

# MSCI USA HIGH DIVIDEND YIELD INDEX (USD)

The MSCI USA High Dividend Yield Index is based on the MSCI USA Index, its parent index, and includes large and mid cap stocks. The index is designed to reflect the performance of equities in the parent index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent. The index also applies quality screens and reviews 12-month past performance to omit stocks with potentially deteriorating fundamentals that could force them to cut or reduce dividends.

## CUMULATIVE INDEX PERFORMANCE - GROSS RETURNS (USD) (MAY 2002 – MAY 2017)



## ANNUAL PERFORMANCE (%)

Year	MSCI USA HDY	MSCI USA
2016	16.25	11.61
2015	0.71	1.32
2014	14.91	13.36
2013	28.88	32.61
2012	10.60	16.13
2011	14.28	1.99
2010	15.88	15.45
2009	18.39	27.14
2008	-27.61	-37.14
2007	-0.03	6.03
2006	21.06	15.32
2005	3.70	5.72
2004	11.83	10.71
2003	24.29	29.11

## INDEX PERFORMANCE — GROSS RETURNS (%) (MAY 31, 2017)

	1 Mo	3 Mo	1 Yr	YTD	ANNUALIZED			
					3 Yr	5 Yr	10 Yr	Since Dec 29, 2000
MSCI USA HDY	1.73	1.96	16.23	7.48	10.75	15.07	8.08	7.69
MSCI USA	1.36	2.60	17.59	8.85	9.98	15.34	6.99	5.84

## FUNDAMENTALS (MAY 31, 2017)

Div Yld (%)	P/E	P/E Fwd	P/BV
3.16	20.74	17.01	3.70
1.99	23.32	17.94	3.10

## INDEX RISK AND RETURN CHARACTERISTICS (DEC 29, 2000 – MAY 31, 2017)

	Beta	Tracking Error (%)	Turnover (%) <sup>1</sup>	ANNUALIZED STD DEV (%) <sup>2</sup>			SHARPE RATIO <sup>2,3</sup>			Since Dec 29, 2000	MAXIMUM DRAWDOWN (%)	Period YYYY-MM-DD
				3 Yr	5 Yr	10 Yr	3 Yr	5 Yr	10 Yr			
MSCI USA HDY	0.77	6.85	18.16	9.39	9.14	14.17	1.10	1.56	0.56	0.51	55.35	2007-10-09—2009-03-05
MSCI USA	1.00	0.00	2.42	10.45	9.69	15.28	0.93	1.50	0.46	0.35	54.91	2007-10-09—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

The MSCI USA High Dividend Yield Index was launched on Nov 22, 2007. 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.

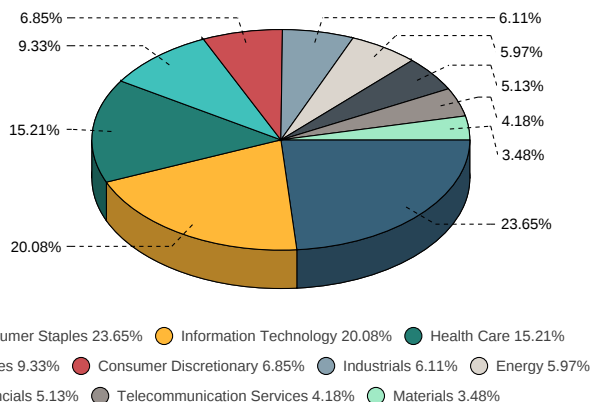
## INDEX CHARACTERISTICS

	MSCI USA HDY	MSCI USA
Number of Constituents	113	624
<b>Weight (%)</b>		
Largest	5.34	3.75
Smallest	0.09	0.01
Average	0.88	0.16
Median	0.43	0.07

## TOP 10 CONSTITUENTS

	Index Wt. (%)	Parent Index Wt. (%)	Sector
MICROSOFT CORP	5.34	2.38	Info Tech
JOHNSON & JOHNSON	5.11	1.61	Health Care
EXXON MOBIL CORP	4.36	1.54	Energy
AT&T	4.18	1.09	Telecom Srvcs
PROCTER & GAMBLE CO	3.98	1.04	Cons Staples
PFIZER	3.50	0.91	Health Care
COCA COLA (THE)	3.29	0.86	Cons Staples
PHILIP MORRIS INTL	3.28	0.86	Cons Staples
MERCK & CO	3.17	0.83	Health Care
INTEL CORP	3.02	0.79	Info Tech
<b>Total</b>	<b>39.23</b>	<b>11.90</b>	

## SECTOR WEIGHTS



## INDEX METHODOLOGY

Each MSCI High Dividend Yield Index targets companies with high dividend income and quality characteristics and includes companies that have higher than average dividend yields that are both sustainable and persistent. Index construction starts with a dividend screening process: only securities with a track record of consistent dividend payments and with the capacity to sustain dividend payouts into the future are eligible index constituents. Securities are also screened based on certain “quality” factors such as return on equity (ROE), earnings variability, debt to equity (D/E), and on recent 12-month price performance. The goal is to exclude stocks with potentially deteriorating fundamentals that could be forced to cut or reduce dividends. From the list of eligible companies, only those with higher than average dividend yields are selected for inclusion in the index. Issuer weights are capped at 5%. The index is market cap weighted and rebalanced semi-annually in May and November.

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