

# ISTOXX® USA VALUE FACTOR INDEX

## Index description

The iSTOXX® USA Single & Multi-factor indices offer investors a straightforward and intuitive tool to extract factor risk premia on equities while controlling risks and keeping focus on tradability. The selection and weighting are based on the 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 premium they are exploiting. The index family contains indices based on the following single factors: carry, low risk, momentum, quality, size and value. An additional multi-factor index gathers stocks with a high overall tilt to all single factors.

## Key facts

- » Range of six different single-factor indices
- » Multi-factor approach to gather highest exposure from each dimension
- » Selection and weighting based on optimizer
- » Monthly rebalancing to be more reactive to the market
- » Set of constraints to minimize risk and maximize factor exposure

## 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 |
| iSTOXX USA Value Factor Index | N/A                  | 109.4      | 1.3                  | 1.2    | 6.6     | 0.2      | 6.0                  | 0.2      | 0.0            |
| STOXX USA 900 Index           | 39,797.1             | 38,159.3   | 42.4                 | 13.2   | 2,655.1 | 1.9      | 7.0                  | 0.0      | 3.1            |

## Supersector weighting (top 10)



## Country weighting



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

| Index returns                 | Return (%)                |      |      |      |      | Annualized return (%)                |      |      |      |      |
|-------------------------------|---------------------------|------|------|------|------|--------------------------------------|------|------|------|------|
|                               | Last month                | YTD  | 1Y   | 3Y   | 5Y   | Last month                           | YTD  | 1Y   | 3Y   | 5Y   |
| iSTOXX USA Value Factor Index | -2.1                      | 2.6  | -5.0 | 38.1 | 39.7 | N/A                                  | N/A  | -5.0 | 11.5 | 7.0  |
| STOXX USA 900 Index           | 0.4                       | 9.1  | 2.6  | 40.5 | 64.2 | N/A                                  | N/A  | 2.6  | 12.1 | 10.6 |
| Index volatility and risk     | Annualized volatility (%) |      |      |      |      | Annualized Sharpe ratio <sup>2</sup> |      |      |      |      |
| iSTOXX USA Value Factor Index | 15.2                      | 16.5 | 22.2 | 19.1 | 22.5 | N/A                                  | N/A  | -0.3 | 0.6  | 0.3  |
| STOXX USA 900 Index           | 13.0                      | 15.4 | 21.4 | 19.3 | 22.2 | N/A                                  | N/A  | 0.0  | 0.6  | 0.5  |
| Index to benchmark            | Correlation               |      |      |      |      | Tracking error (%)                   |      |      |      |      |
| iSTOXX USA Value Factor Index | 0.9                       | 1.0  | 1.0  | 1.0  | 1.0  | 5.6                                  | 4.7  | 4.9  | 5.0  | 5.2  |
| Index to benchmark            | Beta                      |      |      |      |      | Annualized information ratio         |      |      |      |      |
| iSTOXX USA Value Factor Index | 1.1                       | 1.0  | 1.0  | 1.0  | 1.0  | -5.1                                 | -3.2 | -1.6 | -0.1 | -0.6 |

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

<sup>2</sup> Based on EURIBOR1M

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

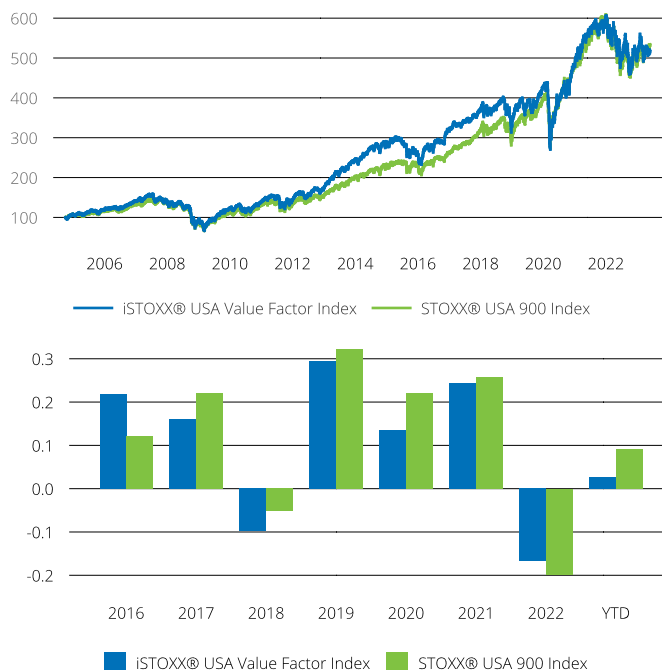
# ISTOXX INDICES

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### Fundamentals (for last 12 months)

| Index                         | Price/earnings<br>incl. negative |           | Price/earnings<br>excl. negative |           | Price/<br>book | Dividend<br>yield (%) <sup>3</sup> | Price/<br>sales | Price/<br>cash flow |
|-------------------------------|----------------------------------|-----------|----------------------------------|-----------|----------------|------------------------------------|-----------------|---------------------|
|                               | Trailing                         | Projected | Trailing                         | Projected | Trailing       | Trailing                           | Trailing        | Trailing            |
| iSTOXX USA Value Factor Index | 19.9                             | 10.7      | 12.4                             | 10.2      | 2.2            | 2.5                                | 1.0             | 3.0                 |
| STOXX USA 900 Index           | 27.7                             | 19.3      | 21.2                             | 18.8      | 0.1            | 1.7                                | 2.2             | 17.0                |

### Performance and annual returns<sup>4</sup>



### Methodology

Components are selected from the STOXX® USA 900 Index according to optimization-based factor expo-sure and a set of constraints. Each factor, as input for the index optimization, consists of several base or sub-factors. These sub-factors consist of different ratios calculated from base data (e.g. balance sheet, income statement or price) or from other sub-factors. Sub-factors are then grouped by topic or style; each group combined creates the final factor.

The multi-factor index derives a company's final factor score from its composite score across 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 USD | CH0384293319 | ISUVFUGR |           | .ISUVFUGR |

Complete list available here: [www.stoxx.com/data/vendor\\_codes.html](http://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   |
| Base value/base date | 100 as of Apr. 01, 2016                                       |
| Inception date       | Nov. 22, 2017   |

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.

<sup>3</sup> gr. div. yield is calculated as gr. return index return minus price index return

<sup>4</sup> STOXX data from Oct. 01, 2004 to May 31, 2023

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

## ISTOXX® USA VALUE FACTOR INDEX

Top 10 Components<sup>5</sup>

| <b>Company</b>              | <b>Supersector</b> | <b>Country</b> | <b>Weight (%)</b> |
|-----------------------------|--------------------|----------------|-------------------|
| Apple Inc.                  | Technology         | United States  | 6.03              |
| Microsoft Corp.             | Technology         | United States  | 5.39              |
| ABBVIE                      | Health Care        | United States  | 2.06              |
| Pfizer Inc.                 | Health Care        | United States  | 1.90              |
| Qualcomm Inc.               | Technology         | United States  | 1.82              |
| Verizon Communications Inc. | Telecommunications | United States  | 1.72              |
| Micron Technology Inc.      | Technology         | United States  | 1.72              |
| Bristol-Myers Squibb Co.    | Health Care        | United States  | 1.66              |
| Amazon.com Inc.             | Retail             | United States  | 1.65              |
| Akamai Technologies Inc.    | Technology         | United States  | 1.64              |

<sup>5</sup> Based on the composition as of May 31, 2023

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