

# ISTOXX EUROPE MULTI-FACTOR

## 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.

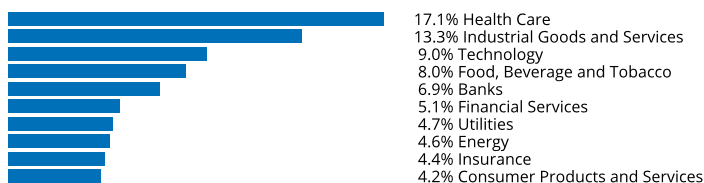
## Key facts

- » 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

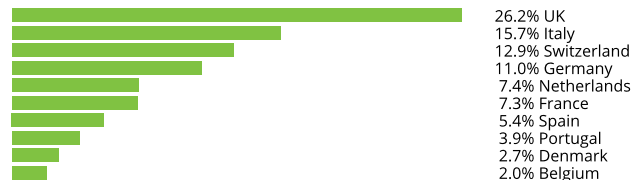
## Descriptive statistics

| 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 Multi-Factor | N/A                  | 98.8       | 0.8                  | 0.7    | 3.4     | 0.2      | 3.4                  | 0.2      | 3.2            |
| STOXX Europe Total Market  | 14,102.1             | 10,621.2   | 5.6                  | 0.8    | 296.4   | 0.0      | 2.8                  | 0.0      | 2.8            |

## 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 Europe Multi-Factor | -1.5                      | 12.8 | 13.6 | 37.2 | 30.6 | N/A                          | N/A | 13.7 | 11.2 | 5.5  |
| STOXX Europe Total Market  | -2.6                      | 16.4 | 13.4 | 36.2 | 37.7 | N/A                          | N/A | 13.5 | 10.9 | 6.7  |
| Index volatility and risk  | Annualized volatility (%) |      |      |      |      | Annualized Sharpe ratio      |     |      |      |      |
|                            | Last month                | YTD  | 1Y   | 3Y   | 5Y   | Last month                   | YTD | 1Y   | 3Y   | 5Y   |
| iSTOXX Europe Multi-Factor | N/A                       | N/A  | 13.8 | 14.5 | 16.7 | N/A                          | N/A | 0.7  | 0.7  | 0.3  |
| STOXX Europe Total Market  | N/A                       | N/A  | 14.1 | 15.6 | 18.0 | N/A                          | N/A | 0.7  | 0.6  | 0.3  |
| Index to benchmark         | Correlation               |      |      |      |      | Tracking error (%)           |     |      |      |      |
|                            | Last month                | YTD  | 1Y   | 3Y   | 5Y   | Last month                   | YTD | 1Y   | 3Y   | 5Y   |
| iSTOXX Europe Multi-Factor | 1.0                       | 1.0  | 1.0  | 1.0  | 1.0  | 3.1                          | 2.6 | 2.8  | 3.4  | 3.7  |
| Index to benchmark         | Beta                      |      |      |      |      | Annualized information ratio |     |      |      |      |
|                            | Last month                | YTD  | 1Y   | 3Y   | 5Y   | Last month                   | YTD | 1Y   | 3Y   | 5Y   |
| iSTOXX Europe Multi-Factor | 0.8                       | 0.9  | 1.0  | 0.9  | 0.9  | 3.9                          | 1.1 | 0.0  | 0.0  | -0.4 |

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

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

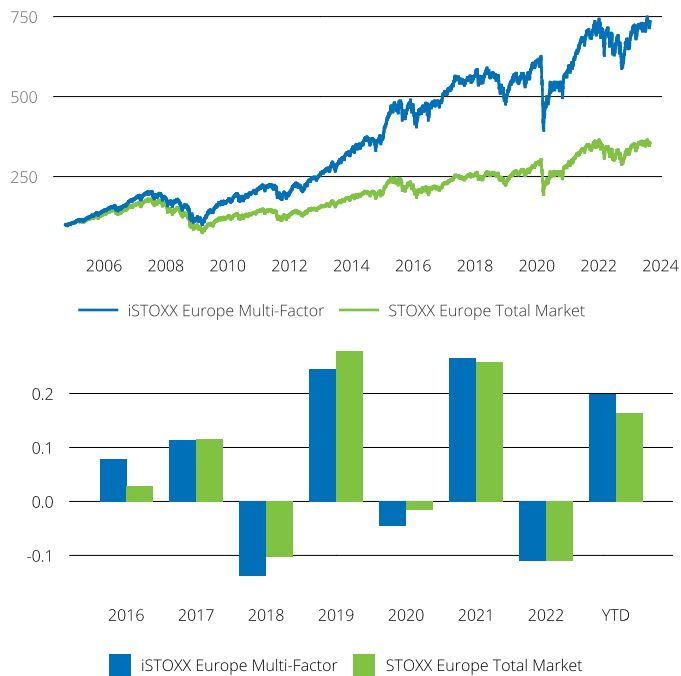
# ISTOXX INDICES

## ISTOXX EUROPE MULTI-FACTOR

### 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 Europe Multi-Factor | 13.6                             | 10.1      | 10.2                             | 10.0      | 1.5            | 3.6                                | 0.8             | 0.5                 |
| STOXX Europe Total Market  | 14.9                             | 12.4      | 12.2                             | 12.1      | 1.8            | 3.7                                | 1.1             | 10.1                |

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



### 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 | CH0316370383 | ISEXFEGR |               | .ISEXFEGR |
| Price EUR        | CH0316370367 | ISEXFEP  |               | .ISEXFEP  |
| Net Return EUR   | CH0316370375 | ISEXFER  | ISEXFER INDEX | .ISEXFER  |

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                                                       |
| 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.

<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 Aug. 31, 2023

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

ISTOXX INDICES

ISTOXX EUROPE MULTI-FACTOR

Top 10 Components<sup>5</sup>

| Company              | Supersector                   | Country     | Weight (%) |
|----------------------|-------------------------------|-------------|------------|
| ROCHE HLDG P         | Health Care                   | Switzerland | 3.39       |
| GSK                  | Health Care                   | UK          | 2.04       |
| ANHEUSER-BUSCH INBEV | Food, Beverage and Tobacco    | Belgium     | 2.02       |
| LLOYDS BANKING GRP   | Banks                         | UK          | 1.79       |
| DEUTSCHE POST        | Industrial Goods and Services | Germany     | 1.77       |
| NESTLE               | Food, Beverage and Tobacco    | Switzerland | 1.71       |
| CENTRICA             | Utilities                     | UK          | 1.67       |
| NEXT                 | Retail                        | UK          | 1.63       |
| INDIVIOR             | Health Care                   | UK          | 1.57       |
| POSTE ITALIANE       | Insurance                     | Italy       | 1.56       |

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