STOXX® GLOBAL 1800 EX AUSTRALIA MINIMUM VARIANCE INDEX

Index description

The STOXX Global 1800 ex Australia Minimum Variance index weights the components of the underlying STOXX Global 1800 ex Australia index so that portfolio variance is minimized. STOXX uses Axioma's factor model for the optimization process. The constrained version creates a portfolio similar to the underlying benchmark index, but with a more attractive risk profile. This is achieved by applying a range of factors, country and industry exposure constraints to ensure that components have no high allocation bias.

Key facts

»Minimized volatility is suitable for risk-averse investors. At the same time, the return of the index is higher than the benchmark.

»Suitable as a liquid underlying for ETFs and structured products. It is easy to replicate as it has fewer components than the underlying Index. It also has predictable rebalancing dates and is optimized to allow tracking (low turnover, transaction costs analysis, etc.).
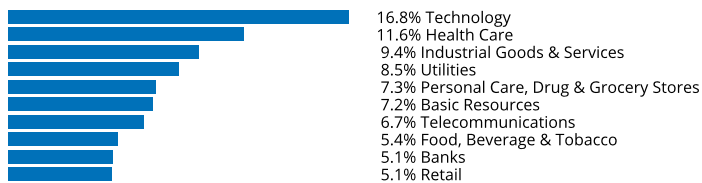
»Capping constraints are applied in accordance with the Undertakings for Collective Investment in Transferable Securities (UCITS) directive to ensure that funds can easily track the index.

»Constraints on diversification and security, country, industry and factor exposure are applied.
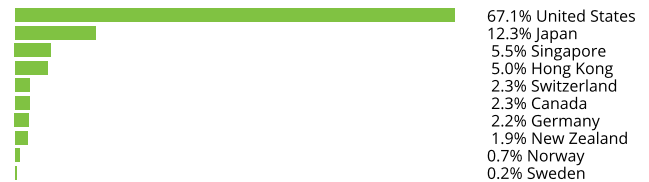
Descriptive statistics

Index	Market cap (AUD bn.)			Components (AUD bn.)				Component weight (%)		Turnover (%)
	Full	Free-float	Mean	Median	Largest	Smallest		Largest	Smallest	Last 12 months
STOXX Global 1800 ex Australia Minimum Variance Index	N/A	163.3	1.1	0.6	7.7	0.0		4.7	0.0	30.3
	N/A	N/A	N/A	N/A	N/A	N/A		N/A	N/A	N/A

Supersector weighting (top 10)

16.8% Technology
11.6% Health Care
9.4% Industrial Goods & Services
8.5% Utilities
7.3% Personal Care, Drug & Grocery Stores
7.2% Basic Resources
6.7% Telecommunications
5.4% Food, Beverage & Tobacco
5.1% Banks
5.1% Retail

Country weighting

67.1% United States
12.3% Japan
5.5% Singapore
5.0% Hong Kong
2.3% Switzerland
2.3% Canada
2.2% Germany
1.9% New Zealand
0.7% Norway
0.2% Sweden

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 ex Australia Minimum Variance Index	-3.1	1.9	4.8	22.1	35.1	N/A	N/A	4.8	6.9	6.3
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index volatility and risk				Annualized volatility (%)				Annualized Sharpe ratio[2]		
STOXX Global 1800 ex Australia Minimum Variance Index	7.8	11.2	13.1	12.1	13.9	N/A	N/A	0.2	0.5	0.4
	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Index to benchmark				Correlation				Tracking error (%)		
STOXX Global 1800 ex Australia Minimum Variance 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				Annualized information ratio		
STOXX Global 1800 ex Australia Minimum Variance Index	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

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

(AUD, price), all data as of May 31, 2023

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MINIMUM VARIANCE
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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 ex Australia Minimum Variance Index	16.5	15.6	16.2	15.4	2.1	2.2	1.3	22.1
null	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

Performance and annual returns[4]

— STOXX® Global 1800 ex Australia Minimum Variance Index —

■ STOXX® Global 1800 ex Australia Minimum Variance Index ■
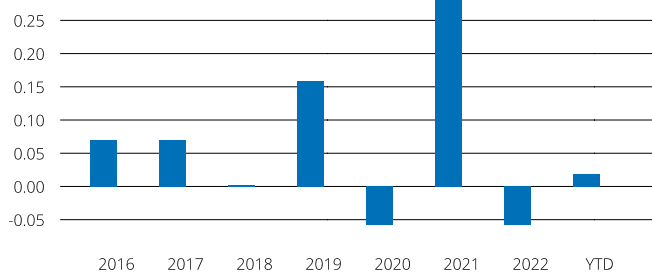
Methodology

On the basis of the underlying index, a covariance matrix is set up by determining the correlation between each component and specific factors. Using Axioma's factor model, the variance-covariance structure of the components is determined, which is then minimized with respect to applicable constraints. The constraints applied cover capping, effective number of assets, rebalancing and turnover, country/industry exposure and other factor exposures, such as growth, value, short-/mid-term momentum, leverage, etc. The full list of factors including the requirements to be met can be accessed in our Index rulebook: http://www.stoxx.com/indices/rulebooks.html

Versions and symbols

Index		ISIN	Symbol	Bloomberg	Reuters
Gross Return	AUD	CH0225161626	SGAAMVG	SGAAMVG INDEX	.SGAAMVG
Gross Return	AUD	CH0225161626	SGAAMVG	SGAAMVG INDEX	.SGAAMVG
Net Return	AUD	CH0225161634	SGAAMVN	SGAAMVN INDEX	.SGAAMVN
Net Return	AUD	CH0225161634	SGAAMVN	SGAAMVN INDEX	.SGAAMVN
Price	AUD	CH0225161642	SGAAMVP		.SGAAMVP
Price	AUD	CH0225161642	SGAAMVP		.SGAAMVP
Gross Return	EUR	CH0225161550	SGAEMVG		.SGAEMVG
Gross Return	EUR	CH0225161550	SGAEMVG		.SGAEMVG
Net Return	EUR	CH0225161576	SGAEMVN		.SGAEMVN
Net Return	EUR	CH0225161576	SGAEMVN		.SGAEMVN

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

Quick facts

Weighting	Optimization
Cap factor	4.5% / 8% / 35%
No. of components	Variable
Review frequency	Quarterly (Mar., Jun., Sep., Dec.)

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

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.

[3] Net dividend yield is calculated as net return index return minus price index return
[4] STOXX data from Jun. 28, 2002 to May 31, 2023

(AUD, price), all data as of May 31, 2023

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Top 10 Components[5]

Company	Supersector	Country	Weight (%)
Oracle Corp.	Technology	United States	4.73
Republic Services Inc.	Utilities	United States	3.22
Johnson & Johnson	Health Care	United States	3.02
Costco Wholesale Corp.	Retail	United States	2.81
Roper Technologies Inc.	Technology	United States	2.74
AMCOR	Industrial Goods & Services	United States	2.52
Procter & Gamble Co.	Personal Care, Drug & Grocery Stores	United States	2.35
Yum China Holdings	Travel & Leisure	United States	2.26
Colgate-Palmolive Co.	Personal Care, Drug & Grocery Stores	United States	2.22
SWISSCOM	Telecommunications	Switzerland	2.18

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