

ISTOXX® EUROPE SIZE FACTOR INDEX

Index description

The iSTOXX Europe Factors Indices offer investors a straightforward and intuitive tool to extract factor risk premia on equities while controlling risks and keeping their focus on tradability. The selection and weighting are based on SunGard APT Risk model which uses a set of constraints to minimize risk and maximize factor exposure.

These indices differ from each other by the factor or risk premia they are exploiting. The index family contains indices based on the following single factors: carry, low risk, momentum, quality, size and value. Additional multi-factor indices gather all stocks with a high overall tilt to single factors.

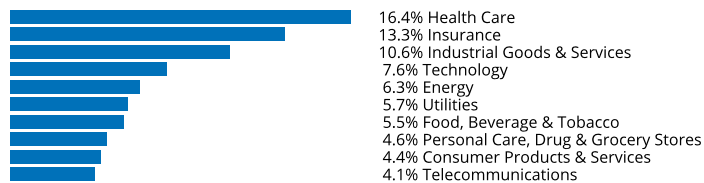
Key facts

- » Range of 6 different single factors indices
- » Multi-factor approach to gather highest exposure from each dimension
- » Selection and weighting based on an optimizer
- » Monthly rebalancing to allow for updates required by the changes in the market
- » Set of constraints to minimize risk and maximize factor exposure

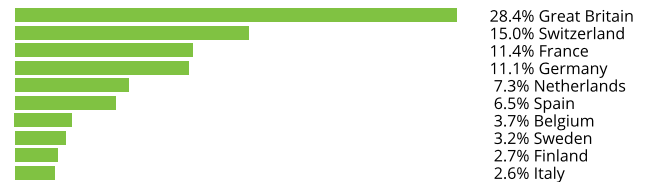
Descriptive statistics

Index	Market cap (EUR bn.)		Components (EUR bn.)				Component weight (%)		Turnover (%)
	Full	Free-float	Mean	Median	Largest	Smallest	Largest	Smallest	Last 12 months
iSTOXX Europe Size Factor Index	N/A	101.8	0.8	0.7	3.7	0.2	3.6	0.2	1.7
STOXX Europe Total Market Index	14,568.5	10,935.2	5.8	0.9	298.6	0.0	2.7	0.0	2.8

Supersector weighting (top 10)



Country weighting



Risk and return figures¹

Index returns	Return (%)					Annualized return (%)				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
iSTOXX Europe Size Factor Index	2.8	8.7	0.2	33.5	14.9	N/A	N/A	0.2	10.2	2.9
STOXX Europe Total Market Index	2.2	13.5	10.4	44.3	38.5	N/A	N/A	10.5	13.2	6.8
Index volatility and risk	Annualized volatility (%)					Annualized Sharpe ratio ²				
iSTOXX Europe Size Factor Index	12.8	12.1	14.4	15.3	17.1	N/A	N/A	-0.1	0.6	0.2
STOXX Europe Total Market Index	12.9	12.4	14.2	15.7	18.0	N/A	N/A	0.6	0.7	0.4
Index to benchmark	Correlation					Tracking error (%)				
iSTOXX Europe Size Factor Index	0.9	0.9	0.9	0.9	1.0	6.8	4.3	5.0	5.0	5.3
Index to benchmark	Beta					Annualized information ratio				
iSTOXX Europe Size Factor Index	0.9	0.9	1.0	0.9	0.9	1.0	-1.8	-2.0	-0.6	-0.8

¹ For information on data calculation, please refer to [STOXX calculation reference guide](#).

