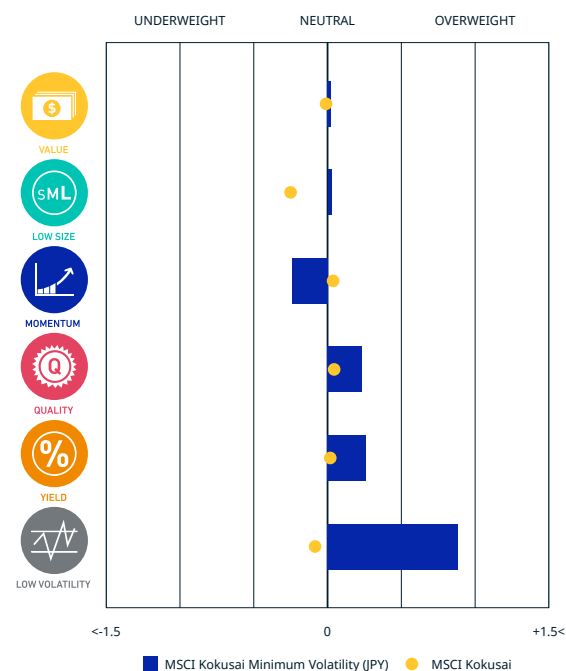
	MSCI Kokusai Minimum Volatility (JPY)	MSCI Kokusai
<b>Number of Constituents</b>	224	1,247
	<b>Weight (%)</b>	
<b>Largest</b>	1.73	4.87
<b>Smallest</b>	0.04	0.00
<b>Average</b>	0.45	0.08
<b>Median</b>	0.31	0.03

## TOP 10 CONSTITUENTS

	Country	Index Wt. (%)	Parent Index Wt. (%)	Sector
WASTE MANAGEMENT	US	1.73	0.14	Industrials
IBM CORP	US	1.72	0.29	Info Tech
BERKSHIRE HATHAWAY B	US	1.62	0.90	Financials
MERCK & CO	US	1.60	0.55	Health Care
MOTOROLA SOLUTIONS	US	1.49	0.10	Info Tech
ROPER TECHNOLOGIES	US	1.48	0.10	Info Tech
REPUBLIC SERVICES	US	1.46	0.07	Industrials
CISCO SYSTEMS	US	1.44	0.33	Info Tech
WASTE CONNECTIONS	US	1.43	0.07	Industrials
DEUTSCHE TELEKOM	DE	1.43	0.13	Comm Srvcs
<b>Total</b>		<b>15.40</b>	<b>2.68</b>	

## FACTORS - KEY EXPOSURES THAT DRIVE RISK AND RETURN

## MSCI FACTOR BOX



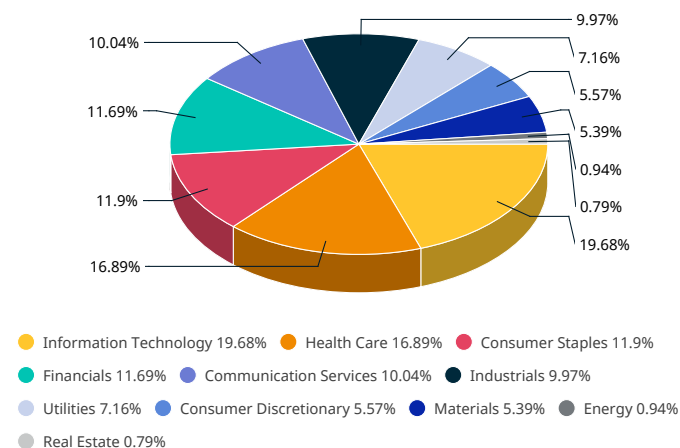
## MSCI FaCS

- 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

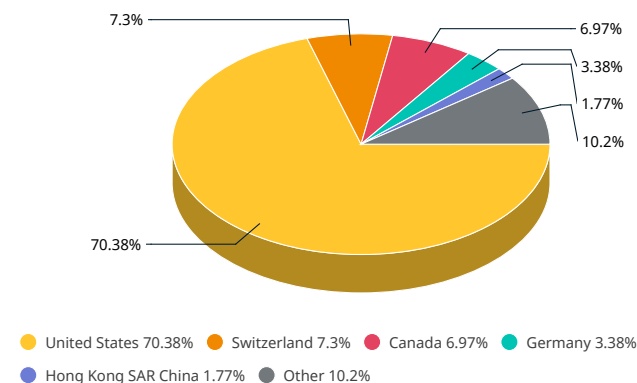
MSCI FaCS provides absolute factor exposures relative to a broad global index - MSCI ACWI IMI.

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

## SECTOR WEIGHTS



## COUNTRY WEIGHTS



## 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

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. To learn more, please visit [www.msci.com](http://www.msci.com).

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