FACTOR AND STRATEGY

STOXX® GLOBAL 1800 AX MULTI-FACTOR INDEX

Index description

STOXX single and multi-factor indices aim to harvest the risk premia of several academically validated style factors - Value, Momentum, Quality, Size and Low Risk. At the same time the rules ensure tradability and diversification as well as limit untargeted systematic exposures.

STOXX uses Axioma's risk model and optimizer to construct the factor indices. The STOXX single and multi-factor indices are based on the respective STOXX country or regional benchmark indices.
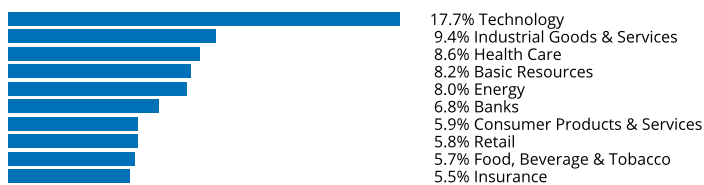
Key facts

»Invest in targeted factor exposures with managed liquidity and risk profiles across various regions

»Use of Axioma's factor risk models and portfolio construction expertise to define the factors based on extensive validation from research and having a clear economic rationale

»Factor family consists of 5 single factor indices (Value, Momentum, Quality, Low Risk, and Size) and one multi-factor index

»Same index construction rules applied across the factor family

»Single factor indices maximize the target factor while constraining the exposure to other factors

»Multi-factor index employs a bottom-up approach by maximizing the exposure to an equally weighted aggregated multi-factor score

»Ensures tradability by managing turnover and exposure to illiquid positions

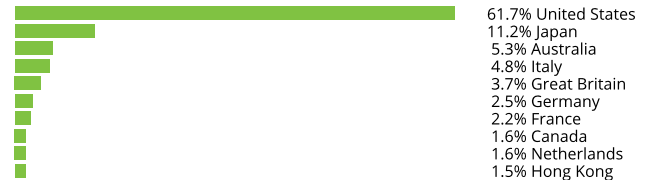»Ensures diversification using country and industry controls

Descriptive statistics

Index	Market cap (USD bn.)		Components (USD bn.)				Component weight (%)		Turnover (%)
	Full	Free-float	Mean	Median	Largest	Smallest	Largest	Smallest	Last 12 months
STOXX Global 1800 Ax Multi-Factor Index	N/A	113.9	0.6	0.4	6.5	0.0	5.7	0.0	49.9
STOXX Global 1800 Index	64,926.4	58,870.1	32.7	11.6	2,940.1	1.4	5.0	0.0	2.7

Supersector weighting (top 10)

17.7% Technology
9.4% Industrial Goods & Services
8.6% Health Care
8.2% Basic Resources
8.0% Energy
6.8% Banks
5.9% Consumer Products & Services
5.8% Retail
5.7% Food, Beverage & Tobacco
5.5% Insurance

Country weighting

61.7% United States
11.2% Japan
5.3% Australia
4.8% Italy
3.7% Great Britain
2.5% Germany
2.2% France
1.6% Canada
1.6% Netherlands
1.5% Hong Kong

Risk and return figures[1]

Index returns						Return (%)			Annualized return (%)	
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
STOXX Global 1800 Ax Multi-Factor Index	2.9	12.8	12.5	42.4	53.3	N/A	N/A	12.5	12.6	9.0
STOXX Global 1800 Index	3.3	18.8	14.0	39.2	56.6	N/A	N/A	14.2	11.8	9.5
Index volatility and risk				Annualized volatility (%)				Annualized Sharpe ratio[2]		
STOXX Global 1800 Ax Multi-Factor Index	8.6	11.1	14.4	14.6	16.5	N/A	N/A	0.7	0.8	0.5
STOXX Global 1800 Index	9.3	11.6	16.1	15.6	18.2	N/A	N/A	0.8	0.7	0.5
Index to benchmark				Correlation				Tracking error (%)		
STOXX Global 1800 Ax Multi-Factor Index	0.9	0.9	0.9	0.9	1.0	4.3	5.1	5.2	5.4	5.4
Index to benchmark				Beta				Annualized information ratio		
STOXX Global 1800 Ax Multi-Factor Index	0.8	0.9	0.9	0.9	0.9	-1.1	-1.9	-0.4	0.0	-0.2

[1] For information on data calculation, please refer to STOXX calculation reference guide.
[2] Based on EURIBOR1M

