

# FTSE Developed Europe Minimum Variance Indices

Data as at: 29 July 2022

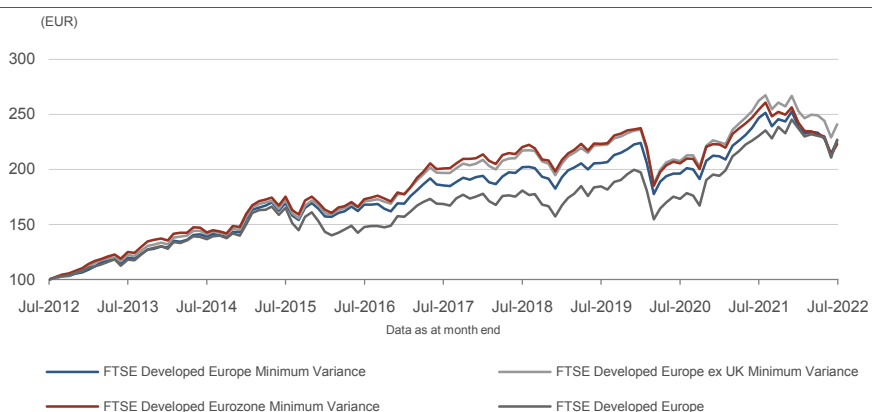
The FTSE Global Minimum Variance Index Series aims to deliver reduced index volatility based on historical return information, thereby offering potential improvements to the risk reward trade-off, whilst maintaining full allocation to the relevant equity market.

Reduced volatility is achieved by applying a transparent rules-based approach which minimizes historical variance subject to additional constraints on the weight of individual stocks within an index, and, at aggregate level on the weight of countries and industries represented in the index.

Constituents are selected from the corresponding underlying universe of the FTSE All-World Index Series at the time of the bi-annual review and aspects such as index reviews and company classification are governed by the FTSE All-World Index Series Ground Rules.

There is also a UK-specific index - the FTSE 100 Minimum Variance Index - which is based on the FTSE 100 and has its own rules. See [www.ftse.com](http://www.ftse.com) for more information.

## 10-Year Performance - Total Return



## Performance and Volatility - Total Return

Index (EUR)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE Developed Europe Minimum Variance	-3.1	-5.2	-10.4	-8.3	9.9	22.0	3.2	4.1	14.1	17.4	13.0
FTSE Developed Europe ex UK Minimum Variance	-3.3	-4.7	-9.7	-8.2	8.4	22.4	2.7	4.1	14.2	17.5	13.1
FTSE Developed Eurozone Minimum Variance	-3.8	-8.1	-13.0	-12.3	-0.1	11.0	0.0	2.1	15.3	18.5	13.5
FTSE Developed Europe	-1.5	-4.3	-7.5	-1.6	23.1	34.7	7.2	6.1	17.7	20.9	15.3

\* 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

## FEATURES

### Methodology

The approach applies a rules-based strategy to minimise volatility. Some constraints are applied, for example, to avoid over concentration in any particular stock, sector or country.

### Objective

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

### Investability

Stocks in the underlying universe are free-float weighted to ensure that only the investable opportunity set is included.

### Liquidity

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

### Transparency

The indexes use a transparent, methodologies-based construction process. Index methodologies are freely available on the FTSE Russell website.

### Availability

The indexes are calculated based on price and total return methodologies, both real time and end-of-day.

