STOXX GLOBAL 1800 MINIMUM VARIANCE UNCONSTRAINED

Index description

The STOXX Global 1800 Minimum Variance Unconstrained index weights the components of the underlying STOXX Global 1800 index so that portfolio variance is minimized. STOXX uses Axioma's factor model for the optimization process. The unconstrained version applies loosely stated constraints to seek an improved risk profile. It targets investors seeking a more optimal portfolio in terms of replicated volatility.

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.

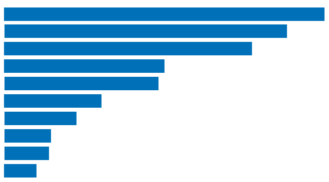
»Two versions - Constrained and Unconstrained - cater to different investor needs.

»The Unconstrained version offers a first-of-its-kind index for a true minimum variance mandate.

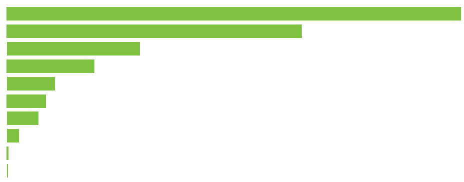
Descriptive statistics

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 Minimum Variance Unconstrained	N/A	108.5	0.8	0.2	4.6	0.0	4.2	0.0	57.9
STOXX Global 1800	63,153.7	57,308.2	31.8	11.1	2,811.7	1.2	4.9	0.0	3.1

Supersector weighting (top 10)



Country weighting



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 Minimum Variance Unconstrained	-2.9	-1.2	0.5	7.8	18.4	N/A	N/A	0.5	2.6	3.5
STOXX Global 1800	-2.4	25.1	16.0	27.2	51.0	N/A	N/A	16.2	8.4	8.7
Index volatility and risk	Annualized volatility (%)					Annualized Sharpe ratio				
STOXX Global 1800 Minimum Variance Unconstrained	N/A	N/A	9.3	9.3	12.8	N/A	N/A	-0.3	0.2	0.3
STOXX Global 1800	N/A	N/A	15.7	15.6	18.2	N/A	N/A	0.8	0.5	0.5
Index to benchmark	Correlation					Tracking error (%)				
STOXX Global 1800 Minimum Variance Unconstrained	0.7	0.5	0.7	0.7	0.8	7.9	9.9	11.3	11.2	10.8
Index to benchmark	Beta					Annualized information ratio				
STOXX Global 1800 Minimum Variance Unconstrained	0.5	0.3	0.4	0.4	0.6	-0.9	-2.5	-1.4	-0.6	-0.6

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

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

STRATEGY INDICES

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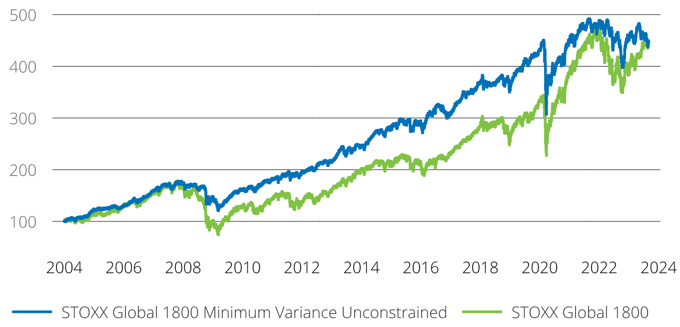
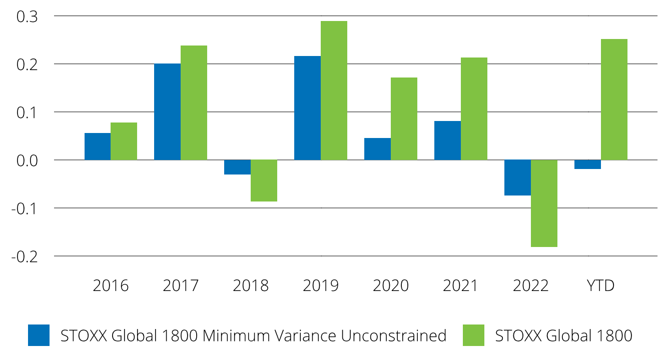
Fundamentals (for last 12 months)

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 Minimum Variance Unconstrained	18.0	15.9	17.7	15.8	1.9	3.6	1.1	2.4
STOXX Global 1800	20.8	17.7	18.7	17.4	0.1	2.5	1.9	10.8

Performance and annual returns[4]





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 individual capping, effective number of assets, rebalancing and turnover. 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	USD	CH0180139815	SAW1UNGV	SAW1UNGV	.SAW1UNGV
Price	EUR	CH0180139013	SAW1UNP	SAW1UNP INDEX	.SAW1UNP
Net Return	EUR	CH0180139179	SAW1UNR	SAW1UNR INDEX	.SAW1UNR
Gross Return	EUR	CH0180139336	SAW1UNGR	SAW1UNGR	.SAW1UNGR
Price	USD	CH0180139492	SAW1UNL	SAW1UNL INDEX	.SAW1UNL
Net Return	USD	CH0180139658	SAW1UNV	SAW1UNV INDEX	.SAW1UNV
Gross Return	JPY	CH0225160636	SAW1UNJG	SAW1UNJG INDEX	.SAW1UNJG
Net Return	JPY	CH0225160644	SAW1UNJN		.SAW1UNJN
Price	JPY	CH0225160651	SAW1UNJP		.SAW1UNJP

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	Monthly

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 a wide range of customization, 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 Aug. 31, 2023

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

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Top 10 Components[5]

Company	Supersector	Country	Weight (%)
HORIZON THERAPEUTICS PUBLIC	Health Care	USA	4.23
Oversea-Chinese Banking Corp.	Banks	Singapore	4.15
Japan Tobacco Inc.	Food, Beverage and Tobacco	Japan	4.03
Church & Dwight Co.	Personal Care, Drug and Grocery	USA	3.98
Uni-Charm Corp.	Personal Care, Drug and Grocery	Japan	3.64
SWISSCOM	Telecommunications	Switzerland	3.53
Procter & Gamble Co.	Personal Care, Drug and Grocery	USA	3.36
Singapore Telecommunications L	Telecommunications	Singapore	3.19
BCE Inc.	Telecommunications	Canada	3.05
Hershey Co.	Food, Beverage and Tobacco	USA	3.02

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