² Based on EURIBOR1M

(EUR, gross return), all data as of Jul. 31, 2023

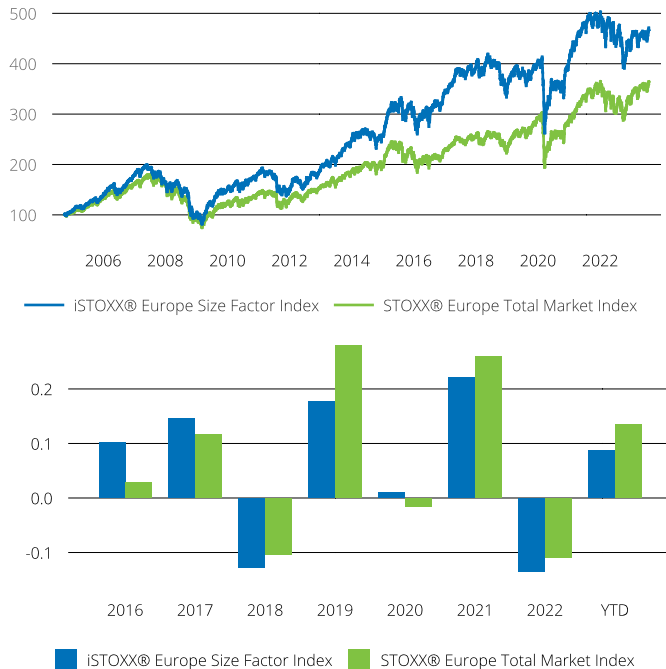
ISTOXX INDICES

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Fundamentals (for last 12 months)

Index	Price/earnings incl. negative		Price/earnings excl. negative		Price/ book	Dividend yield (%) ³	Price/ sales	Price/ cash flow
	Trailing	Projected	Trailing	Projected	Trailing	Trailing	Trailing	Trailing
iSTOXX Europe Size Factor Index	-4.2	18.4	12.3	11.8	1.5	3.3	0.4	9.2
STOXX Europe Total Market Index	20.0	13.5	14.0	13.1	1.9	3.5	1.1	5.9

Performance and annual returns⁴



Methodology

Components are selected from the STOXX Europe Total Market Index following an optimization based factor exposure and a set of constraints. Each factor, as input for the index optimization, consists of several base or sub-factors. Those sub-factors consist of different ratios calculated from base data (balance sheet, income statement, price or estimates for instance) or from other sub-factors. Those are grouped by topic or style and each group combined creates the final factor. The multi-factor derives its final factor value from the composite of all single factors of the index family. The detailed methodology including the calculation formula can be found in our rulebook (<http://www.stoxx.com/indices/rulebooks.html>), while details regarding the optimization process can be found in the SunGard APT Modeling Guide (<http://empower.fisglobal.com/rs/134-VDF-014/images/APT-Modelling-Guide.pdf>)

Versions and symbols

Index	ISIN	Symbol	Bloomberg	Reuters
Gross Return EUR	CH0316370326	ISEZFEGR		.ISEZFEGR
Gross Return EUR	CH0316370326	ISEZFEGR		.ISEZFEGR
Net Return EUR	CH0316370318	ISEZFER	ISEZFER INDEX	.ISEZFER
Net Return EUR	CH0316370318	ISEZFER	ISEZFER INDEX	.ISEZFER
Net Return EUR	CH0316370318	ISEZFER	ISEZFER INDEX	.ISEZFER
Price EUR	CH0316370300	ISEZFEP		.ISEZFEP
Price EUR	CH0316370300	ISEZFEP		.ISEZFEP
Price EUR	CH0316370300	ISEZFEP		.ISEZFEP
Price EUR	CH0316370300	ISEZFEP		.ISEZFEP

Complete list available here: www.stoxx.com/data/vendor_codes.html

Quick facts

Weighting	Optimizer: maximize the index factor exposure under a set of
Cap factor	10% on a component level
No. of components	Variable
Review frequency	Monthly
Calculation/distribution	Price, Net Return and Gross Return (EUR): realtime (every 15)
Calculation hours	Realtime: 09:00 CET 18:00 CET
Base value/base date	100 as of Apr. 4, 2016
History	Available daily back to Oct. 1, 2004
Inception date	Apr. 4, 2016
To learn more about the inception date, the currency, the calculation hours and historical values, please see our data vendor code sheet.	

CONTACT DETAILS

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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 customization in almost unlimited forms for example in terms of component selection, weighting schemes and personalized calculation methodologies.

³ gr. div. yield is calculated as gr. return index return minus price index return

⁴ STOXX data from Oct. 01, 2004 to Jul. 31, 2023

(EUR, gross return), all data as of Jul. 31, 2023

