FTSE 100 Minimum Variance Index

Data as at: 31 October 2024

The FTSE 100 Minimum Variance Index is designed to minimise the volatility of the FTSE 100 Index based on historical return information, thereby offering potential improvements to the risk reward trade-off of the index.

Additional constraints on the weight of a single stock (<4.5%) and the weight of an individual ICB Industry (<20%) ensure the index is investable and diversified.

FEATURES

Methodology

The approach applies a rules-based strategy to minimise the volatility of the FTSE 100 Index.

Objective

The index is designed for use in the creation of index tracking funds, derivatives and as a performance benchmark.

Investability

Stocks are selected and weighted to ensure that the index is investable.

Liquidity

Stocks are subject to an additional liquidity screen to ensure that the index is tradable.

Transparency

The indices use a transparent, rules-based construction process. Index Rules are freely available on the FTSE website.

Availability

The index is calculated based on price and total return methodologies, both real time intra-second and end-of-day.

Industry Classification Benchmark

Index constituents are categorized in accordance with the Industry Classification Benchmark (ICB), the global standard for industry sector analysis.

10-Year Performance - Total Return

Performance and Volatility - Total Return

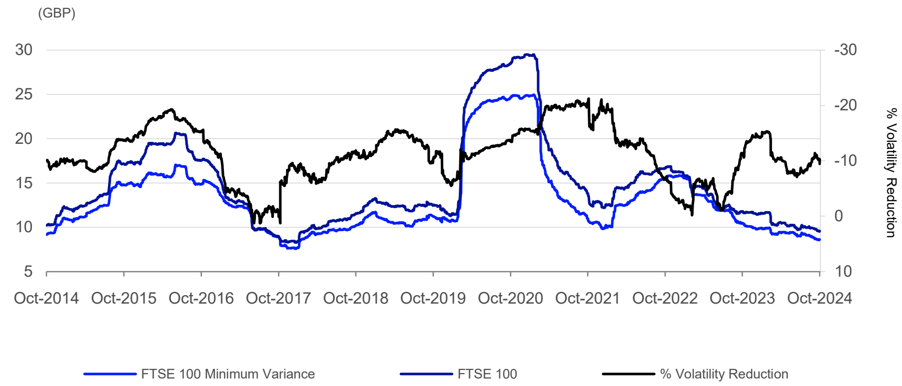
Index (GBP)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE 100 Minimum Variance	-1.1	4.2	7.2	14.6	8.8	19.3	2.9	3.6	8.7	11.2	12.9
FTSE 100	-2.1	1.4	8.3	15.0	25.4	34.1	7.8	6.0	9.6	11.6	13.6

* Compound annual returns measured over 3 and 5 years respectively
** Volatility – 1YR based on 12 months daily data. 3YR based on weekly data (Wednesday to Wednesday). 5YR based on monthly data

Year-on-Year Performance - Total Return

Index % (GBP)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
FTSE 100 Minimum Variance	6.3	6.0	8.0	10.4	-7.7	22.3	-5.2	14.7	-12.3	10.5
FTSE 100	0.7	-1.3	19.1	11.9	-8.7	17.3	-11.5	18.4	4.7	7.9

Annualised Rolling 252 Day Volatility



Return/Risk Ratio and Drawdown - Total Return

Index (GBP)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE 100 Minimum Variance	1.7	0.3	0.3	0.5	-4.0	-21.2	-31.0	-31.0
FTSE 100	1.6	0.7	0.4	0.5	-4.7	-9.3	-34.2	-34.2

Return/Risk Ratio – based on compound annual returns and volatility in Performance and Volatility table
Drawdown - based on daily data

Top 5 Constituents

Constituent	ICB Sector	FTSE 100 Minimum Variance (Wgt %)	FTSE 100 (Wgt %)	Diff %
London Stock Exchange Group	Finance and Credit Services	3.54	2.61	0.93
Unilever	Personal Care Drug and Grocery Stores	3.37	5.82	-2.45
Haleon	Pharmaceuticals and Biotechnology	3.36	1.40	1.96
BAE Systems	Aerospace and Defense	3.36	1.89	1.47
Compass Group	Consumer Services	3.28	2.14	1.14
Totals		**16.91**	**13.86**	

ICB Supersector Breakdown

		FTSE 100 Minimum Variance			FTSE 100		
ICB Code	ICB Supersector	No. of Cons	Net MCap (GBPm)	Wgt %	No. of Cons	Net MCap (GBPm)	Wgt %
1010	Technology	2	46,944	2.67	2	17,194	0.86
1510	Telecommunications	2	42,414	2.41	3	25,420	1.27
2010	Health Care	6	232,691	13.22	6	264,045	13.18
3010	Banks	3	52,358	2.98	5	243,319	12.15
3020	Financial Services	5	95,615	5.43	9	120,089	6.00
3030	Insurance	4	84,200	4.78	7	62,297	3.11
3510	Real Estate	1	8,408	0.48	6	31,101	1.55
4020	Consumer Products and Services	2	66,060	3.75	6	65,938	3.29
4030	Media	4	109,605	6.23	4	93,609	4.67
4040	Retailers	3	25,785	1.47	6	29,141	1.45
4050	Travel and Leisure	4	65,056	3.70	5	34,691	1.73
4510	Food Beverage and Tobacco	5	187,490	10.65	5	139,715	6.97
4520	Personal Care Drug and Grocery Stores	5	165,641	9.41	5	185,596	9.27
5020	Industrial Goods and Services	15	242,776	13.80	17	231,028	11.53
5510	Basic Resources	4	95,851	5.45	6	143,634	7.17
5520	Chemicals	1	3,486	0.20	1	5,163	0.26
6010	Energy	2	87,768	4.99	2	224,335	11.20
6510	Utilities	5	147,707	8.39	5	86,792	4.33
Totals		**73**	**1,759,854**	**100.00**	**100**	**2,003,106**	**100.00**

Index Characteristics

Attributes	FTSE 100 Minimum Variance	FTSE 100
Number of constituents	73	100
Net MCap (GBPm)	1,759,854	2,003,106
Dividend Yield %	3.56	3.70
Constituent Sizes (Net MCap GBPm)		
Average	24,108	20,031
Largest	62,250	165,376
Smallest	1,800	782
Median	18,313	7,479
Weight of Largest Constituent (%)	3.54	8.26
Top 10 Holdings (% Index MCap)	30.43	45.97

INFORMATION

Index Universe
FTSE 100 Index

Index Launch
23 December 2011

Base Date
16 September 2011

Base Value
100

Investability Screen
Actual free float applied and liquidity screened

Index Calculation
Real Time

End-of-Day Distribution
Via FTP and email

Currency
Euro and Sterling

Review Dates
March, June, September, December

History
Available from March 2001

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