# STOXX® EUROPE 600 MONTHLY HEDGED INDEX

# **Index description**

A currency-hedged index represents returns for global index investment strategies that involve hedging currency risk, but not the underlying constituent risk. Market participants who employ a currency-hedged investment strategy are generally willing to forgo potential currency gains in exchange for a reduction in the risks associated with foreign exchange fluctuations. To achieve this, the index combines the performance of the underlying index (e.g. the STOXX Europe 600 Index) with a hypothetical, rolling investment into one-month foreign exchange forward contracts. By selling foreign exchange forward contracts, global investors are able to lock in current exchange forward rates and manage their currency risk. Profits (losses) from the forward contracts are offset by losses (profits) in the value of the currency, thereby negating exposure to the currency.

# **Key facts**

» Eliminates the risk of currency fluctuations at the cost of potential currency gains

# Risk and return figures<sup>1</sup>

Index returns	Return (%) Annualized return (							turn (%)		
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	зү	5Y
STOXX Europe 600 Monthly Hedged Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
STOXX Europe 600 Index	0.3	0.8	1.6	6.0	50.3	N/A	N/A	1.6	2.0	8.6
Index volatility and risk			P	nnualized vo	olatility (%)			Annu	alized Shar	pe ratio <sup>2</sup>
STOXX Europe 600 Monthly Hedged Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
STOXX Europe 600 Index	8.9	12.6	10.4	16.8	15.5	N/A	N/A	0.2	0.1	0.5
Index to benchmark				Co	rrelation				Tracking	error (%)
STOXX Europe 600 Monthly Hedged Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index to benchmark					Beta			Annualiz	zed informa	ition ratio
STOXX Europe 600 Monthly Hedged Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

# Performance and annual returns<sup>3</sup>





- $^{\mathrm{1}}$  For information on data calculation, please refer to STOXX <u>calculation reference guide</u>.
- <sup>2</sup> Based on EURIBOR1M

<sup>3</sup> STOXX data from Jan. 02, 2001 to Oct. 17, 2016

(EUR, gross return), all data as of May 31, 2018



# STOXX® EUROPE 600 MONTHLY HEDGED INDEX

# Methodology

The currency-hedged methodology follows a standard portfolio approach when hedging currency risk by writing currency forwards. The detailed methodology, including calculation formula and full requirements, can be found in our rulebook: www.stoxx.com/indices/rulebooks.html

#### **Quick facts**

Weighting	Free-float market cap		
Cap factor	20%		
No. of components	Same as the underlying index		
Review frequency	Quarterly (March, June, September, December)		

To learn more about the inception date, the currency, the calculation hours and historical values, please see our data vendor code sheet.

#### **Versions and symbols**

Index	ISIN	Symbol	Bloomberg	Reuters	
Gross Return CAD	CH0148455634	SXXHCG	SXXHCG INDEX		
Gross Return CAD	CH0148455634	SXXHCG	SXXHCG INDEX		
Gross Return EUR	CH0148455667	SXXHEG	SXXHEG INDEX		
Gross Return EUR	CH0148455667	SXXHEG	SXXHEG INDEX		
Gross Return GBP	CH0148455576	SXXHGG	SXXHGG INDEX		
Gross Return GBP	CH0148455576	SXXHGG	SXXHGG INDEX		
Gross Return JPY	CH0148435545	SXXHJG	SXXHJG INDEX		
Gross Return JPY	CH0148435545	SXXHJG	SXXHJG INDEX		
Gross Return USD	CH0148455592	SXXHUG	SXXHUG INDEX		
Gross Return USD	CH0148455592	SXXHUG	SXXHUG INDEX		

Complete list available here: www.stoxx.com/data/vendor\_codes.html

#### **CONTACT DETAILS**

STOXX customer support | P +41 43 430 7272 | customersupport@stoxx.com | https://qontigo.com/support/

#### DISCI AIMER

STOXX, Deutsche Börse Group and their licensors, research partners or data providers do not make any warranties or representations, express or implied, with respect to the timeliness, sequence, accuracy, completeness, currentness, merchantability, quality or fitness for any particular purpose of its index data and exclude any liability in connection therewith. STOXX, Deutsche Börse Group and their licensors, research partners or data providers are not providing investment advice through the publication of indices or in connection therewith. In particular, the inclusion of a company in an index, its weighting, or the exclusion of a company from an index, does not in any way reflect an opinion of STOXX, Deutsche Börse Group or their licensors, research partners or data providers on the merits of that company. Financial instruments based on the STOXXX® indices, DAXX® indices or on any other indices supported by STOXX are in no way sponsored, endorsed, sold or promoted by STOXX, Deutsche Börse Group or their licensors, research partners or data providers.

# BACKTESTED PERFORMANCE

This document contains index performance data based on backtesting, i.e. calculations of how the index might have performed prior to launch if it had existed using the same index methodology and based on historical constituents. Backtested performance information is purely hypothetical and is provided in this document solely for information purposes. Backtested performance does not represent actual performance and should not be interpreted as an indication of actual performance.

#### CUSTOMIZATION

The index can be used as a basis for the definition of STOXX® Customized Indices, which can be tailored to specific client or mandate needs. STOXX offers a wide range of customization, in terms of component selection, weighting schemes and personalized calculation methodologies.

HEDGED INDICES