

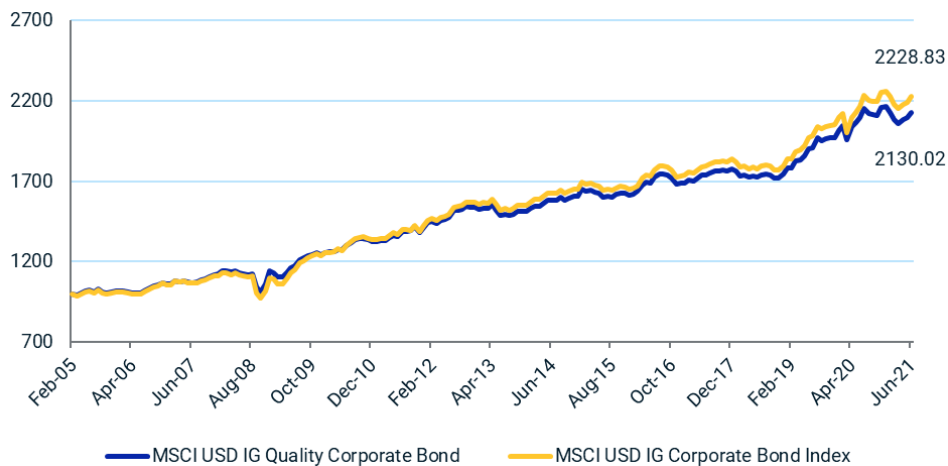
# MSCI USD IG Quality Corporate Bond Index

## The MSCI Fixed Income Quality Indexes:

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

## Cumulative index performance

USD RETURNS FEB 2005 – JUN 2021



## Annual performance (%)

Year	MSCI USD IG Quality Corporate Bond	MSCI USD IG Corporate Bond
2020	9.69	10.03
2019	13.12	14.41
2018	-1.95	-2.42
2017	5.50	5.96
2016	4.39	4.96
2015	0.43	0.05
2014	6.50	6.64
2013	-1.65	-1.20
2012	8.63	10.26
2011	6.60	6.60
2010	6.77	7.78
2009	8.68	12.92
2008	1.97	-1.47
2007	5.70	5.38
2006	4.36	4.50

## Index performance

USD RETURNS (%) JUNE 30, 2021

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 Quality Corporate Bond	1.66	3.54	1.71	-1.61	7.26	4.31	4.62	4.74
MSCI USD IG Corporate Bond	1.68	3.60	2.77	-1.32	7.82	4.73	4.99	5.03

## Index risk and return characteristics

JUNE 30, 2021

Index	Tracking Error (%)	Turnover* (%)	ANNUALIZED STD. DEVIATION (%)			
			3 Years	5 Years	10 Years	Since Feb 28, 2005
MSCI USD IG Quality Corporate Bond	0.50	58.71	5.73	4.93	4.47	5.11
MSCI USD IG Corporate Bond	-	40.22	6.40	5.44	4.86	5.65

\*Last 12 months

The MSCI USD IG Quality 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.

