

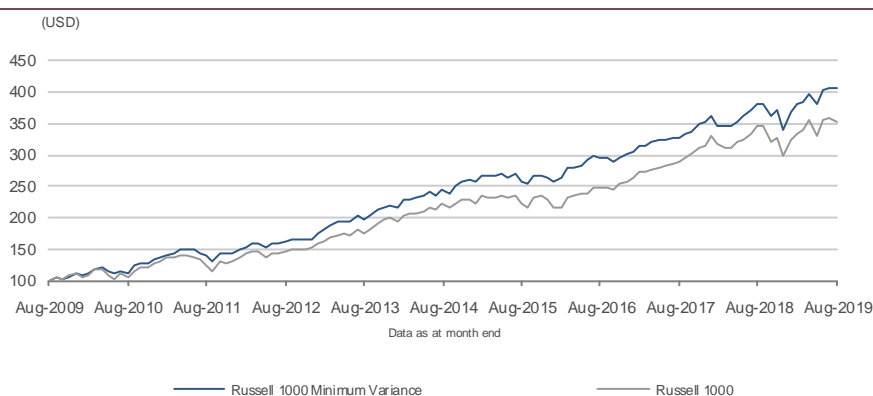
# Russell 1000 Minimum Variance Index

Data as at: 30 August 2019

The Russell 1000 Minimum Variance Index is designed to minimise the volatility of the Russell 1000 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.

## 10-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
Russell 1000 Minimum Variance	6.5	6.8	19.4	6.7	37.0	65.6	11.1	10.6	12.4	9.7	9.8
Russell 1000	6.7	5.7	18.5	2.5	42.6	60.0	12.6	9.8	16.7	11.9	12.1

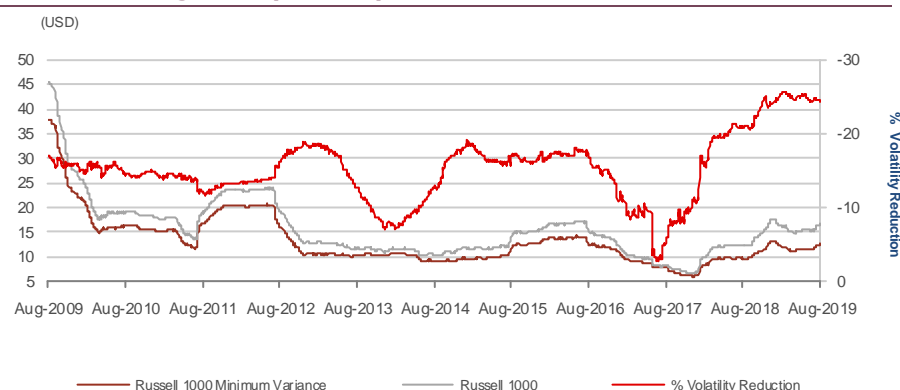
\* Compound annual returns measured over 3 and 5 years respectively

\*\* 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)	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Russell 1000 Minimum Variance	34.0	20.7	7.2	15.3	32.8	17.4	1.6	13.9	16.9	-3.2
Russell 1000	28.4	16.1	1.5	16.4	33.1	13.2	0.9	12.1	21.7	-4.8

## Annualised Rolling 252 Day Volatility



## FEATURES

### Methodology

The approach applies a rules-based strategy to minimise the volatility of the Russell 1000 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 indexes use a transparent, rules-based construction process. Index Rules are freely available on the FTSE Russell 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.

## Return/Risk Ratio and Drawdown - Total Return

Index (USD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
Russell 1000 Minimum Variance	0.5	1.1	1.1	1.4	-15.6	-15.6	-15.6	-17.6
Russell 1000	0.2	1.0	0.8	1.1	-19.7	-19.7	-19.7	-19.7

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	Net MCap (USDm)	Wgt %
Royal Gold	Mining	112,434	0.65
Newmont Goldcorp	Mining	101,533	0.58
Duke Energy Corp	Gas Water & Multiutilities	81,515	0.47
WEC Energy Group	Gas Water & Multiutilities	81,326	0.47
Southern Co	Electricity	79,657	0.46
<b>Totals</b>		<b>456,465</b>	<b>2.63</b>

## ICB Supersector Breakdown

ICB Code	ICB Supersector	No. of Cons	Net MCap (USDm)	Wgt %
0500	Oil & Gas	29	538,958	3.10
1300	Chemicals	18	405,552	2.33
1700	Basic Resources	8	274,162	1.58
2300	Construction & Materials	15	244,358	1.41
2700	Industrial Goods & Services	109	2,199,391	12.66
3300	Automobiles & Parts	11	266,151	1.53
3500	Food & Beverage	30	1,227,501	7.07
3700	Personal & Household Goods	41	903,688	5.20
4500	Health Care	63	1,402,093	8.07
5300	Retail	50	1,237,075	7.12
5500	Media	35	879,496	5.06
5700	Travel & Leisure	38	951,412	5.48
6500	Telecommunications	7	211,834	1.22
7500	Utilities	36	2,241,686	12.90
8300	Banks	33	365,977	2.11
8500	Insurance	34	679,465	3.91
8600	Real Estate	81	2,078,888	11.97
8700	Financial Services	17	349,928	2.01
9500	Technology	51	913,599	5.26
<b>Totals</b>		<b>706</b>	<b>17,371,214</b>	<b>100.00</b>

## Index Characteristics

Attributes	Russell 1000 Minimum Variance
Number of constituents	706
Net MCap (USDm)	17,371,214
Dividend Yield %	2.27
Constituent Sizes (Net MCap USDm)	
Average	24,605
Largest	112,434
Smallest	1,172
Median	21,593
Weight of Largest Constituent (%)	0.65
Top 10 Holdings (% Index MCap)	4.87

## INFORMATION

## Index Universe

Russell 1000 Index

## Index Launch

December 2016

## Base Date

30 December 2011

## Base Value

1000

## Investability Screen

Actual free float applied and liquidity screened

## Index Calculation

End of day

## End-of-Day Distribution

Via FTP and email

## Currency

USD

## Review Dates

Semi-annually June, December

## History

Available from December 1997

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Data definitions available from  
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