### Industry Classification Benchmark (ICB)

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

**Year-on-Year Performance - Total Return**

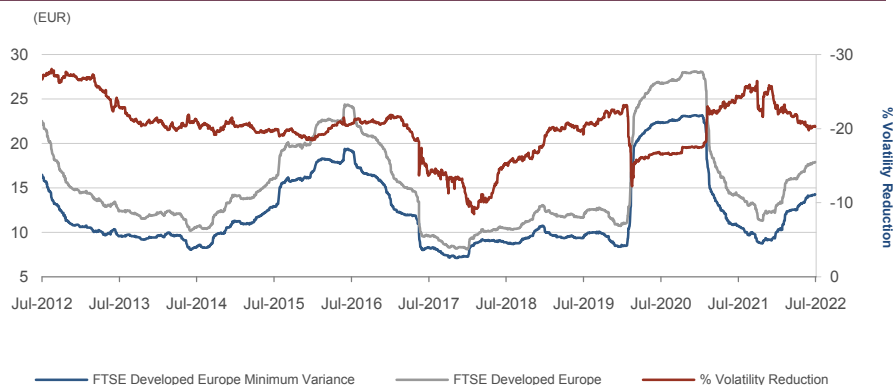
Index % (EUR)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FTSE Developed Europe Minimum Variance	18.4	22.2	10.0	14.7	3.0	14.1	-5.5	22.0	-4.6	19.0
FTSE Developed Europe ex UK Minimum Variance	17.7	23.7	8.8	15.3	5.9	15.7	-5.0	20.7	-3.7	17.8
FTSE Developed Eurozone Minimum Variance	18.6	24.4	7.5	15.0	5.5	17.4	-5.6	19.1	-5.6	14.9
FTSE Developed Europe	18.4	20.8	7.4	9.3	3.1	11.1	-10.1	26.9	-2.2	25.5

**Return/Risk Ratio and Drawdown - Total Return**

Index (EUR)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE Developed Europe Minimum Variance	-0.6	0.1	0.3	0.7	-17.4	-32.5	-32.5	-32.5
FTSE Developed Europe ex UK Minimum Variance	-0.5	0.1	0.3	0.8	-16.9	-31.6	-31.6	-31.6
FTSE Developed Eurozone Minimum Variance	-0.8	0.0	0.2	0.7	-20.0	-33.2	-33.2	-33.2
FTSE Developed Europe	-0.1	0.3	0.4	0.6	-16.5	-35.4	-35.4	-35.4

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

**Annualised Rolling 252 Volatility - Total Return**



**Top 10 Constituents - FTSE Developed Europe Minimum Variance Index**

Constituent	Country	ICB Sector	FTSE Developed Europe Minimum Variance (Wgt %)	FTSE Developed Europe (Wgt %)	Diff %
Qiagen Nv	Germany	Medical Equipment and Services	1.03	0.12	0.91
Biomerieux	France	Medical Equipment and Services	0.92	0.05	0.87
Orion B	Finland	Pharmaceuticals and Biotechnology	0.82	0.05	0.77
Ahold Delhaize	Netherlands	Personal Care Drug and Grocery Stores	0.80	0.29	0.50
Barry Callebaut	Switzerland	Food Producers	0.78	0.08	0.70
Chr. Hansen Holding A/S	Denmark	Pharmaceuticals and Biotechnology	0.76	0.07	0.69
Novozymes A/S	Denmark	Pharmaceuticals and Biotechnology	0.75	0.13	0.62
Lindt & Spruengli - PC	Switzerland	Food Producers	0.74	0.12	0.62
Swedish Match	Sweden	Tobacco	0.74	0.17	0.58
Jeronimo Martins	Portugal	Personal Care Drug and Grocery Stores	0.73	0.07	0.66
<b>Totals</b>			<b>8.07</b>	<b>1.15</b>	