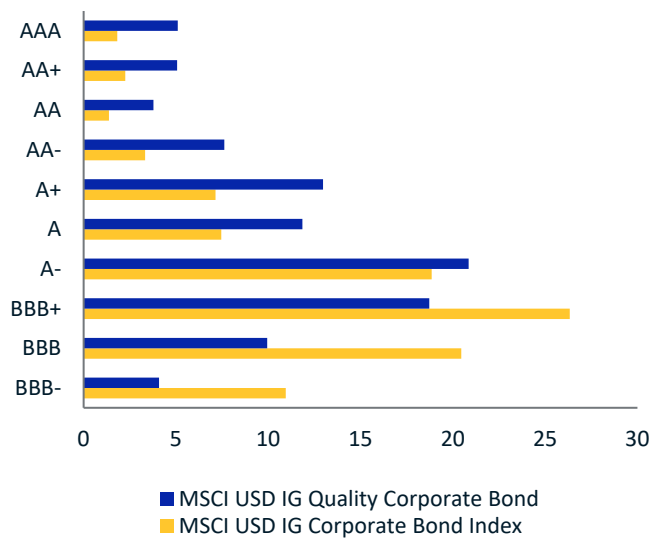
## Index Profile

Maturity	# of securities	# of issuers	Market Weight (%)	Coupon*	Price*	Yield to Worst	Effective Duration	Effective Convexity	OAS** (bps)	Weighted Credit Rating
0-3 Years	616	277	18.75	2.60	103.97	0.49	1.85	0.03	26.58	A
3-5 Years	601	290	18.46	2.74	106.30	1.04	3.69	0.16	40.22	A
5-7 Years	413	234	12.04	2.93	107.76	1.50	5.26	0.32	51.99	A
7-10 Years	512	284	14.74	3.17	108.26	2.03	7.47	0.66	67.71	A-
10+ Years	967	265	36.01	4.21	119.75	2.93	15.79	3.50	96.32	A
<b>Aggregate</b>	<b>3109</b>	<b>521</b>	<b>100.00</b>	<b>3.33</b>	<b>111.17</b>	<b>1.82</b>	<b>8.45</b>	<b>1.43</b>	<b>81.89</b>	<b>A</b>

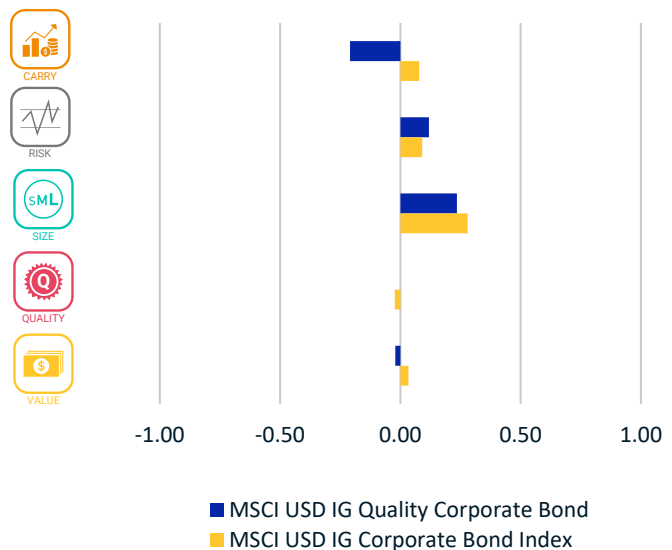
\* Par Weighted

\*\* Effective Duration Weighted

## Credit Rating Break Down



## Factor Exposures



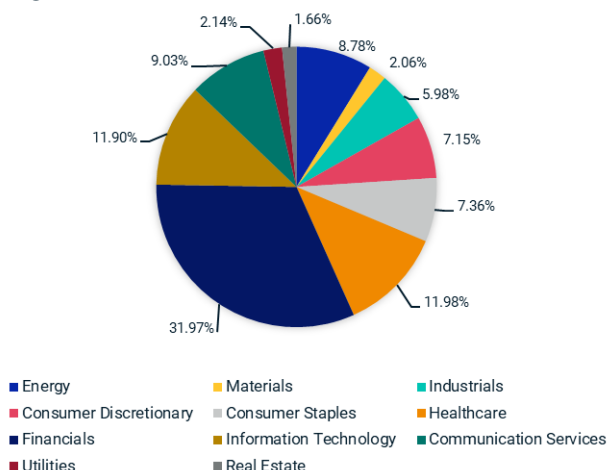
## Top 5 Securities

Security Name	Currency	Index Weight (%)	Parent Index Weight (%)	Sector	Security Credit Rating
MSFT 2.921 2052	USD	0.33	0.14	Information Technology	AAA
MSFT 2.525 2050	USD	0.30	0.13	Information Technology	AAA
AAPL 2.4 2023	USD	0.25	0.12	Information Technology	AA+
GE 4.418 2035	USD	0.25	0.29	Industrials	BBB+
AAPL 4.65 2046	USD	0.23	0.11	Information Technology	AA+

## Top 5 Issuers

Issuer Name	Index Weight (%)	Parent Index Weight (%)	Sector
APPLE INC	4.10	1.98	Information Technology
BANK OF AMERICA CORP	3.35	3.55	Financials
JPMORGAN CHASE & CO	3.05	3.22	Financials
COMCAST CORP	2.68	1.74	Communication Services
MICROSOFT CORP	2.58	1.10	Information Technology

## Sector Weights



## Index Methodology

The MSCI Fixed Income Quality 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 Quality descriptor for each constituent is computed using bond level descriptor, lower credit rating between S&P and Moody's. After calculating the Quality descriptor as numerical ratings, a z-score is derived by standardizing the quality descriptor within the parent universe. Further a sector relative z-score for each constituent is computed. The sector relative score is then winsorized at +/- 3.

The MSCI Fixed Income Quality Indexes are rebalanced on a quarterly basis, usually as of the close of the last business day of a month, coinciding with monthly Index Reviews of the MSCI Parent Index.

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