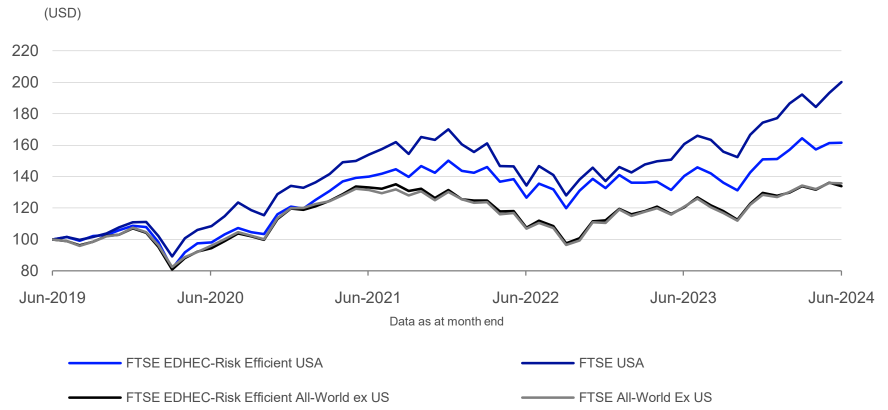
FTSE EDHEC-Risk Efficient USA Indices

Data as at: 28 June 2024

The FTSE EDHEC-Risk Efficient Index Series, launched in association with EDHEC-Risk Institute (EDHEC-Risk), is based on all constituent securities in the FTSE All-World Index Series. Constituents' weights result from EDHEC-Risk's portfolio optimisation, which targets improvements in efficiency for a broad market index by maximising the Return/Risk Ratio.

Key Features:
• The indices attempt to improve the risk/reward trade-off available in the broad stock market.
• The indices are highly diversified.
• The high concentration and the poor diversification of cap-weighted indices can be avoided.

5-Year Performance - Total Return



Performance and Volatility - Total Return

Index (USD)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE EDHEC-Risk Efficient USA	-1.7	6.9	6.9	15.0	15.3	61.4	4.9	10.1	10.8	16.4	18.6
FTSE USA	4.1	14.9	14.9	24.6	30.0	100.2	9.1	14.9	11.1	17.5	18.4
FTSE EDHEC-Risk Efficient All-World ex US	0.0	3.3	3.3	11.1	0.7	34.0	0.2	6.0	10.4	14.4	17.6
FTSE All-World Ex US	1.0	5.7	5.7	12.2	3.3	35.6	1.1	6.3	10.6	14.9	17.2

* 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 % (USD)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
FTSE EDHEC-Risk Efficient USA	16.5	1.6	13.1	19.5	-6.1	28.1	11.3	24.2	-11.7	13.9
FTSE USA	13.3	1.0	11.8	22.1	-4.5	31.6	20.8	26.8	-19.3	27.1
FTSE EDHEC-Risk Efficient All-World ex US	0.4	0.1	3.7	28.7	-13.2	18.9	11.7	9.9	-14.7	15.7
FTSE All-World Ex US	-3.0	-4.5	5.1	27.5	-13.9	22.2	11.5	8.7	-15.2	16.2

FEATURES

Objective

The indices are designed for the creation of index tracking funds, derivatives and as a performance benchmark.

Investability

A transparent and replicable portfolio construction strategy.

Liquidity

Stocks in the underlying universe are screened to ensure that the index is tradable.

Transparency

Index rules are freely available on the FTSE website.

Availability

The index is calculated based on price and total return methodologies, both real time and end of day. A Net Total Return index is also calculated.

Industry Classification Benchmark

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

Return/Risk Ratio and Drawdown - Total Return

Index (USD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE EDHEC-Risk Efficient USA	1.5	0.3	0.5	0.7	-11.5	-20.7	-38.3	-38.3
FTSE USA	2.3	0.5	0.8	0.8	-10.0	-25.3	-34.1	-34.1
FTSE EDHEC-Risk Efficient All-World ex US	1.1	0.0	0.3	0.3	-11.8	-29.8	-35.1	-36.0
FTSE All-World Ex US	1.2	0.1	0.4	0.3	-11.3	-28.9	-34.4	-34.4

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

ICB Industry Breakdown

	FTSE EDHEC-Risk Efficient USA		FTSE USA			FTSE EDHEC-Risk Efficient All-World ex US		FTSE All-World Ex US		
ICB Industry	No. of Cons	Wgt %	No. of Cons	Wgt %	Diff %	No. of Cons	Wgt %	No. of Cons	Wgt %	Diff %
Technology	83	15.72	83	37.56	-21.84	213	7.93	-	-	7.93
Telecommunications	14	2.62	14	2.01	0.61	97	3.99	-	-	3.99
Health Care	68	10.74	68	11.34	-0.59	178	7.09	-	-	7.09
Financials	77	10.27	77	10.17	0.11	445	15.92	-	-	15.92
Real Estate	35	4.95	35	2.18	2.76	173	4.06	-	-	4.06
Consumer Discretionary	89	15.49	89	13.73	1.76	418	14.54	-	-	14.54
Consumer Staples	36	9.50	36	4.33	5.16	225	9.37	-	-	9.37
Industrials	98	12.72	98	11.00	1.71	518	18.52	-	-	18.52
Basic Materials	20	3.07	20	1.49	1.58	237	6.99	-	-	6.99
Energy	25	7.22	25	3.71	3.51	115	6.04	-	-	6.04
Utilities	34	7.71	34	2.48	5.23	153	5.55	-	-	5.55
Totals	**579**	**100.00**	**579**	**100.00**		**2772**	**100.00**			

