STOXX EUROPE 600 MINIMUM VARIANCE

Index description

The STOXX Europe 600 Minimum Variance index weights the components of the underlying STOXX Europe 600 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.).

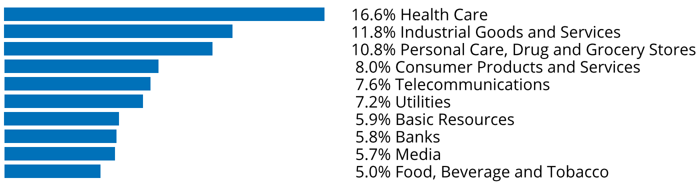
»Capping constraints are applied in accordance with the Undertakings for Collective Investment in Transferable Securities (UCITS) directive to ensure that funds can easily track the index.

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

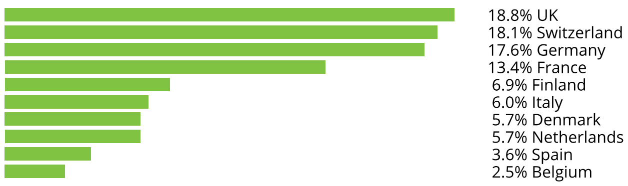
Descriptive statistics

Index	Market cap (EUR bn.)		Components (EUR bn.)				Component weight (%)		Turnover (%)
	Full	Free-float	Mean	Median	Largest	Smallest	Largest	Smallest	Last 12 months
STOXX Europe 600 Minimum Variance	N/A	99.4	0.8	0.4	6.7	0.0	6.7	0.0	30.4
STOXX Europe 600	12,480.3	9,795.9	16.3	5.9	296.4	1.5	3.0	0.0	3.4

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 Europe 600 Minimum Variance	-1.1	9.2	8.4	21.0	21.8	N/A	N/A	8.4	6.6	4.1
STOXX Europe 600	-2.5	17.0	14.1	36.8	39.7	N/A	N/A	14.2	11.1	7.0
Index volatility and risk	**Annualized volatility (%)**					**Annualized Sharpe ratio**				
STOXX Europe 600 Minimum Variance	N/A	N/A	11.7	12.3	14.4	N/A	N/A	0.4	0.5	0.3
STOXX Europe 600	N/A	N/A	14.0	15.6	18.0	N/A	N/A	0.7	0.6	0.4
Index to benchmark	**Correlation**					**Tracking error (%)**				
STOXX Europe 600 Minimum Variance	1.0	0.9	0.9	0.9	0.9	3.8	5.5	5.5	6.4	6.8
Index to benchmark	**Beta**					**Annualized information ratio**				
STOXX Europe 600 Minimum Variance	0.7	0.7	0.8	0.7	0.8	4.1	-0.5	-1.0	-0.7	-0.5

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

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

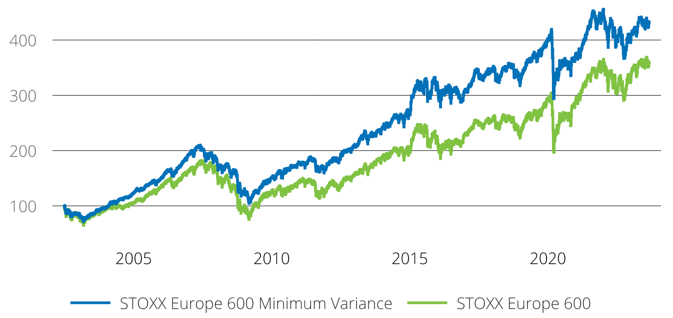
STRATEGY INDICES

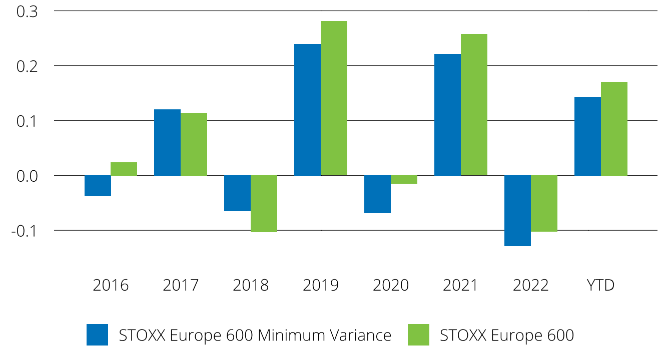
STOXX EUROPE 600 MINIMUM VARIANCE

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 Europe 600 Minimum Variance	17.6	15.8	16.7	15.8	2.2	3.2	1.4	2.8
STOXX Europe 600	13.9	12.3	12.3	12.1	1.8	3.7	1.2	11.3

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 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	EUR	CH0180138312	SAXPMVGR	SAXPMVGR INDEX	.SAXPMVGR
Price	EUR	CH0180137991	SAXPMVP	SAXPMVP INDEX	.SAXPMVP
Price	USD	CH0180138478	SAXPMVL	SAXPMVL INDEX	.SAXPMVL
Net Return	EUR	CH0180138155	SAXPMVR	SAXPMVR INDEX	.SAXPMVR
Net Return	USD	CH0180138635	SAXPMVV	SAXPMVV INDEX	.SAXPMVV
Gross Return	USD	CH0180138791	SAXPMVGV	SAXPMVGV INDEX	.SAXPMVGV

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.

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 Jul. 01, 2002 to Aug. 31, 2023

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

STRATEGY INDICES

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Top 10 Components[5]

Company	Supersector	Country	Weight (%)
BEIERSDORF	Personal Care, Drug and Grocery	Germany	6.70
SWISSCOM	Telecommunications	Switzerland	6.43
UPM KYMMENE	Basic Resources	Finland	5.93
HENKEL PREF	Consumer Products and Services	Germany	4.97
TERNA	Utilities	Italy	4.05
SGS	Industrial Goods and Services	Switzerland	3.03
L'OREAL	Consumer Products and Services	France	3.00
WOLTERS KLUWER	Media	Netherlands	2.33
TESCO	Personal Care, Drug and Grocery	UK	2.27
ESSILORLUXOTTICA	Health Care	France	2.24

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