**INFORMATION**

**Index Universe**

FTSE Developed Europe Index

**Index Launch**

July 2012

**Base Date**

18 June 2012

**Base Value**

100

**Investability Screen**

Actual free float applied and liquidity screened

**Index Calculation**

Real time and end of day

**End-of-Day Distribution**

Via FTP and email

**Currency**

USD, Euro, GBP, JPY, AUD, Local

**Review Dates**

March and September

**History**

Available from September 2001

## Country Breakdown - Developed Europe

Country	FTSE Developed Europe Minimum Variance		FTSE Developed Europe		Diff %
	No. of Cons	Wgt %	No. of Cons	Wgt %	
Austria	6	0.72	7	0.31	0.41
Belgium	13	3.28	16	1.53	1.75
Denmark	20	6.50	22	4.24	2.26
Finland	14	4.37	17	2.11	2.27
France	52	12.38	77	16.60	-4.22
Germany	49	12.91	85	11.98	0.93
Ireland	3	1.29	4	0.32	0.97
Italy	22	4.90	37	3.63	1.26
Netherlands	18	5.56	30	6.73	-1.17
Norway	10	2.23	18	1.41	0.82
Poland	6	1.35	13	0.39	0.96
Portugal	4	1.35	4	0.34	1.01
Spain	19	4.86	26	3.67	1.19
Sweden	24	3.65	62	5.23	-1.58
Switzerland	48	17.29	52	15.87	1.42
UK	63	17.36	118	25.63	-8.27
<b>Totals</b>	<b>371</b>	<b>100.00</b>	<b>588</b>	<b>100.00</b>	

## Country Breakdown - Developed Eurozone

Country	FTSE Developed Eurozone Minimum Variance		FTSE Eurozone		Diff %
	No. of Cons	Wgt %	No. of Cons	Wgt %	
Austria	5	1.27	7	0.66	0.60
Belgium	14	6.32	16	3.23	3.09
Finland	17	8.40	17	4.44	3.96
France	60	26.36	77	34.99	-8.63
Germany	54	24.19	85	25.27	-1.07
Greece	-	-	12	0.43	-0.43
Ireland	3	2.39	4	0.67	1.72
Italy	23	9.10	37	7.66	1.44
Netherlands	19	10.62	30	14.19	-3.56
Portugal	4	2.53	4	0.72	1.81
Spain	21	8.82	26	7.74	1.08
<b>Totals</b>	<b>220</b>	<b>100.00</b>	<b>315</b>	<b>100.00</b>	

## ICB Supersector Breakdown

ICB Code	ICB Supersector	FTSE Developed Europe Minimum Variance		FTSE Developed Europe		Diff %
		No. of Cons	Wgt %	No. of Cons	Wgt %	
1010	Technology	16	3.67	33	6.71	-3.04
1510	Telecommunications	24	7.26	26	3.35	3.91
2010	Health Care	52	19.46	57	16.34	3.12
3010	Banks	15	2.30	35	7.04	-4.74
3020	Financial Services	11	2.08	34	3.58	-1.50
3030	Insurance	19	3.62	31	4.87	-1.25
3510	Real Estate	21	5.27	27	1.45	3.82
4010	Automobiles and Parts	7	1.01	19	2.45	-1.44
4020	Consumer Products and Services	20	3.71	36	6.45	-2.74
4030	Media	8	1.77	12	1.66	0.12
4040	Retailers	6	1.29	11	0.80	0.49
4050	Travel and Leisure	2	0.58	12	0.88	-0.29
4510	Food Beverage and Tobacco	27	12.49	29	9.17	3.32
4520	Personal Care Drug and Grocery Stores	16	7.63	16	3.15	4.48
5010	Construction and Materials	9	1.28	23	3.05	-1.77
5020	Industrial Goods and Services	54	12.18	101	12.80	-0.63
5510	Basic Resources	9	1.50	16	2.87	-1.37
5520	Chemicals	19	4.45	21	2.76	1.69
6010	Energy	10	2.17	18	6.44	-4.27
6510	Utilities	26	6.28	31	4.19	2.08
<b>Totals</b>		<b>371</b>	<b>100.00</b>	<b>588</b>	<b>100.00</b>	

## Index Characteristics

Attributes	FTSE Developed Europe Minimum Variance	FTSE Developed Europe ex UK Minimum Variance	FTSE Developed Eurozone Minimum Variance
Number of constituents	371	307	220
Dividend Yield %	2.88	2.84	2.79
Constituent (Wgt %)			
Average	0.27	0.33	0.45
Largest	1.03	1.21	1.69
Median	0.23	0.26	0.40
Top 10 Holdings (Wgt %)	8.07	9.78	13.23

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