5-Year Correlation - Total Return

	FTSE EDHEC-Risk Efficient USA	FTSE USA	FTSE EDHEC-Risk Efficient All-World ex US	FTSE All-World Ex US
FTSE EDHEC-Risk Efficient USA	1.000	0.956	0.934	0.924
FTSE USA		1.000	0.890	0.891
FTSE EDHEC-Risk Efficient All-World ex US			1.000	0.992
FTSE All-World Ex US				1.000

INFORMATION

Index Universe

FTSE All World Index Series

Index Launch

18 January 2010

Base Date

20 December 2002

Base Value

100

Investability Screen

Actual free float applied and liquidity screened

Index Calculation

Real-time and end-of-day indices available

End-of-Day Distribution

Via FTP and email

Currency

USD, GBP, JPY, EUR

Review Dates

Quarterly in March, June, September, December

Country/Market Breakdown - FTSE EDHEC-Risk Efficient All-World ex US

	FTSE EDHEC-Risk Efficient All-World ex US		FTSE All-World Ex US		
Country/Market	No. of Cons	Wgt %	No. of Cons	Wgt %	Diff %
Australia	105	3.17	-	-	3.17
Austria	7	0.80	-	-	0.80
Belgium	14	0.96	-	-	0.96
Brazil	82	1.22	-	-	1.22
Canada	48	6.33	-	-	6.33
Chile	21	0.35	-	-	0.35
China	298	4.48	-	-	4.48
Colombia	3	0.04	-	-	0.04
Czech Rep.	4	0.02	-	-	0.02
Denmark	18	2.04	-	-	2.04
Egypt	3	0.06	-	-	0.06
Finland	14	1.11	-	-	1.11
France	69	4.46	-	-	4.46
Germany	70	5.16	-	-	5.16
Greece	29	0.13	-	-	0.13
Hong Kong	72	2.27	-	-	2.27
Hungary	4	0.05	-	-	0.05
Iceland	11	0.03	-	-	0.03
India	231	7.84	-	-	7.84
Indonesia	42	0.93	-	-	0.93
Ireland	5	0.83	-	-	0.83
Israel	30	0.40	-	-	0.40
Italy	34	2.26	-	-	2.26
Japan	502	16.17	-	-	16.17
Korea	160	3.90	-	-	3.90
Kuwait	8	0.16	-	-	0.16
Malaysia	39	0.96	-	-	0.96
Mexico	38	0.57	-	-	0.57
Netherlands	31	2.40	-	-	2.40
New Zealand	15	0.63	-	-	0.63
Norway	17	1.35	-	-	1.35
Pakistan	1	0.01	-	-	0.01
Philippines	24	0.60	-	-	0.60
Poland	10	0.89	-	-	0.89
Portugal	4	0.39	-	-	0.39
Qatar	17	0.25	-	-	0.25
Romania	7	0.04	-	-	0.04
Saudi Arabia	62	0.88	-	-	0.88
Singapore	36	0.92	-	-	0.92
South Africa	40	1.09	-	-	1.09
Spain	25	1.86	-	-	1.86
Sweden	52	3.48	-	-	3.48
Switzerland	52	3.27	-	-	3.27
Taiwan	122	3.56	-	-	3.56
Thailand	50	0.96	-	-	0.96
Turkiye	111	0.46	-	-	0.46
UAE	32	0.55	-	-	0.55
UK	103	9.73	-	-	9.73
Totals	**2772**	**100.00**		**0.00**	

Index Characteristics

Attributes	FTSE EDHEC-Risk Efficient USA	FTSE USA	FTSE EDHEC-Risk Efficient All-World ex US	FTSE All-World Ex US
Number of constituents	579	579	2772	-
Dividend Yield %	1.95	1.31	3.14	-
Constituent (Wgt %)				
Average	0.17	0.17	0.04	-
Largest	0.88	7.05	0.44	-
Median	0.13	0.06	0.02	-
Top 10 Holdings (Wgt %)	6.23	34.53	3.53	-

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To ensure that its activities meet the highest academic standards and to benefit the industry, EDHEC-Risk subjects its activities to a strict validation process. The scientific quality and operational relevance of the research programmes are underpinned by a dual management structure by leading experts serving on its international advisory board.

EDHEC-Risk plays a noted role in furthering applied financial research, highlighting its practical uses. As part of its “Research for Business” philosophy, EDHEC-Risk maintains a dialogue with professionals, which benefits the industry as a whole.

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