

FTSE Emerging Minimum Variance Index

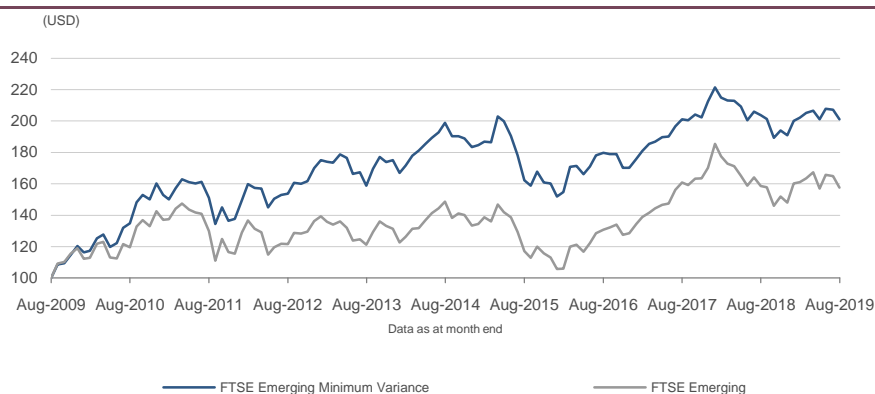
Data as at: 30 August 2019

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.

The FTSE Emerging Minimum Variance Index is part of the FTSE Global Minimum Variance Index Series, which offers global, regional and country indices. Minimum Variance versions of selected Shariah, ESG and Domestic indices are also available. Constituents are selected from the corresponding underlying universe at the time of the review and aspects such as index reviews and company classification are governed by the corresponding Ground Rules of the universe index.

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
FTSE Emerging Minimum Variance	0.0	-0.5	5.3	-1.3	11.9	1.1	3.8	0.2	8.3	9.6	12.2
FTSE Emerging	0.4	-2.1	6.5	-0.6	20.5	6.0	6.4	1.2	13.5	14.5	15.5

* 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
FTSE Emerging Minimum Variance	80.3	33.1	-14.2	23.6	2.9	4.8	-12.6	6.3	24.8	-10.1
FTSE Emerging	82.6	19.8	-19.0	17.9	-3.5	1.6	-15.2	13.5	32.5	-13.0

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 index is designed for use in 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 indices are tradable.

Transparency

Index rules are freely available on the FTSE website.

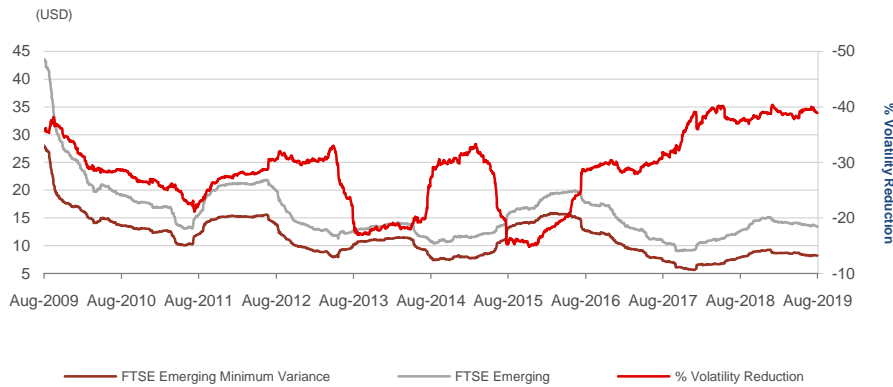
Availability

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 Volatility - Total Return



Return/Risk Ratio and Drawdown - Total Return

Index (USD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE Emerging Minimum Variance	-0.2	0.3	0.0	0.5	-8.4	-16.7	-30.0	-30.0
FTSE Emerging	-0.1	0.4	0.1	0.3	-10.3	-24.2	-35.7	-35.7

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

Top 10 Constituents

Constituent	Country	ICB Sector	FTSE Emerging Minimum Variance (Wgt%)	FTSE Emerging (Wgt%)	Diff %
Harmony	South Africa	Mining	0.76	0.04	0.72
Ahli United Bank B.S.C.	Kuwait	Banks	0.71	0.09	0.62
Guangdong Investment (Red Chip)	China	Gas Water & Multiutilities	0.70	0.13	0.57
Boubyan Bank KSC	Kuwait	Banks	0.66	0.03	0.63
Mobile Telecommunications Co KSC	Kuwait	Mobile Telecommunications	0.65	0.08	0.56
National Bank of Kuwait	Kuwait	Banks	0.64	0.43	0.20
Ratchaburi Electricity Generating Holding	Thailand	Electricity	0.62	0.04	0.58
Kuwait Finance House	Kuwait	Banks	0.60	0.19	0.41
Digital Telecommunications Infrastructure Fund	Thailand	Technology Hardware & Equipment	0.60	0.06	0.53
Agility Public Warehousing Co KSC	Kuwait	Industrial Transportation	0.58	0.05	0.53
Totals			6.52	1.14	

