

# FTSE/JSE Minimum Variance Indices

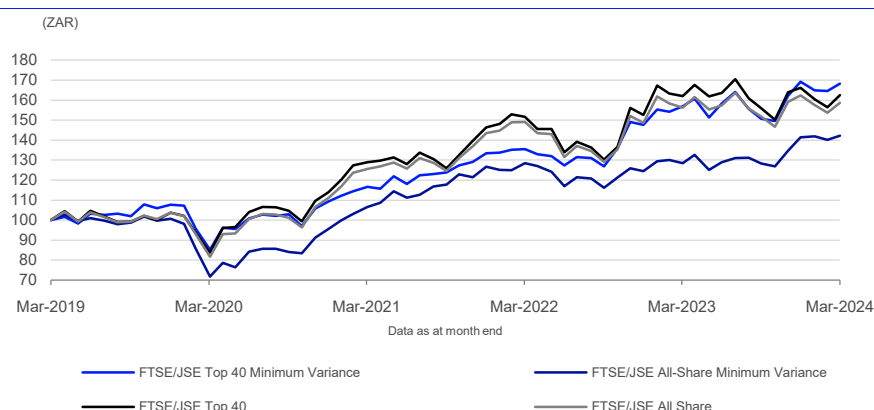
Data as at: 29 March 2024

The FTSE/JSE Africa Index Series is designed to represent the performance of South African companies, providing investors with a comprehensive and complementary set of indices, which measure the performance of the major capital and industry segments of the South African market.

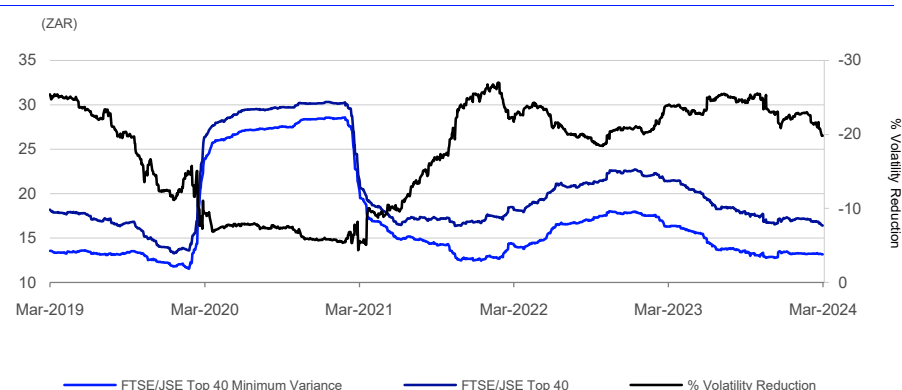
The FTSE/JSE Minimum Variance Indices are designed to minimise the volatility of the underlying indices based on historical return information, thereby offering potential improvements to the risk reward trade-off of the index.

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.

## 5-Year Performance - Total Return



## Annualised Rolling 252 Day Volatility- FTSE/JSE Top 40 Minimum Variance



## FEATURES

### Methodology

The approach applies a rules-based strategy to minimise the volatility of the FTSE/JSE Top 40 and FTSE/JSE All-Share indices.

### 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.

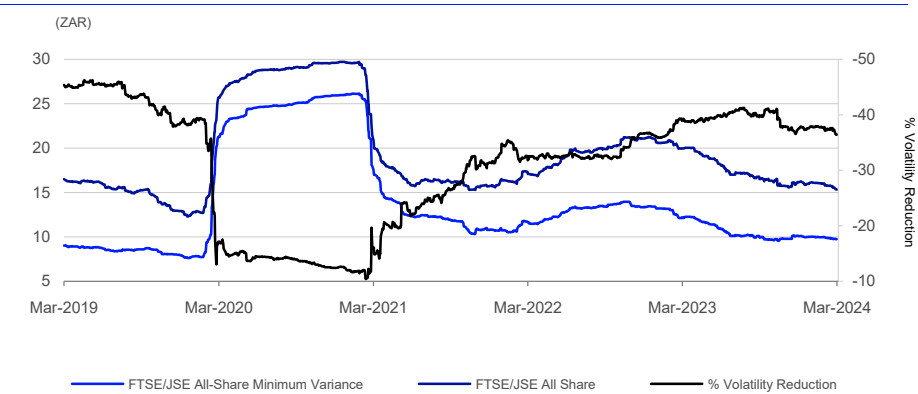
### Availability

The index is calculated based on price and total return methodologies, available 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.