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

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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
STOXX Global 1800 Ax Multi-Factor Index	11.3	12.3	11.1	12.3	1.7	3.1	0.9	9.3
STOXX Global 1800 Index	22.5	18.7	20.1	18.4	0.1	2.5	2.0	9.8

Performance and annual returns[4]

— STOXX® Global 1800 Ax Multi-Factor Index — STOXX® Global 1800 Index

■ STOXX® Global 1800 Ax Multi-Factor Index ■ STOXX® Global 1800 Index
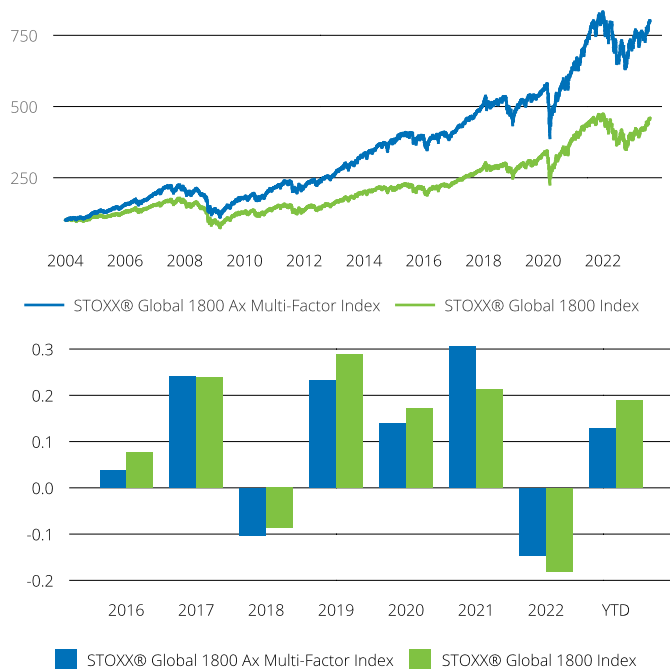
Methodology

Bringing together the powerful indexing and analytics capabilities of Qontigo, the STOXX Factor Index suite delivers more clarity to the market for factor investors by relying on the institutionally tested analytics of Axioma Factor Risk Models and advanced portfolio construction techniques. The use of Axioma's risk models ensures strong exposure to the respective target factor (Value, Momentum, Quality, Low Risk, Size, Multi-Factor) while allowing for ease of control over unintended exposures. The inclusion of constraints targets benchmark tracking with industry and country controls, and ensures tradability by limiting exposure to less liquid names and turnover while controlling for effective number of names and weights.

Versions and symbols

Index		ISIN	Symbol	Bloomberg	Reuters
Gross Return	EUR	CH0512260420	SAW1MFGR		.SAW1MFGR
Net Return	EUR	CH0512260826	SAW1MFR		.SAW1MFR
Price	EUR	CH0512260727	SAW1MFP		.SAW1MFP
Gross Return	USD	CH0512260651	SAW1MFGV	SAW1MFGV INDEX	.SAW1MFGV
Net Return	USD	CH0512260800	SAW1MFV		.SAW1MFV
Price	USD	CH0512260479	SAW1MFL		.SAW1MFL

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

Quick facts

Weighting	Optimization
Cap factor	4.5% / min (20x parent index weight, 8%) / 35%
No. of components	Variable
Review frequency	Quaterly
Calculation/distribution	dayend
Calculation hours	22:15:00 22:15:00
Base value/base date	100 as of Mar. 19, 2012
History	Dec. 31, 2002
Inception date	Jan. 24, 2020

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 Jan. 02, 2004 to Jul. 31, 2023

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

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Top 10 Components[5]

Company	Supersector	Country	Weight (%)
Exxon Mobil Corp.	Energy	United States	5.73
Costco Wholesale Corp.	Retail	United States	3.65
REGENERON PHARMS.	Health Care	United States	2.74
SYNOPSYS	Technology	United States	2.36
CADENCE DESIGN SYS.	Technology	United States	2.18
Vertex Pharmaceuticals Inc.	Health Care	United States	2.08
McKesson Corp.	Personal Care, Drug & Grocery Stores	United States	1.89
UNICREDIT	Banks	Italy	1.68
STELLANTIS	Automobiles & Parts	Italy	1.65
OLD DOMINION FGT. LINES	Industrial Goods & Services	United States	1.49

[5] Based on the composition as of Jul. 31, 2023