INFORMATION

Index Universe

FTSE Emerging Index

Index Launch

May 2013

Base Date

15 June 2012

Base Value

100

Investability Screen

Actual free float applied and liquidity screened

Index Calculation

End of day

End-of-Day Distribution

Via FTP and email

Currency

USD, EUR, GBP, JPY, AUD

Review Dates

Semi-annually in March and September

History

Available from September 2003

Country Breakdown

Country	FTSE Emerging Minimum Variance		FTSE Emerging		Diff %
	No. of Cons	Wgt %	No. of Cons	Wgt %	
Brazil	34	3.65	76	8.98	-5.33
Chile	11	0.50	21	1.05	-0.55
China	147	23.84	958	33.77	-9.93
Colombia	8	0.88	9	0.46	0.42
Czech Rep.	5	1.03	5	0.18	0.85
Egypt	6	1.77	7	0.21	1.56
Greece	6	1.04	9	0.37	0.67
Hungary	2	0.38	4	0.35	0.02
India	81	12.29	148	11.04	1.26
Indonesia	9	1.16	31	2.37	-1.21
Kuwait	9	5.26	9	0.96	4.30
Malaysia	37	7.93	47	2.93	5.00
Mexico	31	4.33	39	3.11	1.22
Pakistan	5	0.79	5	0.04	0.76
Peru	1	0.17	1	0.07	0.10
Philippines	22	4.63	25	1.43	3.21
Qatar	19	5.20	21	1.34	3.86
Russia	24	3.27	32	4.60	-1.33
Saudi Arabia	-	-	43	1.67	-1.67
South Africa	8	2.10	75	6.77	-4.67
Taiwan	46	7.00	91	12.67	-5.66
Thailand	39	7.94	44	3.77	4.17
Turkey	9	0.71	31	0.74	-0.03
UAE	14	4.11	17	1.12	2.99
Totals	573	100.00	1748	100.00	

ICB Supersector Breakdown

ICB Code	ICB Supersector	FTSE Emerging Minimum Variance		FTSE Emerging		Diff %
		No. of Cons	Wgt %	No. of Cons	Wgt %	
0500	Oil & Gas	39	5.00	66	8.55	-3.55
1300	Chemicals	20	3.00	76	2.22	0.78
1700	Basic Resources	25	4.87	126	4.23	0.64
2300	Construction & Materials	21	2.74	70	2.20	0.53
2700	Industrial Goods & Services	67	11.71	261	5.44	6.27
3300	Automobiles & Parts	16	1.97	62	1.48	0.49
3500	Food & Beverage	40	9.20	91	3.58	5.61
3700	Personal & Household Goods	32	5.40	87	2.83	2.56
4500	Health Care	27	4.77	116	2.72	2.04
5300	Retail	26	4.40	81	10.01	-5.61
5500	Media	6	0.75	25	0.44	0.31
5700	Travel & Leisure	18	3.38	46	1.25	2.13
6500	Telecommunications	33	7.38	47	4.79	2.59
7500	Utilities	54	10.12	96	3.02	7.11
8300	Banks	64	12.81	143	17.99	-5.17
8500	Insurance	12	1.19	36	4.10	-2.91
8600	Real Estate	28	4.41	106	3.53	0.87
8700	Financial Services	18	1.74	95	4.04	-2.30
9500	Technology	27	5.15	118	17.57	-12.42
Totals		573	100.00	1748	100.00	

Index Characteristics

Attributes	FTSE Emerging Minimum Variance	FTSE Emerging
Number of constituents	573	1748
Dividend Yield %	3.58	3.10
Constituent (Wgt %)		
Average	0.17	0.06
Largest	0.76	5.13
Median	0.15	0.01
Top 10 Holdings (Wgt %)	6.52	23.28

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Data definitions available from
info@ftserussell.com

To learn more, visit www.ftserussell.com;
 email 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 4563 6346

Sydney +61 (0) 2 8823 3521