Annualised Rolling 252 Day Volatility- FTSE/JSE All-Share Minimum Variance



Performance and Volatility - Total Return

Index (ZAR)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE/JSE Top 40 Minimum Variance	-0.6	11.6	-0.6	7.2	44.3	68.2	13.0	11.0	13.2	12.9	15.0
FTSE/JSE All-Share Minimum Variance	0.6	10.8	0.6	10.7	33.4	42.2	10.1	7.3	9.7	10.9	15.6
FTSE/JSE Top 40	-2.3	4.1	-2.3	0.3	25.9	62.4	8.0	10.2	16.4	16.5	17.5
FTSE/JSE All Share	-2.2	4.5	-2.2	1.5	26.3	58.7	8.1	9.7	15.3	15.5	17.0

\* 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 % (ZAR)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
FTSE/JSE Top 40 Minimum Variance	11.9	8.0	-2.3	6.9	-11.7	9.0	1.5	22.0	10.7	14.6
FTSE/JSE All-Share Minimum Variance	14.1	0.6	8.9	2.5	-11.3	-0.2	-5.1	32.6	-1.7	13.5
FTSE/JSE Top 40	9.2	7.5	-1.6	23.1	-8.3	12.4	10.0	28.4	4.2	9.0
FTSE/JSE All Share	10.9	5.1	2.6	21.0	-8.5	12.0	7.0	29.2	3.6	9.3

Return/Risk Ratio and Drawdown

Index (ZAR)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE/JSE Top 40 Minimum Variance	0.5	1.0	0.7	0.5	-10.0	-12.5	-32.2	-37.5
FTSE/JSE All-Share Minimum Variance	1.1	0.9	0.5	0.4	-6.2	-10.2	-37.1	-43.7
FTSE/JSE Top 40	0.0	0.5	0.6	0.6	-12.0	-17.2	-34.6	-34.6
FTSE/JSE All Share	0.1	0.5	0.6	0.6	-10.6	-15.6	-35.2	-35.2

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

Top 5 Constituents - FTSE/JSE Top 40 Minimum Variance

Constituent	ICB Sector	FTSE/JSE Top 40 Minimum Variance (Wgt %)	FTSE/JSE Top 40 (Wgt %)	Diff %
Vodacom Group	Telecommunications Service Providers	7.79	1.21	6.58
British American Tobacco PLC	Tobacco	7.49	3.21	4.28
NEPI Rockcastle N.V.	Real Estate Investment and Services Development	7.29	1.49	5.80
Mondi Plc	General Industrials	6.70	1.43	5.27
Anheuser-Busch InBev	Beverages	6.52	1.86	4.66
Totals		35.79	9.20	

INFORMATION

Index Universe

FTSE/JSE Top 40 and FTSE/JSE All-Share Index

Index Launch

22 September 2014

Base Date

FTSE/JSE Top 40 Minimum Variance - 20 December 2013  
FTSE/JSE All-Share Minimum Variance - 24 December 2012

Base Value

FTSE/JSE Top 40 Minimum Variance - 100  
FTSE/JSE All-Share Minimum Variance - 112.14

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

ZAR, USD, EUR, GBP, JPY, AUD

Review Dates

Quarterly in March, June, September and December

Top 5 Constituents - FTSE/JSE All-Share Minimum Variance

Constituent	ICB Sector	FTSE/JSE All-Share Minimum Variance (Wgt %)	FTSE/JSE All Share (Wgt %)	Diff %
Advtch	Consumer Services	2.07	0.25	1.82
PSG Fin Services Ltd	Investment Banking and Brokerage Services	2.02	0.26	1.76
British American Tobacco PLC	Tobacco	2.02	2.71	-0.69
Oceana Group	Food Producers	1.98	0.11	1.87
Anheuser-Busch InBev	Beverages	1.94	1.57	0.37
Totals		10.03	4.90	

