

# STOXX USA 500 INDUSTRY NEUTRAL AX VALUE

## Index description

STOXX Industry Neutral Single and Multi-Factor Indices aim to harvest the risk premia of several academically validated style factors &#x2014; Value, Momentum, Quality, Size and Low Risk within each ICB Industry. 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 industry neutral factor indices. The STOXX industry neutral 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

»Strict neutrality imposed on ICB Industries to remove industry bets relative to the respective benchmarks

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

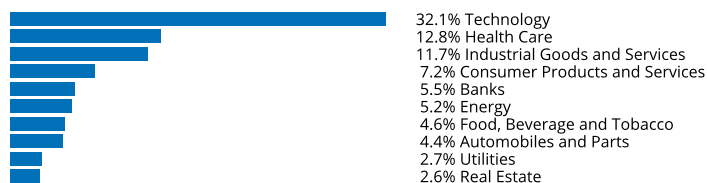
»Multi-factor index employs a bottom-up approach by maximizing the exposure to an equally weighted aggregated multi-factor score

»Ensures tradability by managing turnover and exposure to illiquid positions

## 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 USA 500 Industry Neutral Ax Value	N/A	110.1	1.5	0.8	8.6	0.0	7.8	0.0	49.7
STOXX USA 500	39,738.3	38,158.9	76.3	32.6	2,811.7	9.1	7.4	0.0	3.7

## 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
STOXX USA 500 Industry Neutral Ax Value	-3.3	8.3	5.2	20.4	10.8	N/A	N/A	5.2	6.4	2.1
STOXX USA 500	-1.9	27.7	13.9	25.1	54.6	N/A	N/A	13.9	7.8	9.2
Index volatility and risk	Annualized volatility (%)					Annualized Sharpe ratio				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
STOXX USA 500 Industry Neutral Ax Value	N/A	N/A	19.2	18.7	24.3	N/A	N/A	0.1	0.3	0.0
STOXX USA 500	N/A	N/A	18.3	18.6	22.0	N/A	N/A	0.5	0.4	0.3
Index to benchmark	Correlation					Tracking error (%)				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
STOXX USA 500 Industry Neutral Ax Value	0.9	0.9	1.0	0.9	1.0	4.3	5.4	5.4	5.9	7.2
Index to benchmark	Beta					Annualized information ratio				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
STOXX USA 500 Industry Neutral Ax Value	0.9	1.0	1.0	1.0	1.1	-3.9	-2.3	-1.5	-0.2	-0.9

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

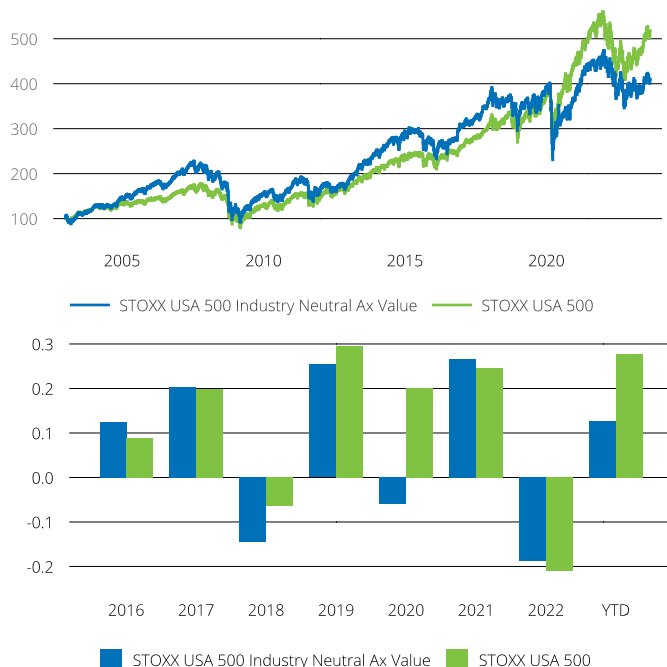
(USD, price), all data as of Aug. 31, 2023

## FACTOR &amp; STRATEGY

## STOXX USA 500 INDUSTRY NEUTRAL AX VALUE

## Fundamentals (for last 12 months)

Index	Price/earnings incl. negative		Price/earnings excl. negative		Price/ book	Dividend yield (%) <sup>3</sup>	Price/ sales	Price/ cash flow
	Trailing	Projected	Trailing	Projected	Trailing	Trailing	Trailing	Trailing
STOXX USA 500 Industry Neutral Ax Value	12.3	12.4	11.0	11.5	1.6	1.6	1.1	21.1
STOXX USA 500	25.8	21.1	23.2	20.6	0.1	1.3	2.6	13.6

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

## Methodology

Bringing together the powerful indexing and analytics capabilities of Qontigo, the STOXX Industry Neutral 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 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 country controls and industry neutrality constraints, 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
Price EUR	CH0462359982	SA5UNVAP		.SA5UNVAP
Net Return EUR	CH0462359990	SA5UNVAR		.SA5UNVAR
Gross Return EUR	CH0462360006	SA5UNVAU		.SA5UNVAU
Price USD	CH0462360014	SA5UNVAL		.SA5UNVAL
Net Return USD	CH0462360022	SA5UNVAV	SA5UNVAV INDEX	.SA5UNVAV
Gross Return USD	CH0462360030	SA5UNVAS	SA5UNVAS INDEX	.SA5UNVAS

Complete list available here: [www.stoxx.com/data/vendor\\_codes.html](http://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.)
Calculation/distribution	realtime 15 sec
Calculation hours	15:30:00 22:15:00
Base value/base date	100 as of Mar. 19, 2012
History	Available since 31 Dec 2002
Inception date	Feb. 17, 2021

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> Net dividend yield is calculated as net return index return minus price index return

<sup>4</sup> STOXX data from Dec. 31, 2002 to Aug. 31, 2023

(USD, price), all data as of Aug. 31, 2023

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Top 10 Components<sup>5</sup>

Company	Supersector	Country	Weight (%)
Microsoft Corp.	Technology	USA	7.84
Pfizer Inc.	Health Care	USA	5.35
ALPHABET CLASS C	Technology	USA	4.95
Intel Corp.	Technology	USA	4.71
THE CIGNA GROUP	Health Care	USA	4.41
Citigroup Inc.	Banks	USA	4.31
Micron Technology Inc.	Technology	USA	3.86
RTX	Industrial Goods and Services	USA	3.80
MARATHON PETROLEUM	Energy	USA	3.25
Fiserv Inc.	Industrial Goods and Services	USA	3.00

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