

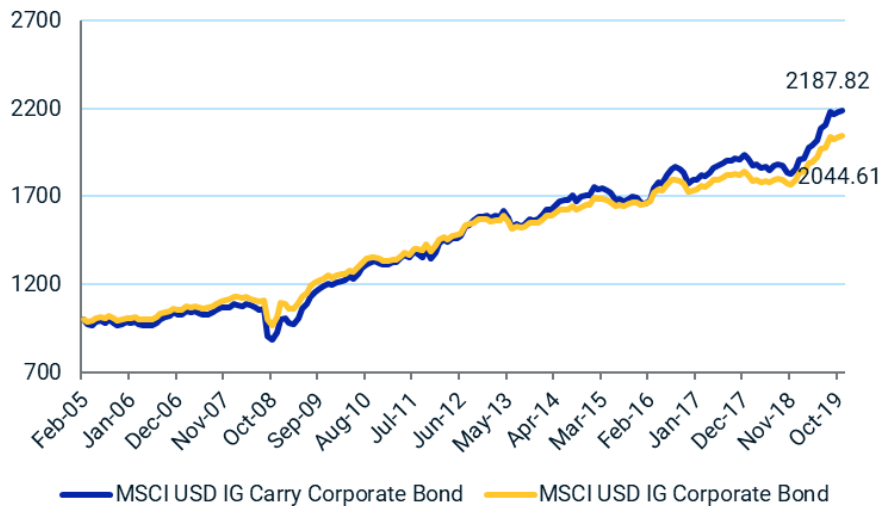
# MSCI USD IG Carry Corporate Bond Index

## The MSCI USD IG Carry Corporate Bond Index:

- is designed to represent the performance of companies that exhibit relatively higher carry characteristics within the USD IG Corporate bond universe.
- is categorized as a part of the MSCI Fixed Income Factor Indexes, which are designed to reflect the systematic elements of a particular investment styles or strategies.

## Cumulative index performance

USD RETURNS FEB 2005 – NOV 2019



## Annual performance (%)

YEAR	MSCI USD IG Carry High Exp Corp Bond	MSCI USD IG Corporate Bond
2018	-4.28	-2.42
2017	8.11	5.96
2016	7.37	4.96
2015	-2.24	0.05
2014	8.65	6.64
2013	-1.09	-1.20
2012	14.79	10.26
2011	5.45	6.60
2010	9.40	7.78
2009	19.90	12.92
2008	-6.67	-1.47
2007	4.42	5.38
2006	4.10	4.50

## Index performance

USD RETURNS (%) NOVEMBER 29, 2019

INDEX	1 Month	3 Months	1 Year	Year to Date	ANNUALIZED RETURN			
					3 Years	5 Years	10 Years	Since Feb 28, 2005
MSCI USD IG Carry Corporate Bond	0.40	0.33	19.82	18.02	7.19	5.07	6.15	5.45
MSCI USD IG Corporate Bond	0.23	0.20	15.61	13.96	5.80	4.35	5.06	4.97

## Index risk and return characteristics

NOVEMBER 29, 2019

INDEX	Tracking Error (%)	Turnover* (%)	ANNUALIZED STD. DEVIATION (%)			
			3 Years	5 Years	10 Years	Since Feb 28, 2005
MSCI USD IG Carry Corporate Bond	2.08	46.23	4.63	5.14	5.19	6.93
MSCI USD IG Corporate Bond	0.00	21.20	3.63	3.91	3.99	5.38

\*Last 12 months

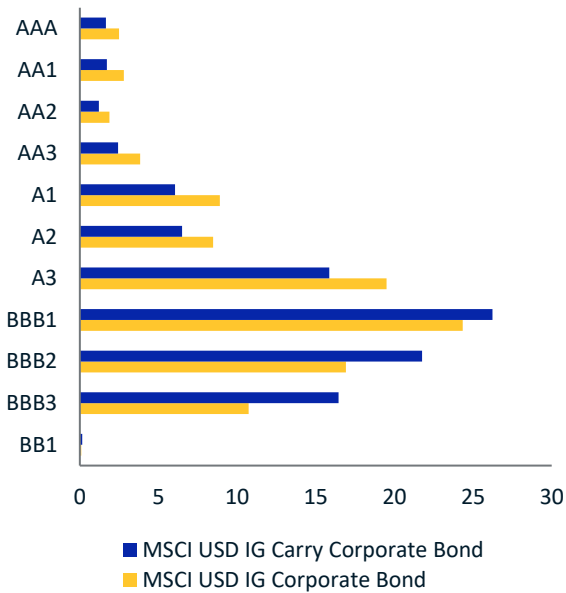
The MSCI USD IG Carry Corporate Bond Index was launched on Dec 16, 2019. Data prior to the launch date is back-tested data (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance – whether actual or back-tested – is no indication or guarantee of future performance.