ICB Supersector Breakdown

ICB Supersector	FTSE/JSE Top 40 Minimum Variance		FTSE/JSE Top 40		Diff %	FTSE/JSE All-Share Minimum Variance		FTSE/JSE All Share		Diff %
	No. of Cons	Wgt %	No. of Cons	Wgt %		No. of Cons	Wgt %	No. of Cons	Wgt %	
Technology	1	1.72	2	16.70	-14.98	4	3.16	6	14.39	-11.23
Telecommunications	2	8.51	2	4.71	3.80	5	4.61	5	4.75	-0.13
Health Care	1	3.53	1	1.76	1.77	4	5.18	4	2.25	2.92
Banks	6	8.00	7	21.57	-13.56	7	1.82	7	18.20	-16.38
Financial Services	2	5.10	2	2.57	2.53	10	8.18	11	3.64	4.53
Insurance	2	2.78	3	4.87	-2.10	5	4.34	6	5.37	-1.03
Real Estate	2	12.43	2	2.29	10.14	18	19.98	19	4.66	15.32
Consumer Products and Services	1	0.33	1	3.70	-3.37	3	3.92	3	3.46	0.46
Retailers	2	9.18	2	2.00	7.18	8	5.31	8	3.76	1.55
Travel and Leisure	-	-	-	-	0.00	4	3.90	4	0.36	3.54
Food Beverage and Tobacco	2	14.01	2	5.08	8.93	7	11.13	7	5.59	5.54
Personal Care Drug and Grocery Stores	2	5.55	3	7.09	-1.55	6	5.90	6	6.64	-0.74
Construction and Materials	-	-	-	-	0.00	2	2.11	3	0.29	1.82
Industrial Goods and Services	2	11.48	2	3.13	8.35	7	5.68	8	3.48	2.19
Basic Resources	4	15.76	10	21.95	-6.19	11	11.08	18	20.35	-9.27
Chemicals	-	-	1	1.75	-1.75	2	2.02	3	1.81	0.21
Energy	1	1.65	1	0.84	0.81	3	1.70	3	0.99	0.71
Totals	30	100.00	41	100.00		106	100.00	121	100.00	

Index Characteristics

Attributes	FTSE/JSE Top 40 Minimum Variance	FTSE/JSE Top 40	FTSE/JSE All-Share Minimum Variance	FTSE/JSE All Share
Number of constituents	30	41	106	121
Constituent (Wgt %)				
Average	3.33	2.44	0.94	0.83
Largest	7.79	12.61	2.07	10.64
Median	3.16	1.75	0.88	0.25
Top 10 Holdings (Wgt %)	61.67	51.80	19.12	43.71



© 2024 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) FTSE (Beijing) Consulting Limited ("WOFE") (7) Refinitiv Benchmark Services (UK) Limited ("RBSL"), (8) Refinitiv Limited ("RL") and (9) Beyond Ratings S.A.S. ("BR"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL, and BR. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "Refinitiv", "Beyond Ratings®", "WMR™", "FR™" and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. Refinitiv Benchmark Services (UK) Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. JSE is a trade mark of JSE Limited ("Partner"). All rights in and to the FTSE/JSE Minimum Variance Indices ("Index") vest in FTSE Russell® and/or its relevant Partner(s).

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index and/or rate returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index or rate inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index or rate was officially launched. However, back-tested data may reflect the application of the index or rate methodology with the benefit of hindsight, and the historic calculations of an index or rate may change from month to month based on revisions to the underlying economic data used in the calculation of the index or rate.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.

Data definitions available from  
[info@ftserussell.com](mailto:info@ftserussell.com)

To learn more, visit [lseg.com/ftse-russell](https://lseg.com/ftse-russell);  
email [info@ftserussell.com](mailto:info@ftserussell.com); or  
call your regional Client Services Team office:

**EMEA**

+44 (0) 20 7866 1810

**North America**

+1 877 503 6437

**Asia-Pacific**

Hong Kong +852 2164 3333  
Tokyo +81 3 6441 1430  
Sydney +61 (0) 2 7228 5659