## Index Profile

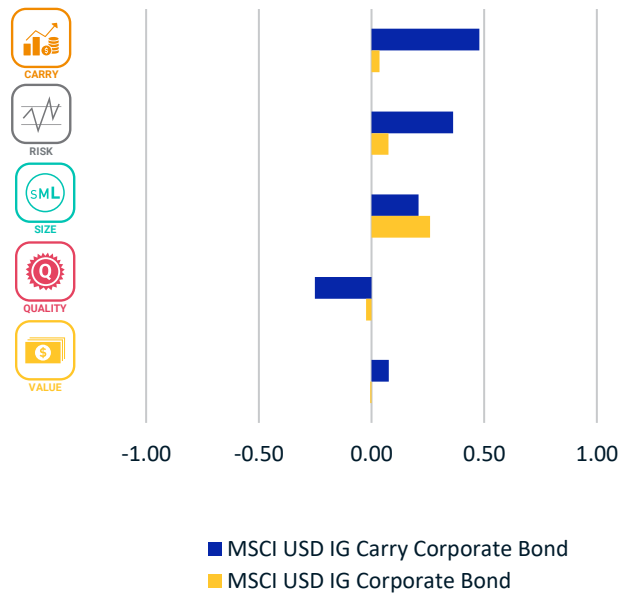
MATURITY	# of securities	# of issuers	Market Weight (%)	Coupon*	Price*	Yield to Worst	Effective Duration	Effective Convexity	OAS **(bps)	Weighted Credit Rating
0-3 years	505	229	11.24	3.18	101.74	2.18	1.77	0.04	50.52	A3
3-5 years	428	220	12.53	3.53	104.01	2.41	3.40	0.14	75.14	BBB1
5-7 years	337	195	13.17	3.69	105.52	2.65	5.17	0.32	92.33	BBB1
7-10 years	351	206	15.86	3.93	106.96	2.97	6.86	0.57	117.73	BBB1
10+ years	687	206	46.70	4.97	117.78	3.75	14.28	2.93	157.93	BBB1
<b>Aggregate</b>	<b>2308</b>	<b>403</b>	<b>100.00</b>	<b>4.20</b>	<b>110.44</b>	<b>3.08</b>	<b>8.94</b>	<b>1.50</b>	<b>141.94</b>	<b>BBB1</b>

\*Par Weighted  
\*\*Effective Duration Weighted

## Credit Rating Break Down



## Factor Exposures



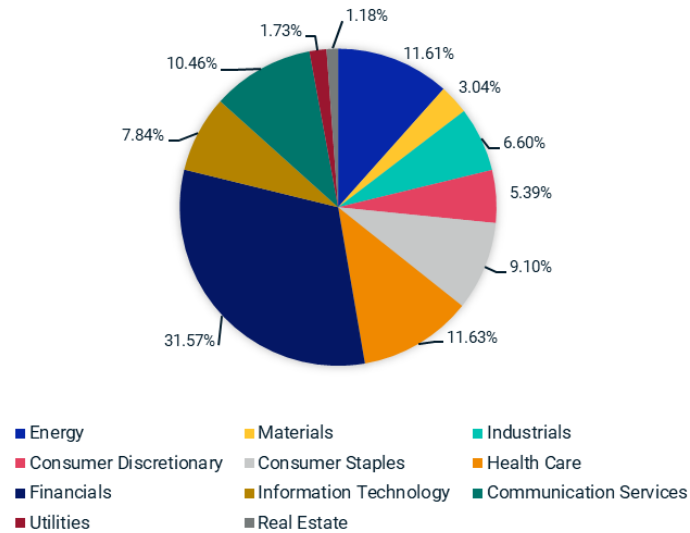
## Top 5 Securities

SECURITY NAME	Currency	Index Weight (%)	Parent Index Weight (%)	Sector	Security Credit Rating
GE CAPITAL INTERNATIONAL FUNDING COMPANY UNLIMITED CO 4.418% Sr Nts Due 2035	USD	0.80	0.34	Industrials	BBB1
ANHEUSER-BUSCH COMPANIES LLC 4.900% Sr Guar Ser C Nts due 2046	USD	0.51	0.32	Consumer Staples	BBB1
CVS HEALTH CORP 5.05% Sr Nts Due 2048	USD	0.50	0.26	Health Care	BBB2
GOLDMAN SACHS GROUP INC 6.75% Sub Nts Due 2037	USD	0.42	0.21	Financials	BBB3
CVS HEALTH CORP 4.30% Sr Nts Due 2028	USD	0.38	0.27	Health Care	BBB2

## Top 5 Issuers

Issuer Name	Index Weight (%)	Parent Index Weight (%)	Sector
AT&T INC	3.51	2.52	Communication Services
BANK OF AMERICA CORP	2.90	3.35	Financials
JPMORGAN CHASE & CO	2.63	3.35	Financials
GOLDMAN SACHS GROUP INC	2.52	2.49	Financials
CITIGROUP INC	2.21	2.25	Financials

## Sector Weights



## Index Methodology

The MSCI Fixed Income Carry Indexes are constructed by using the constituents of an underlying MSCI parent index with the aim of providing an opportunity set with sufficient liquidity and capacity. The Carry descriptor for each constituent is computed using bond level descriptor, namely OAS –Option Adjusted Spread. A Carry z-score for each constituent is computed by standardizing the Carry descriptor within the parent universe. The z-score is then winsorized at +/- 3.

The MSCI Fixed Income Carry Indexes are rebalanced on a quarterly basis, usually as of the close of the last business day of a month.

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