

# FTSE Developed Europe Minimum Variance Indices

Data as at: 31 March 2020

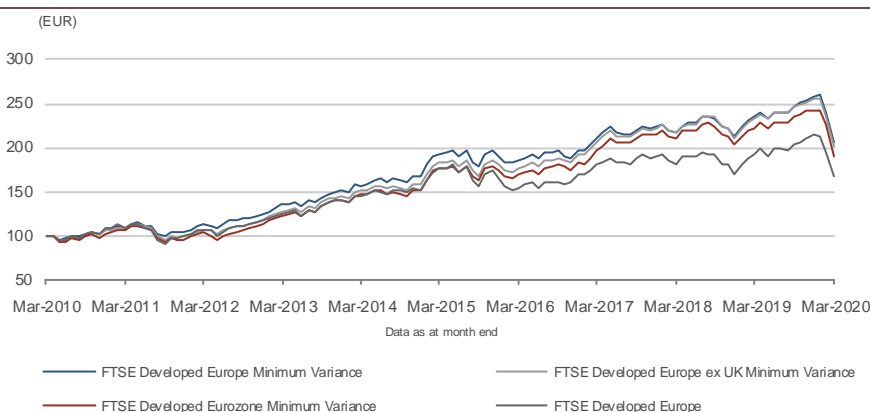
The FTSE Global Minimum Variance Index Series aims to deliver reduced index volatility based on historical return information, thereby offering potential improvements to the risk reward trade-off, whilst maintaining full allocation to the relevant equity market.

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	-20.2	-16.6	-20.2	-12.0	-2.0	7.3	-0.7	1.4	19.9	15.7	12.3
FTSE Developed Europe ex UK Minimum Variance	-20.5	-18.0	-20.5	-13.1	-1.7	10.8	-0.6	2.1	19.7	15.8	12.3
FTSE Developed Eurozone Minimum Variance	-21.6	-19.7	-21.6	-14.8	-3.8	8.2	-1.3	1.6	20.4	16.7	13.1
FTSE Developed Europe	-22.6	-18.0	-22.6	-13.1	-7.5	-5.3	-2.6	-1.1	23.5	18.9	14.3

\* 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**

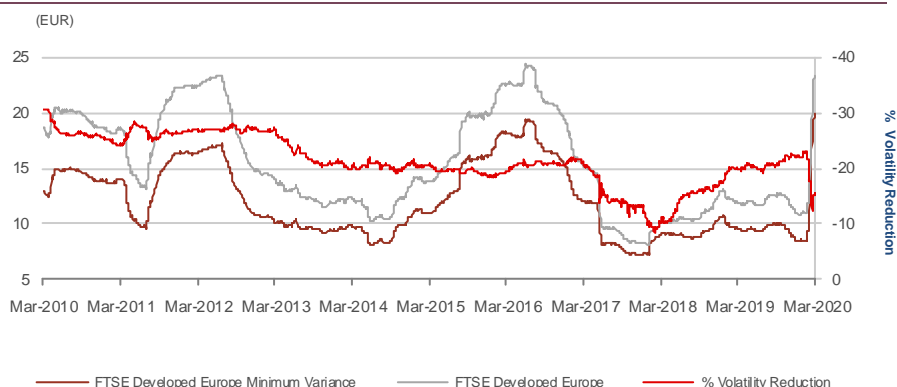
Index % (EUR)	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
FTSE Developed Europe Minimum Variance	12.3	-1.9	18.4	22.2	10.0	14.7	3.0	14.1	-5.5	22.0
FTSE Developed Europe ex UK Minimum Variance	10.5	-5.6	17.7	23.7	8.8	15.3	5.9	15.7	-5.0	20.7
FTSE Developed Eurozone Minimum Variance	5.4	-6.6	18.6	24.4	7.5	15.0	5.5	17.4	-5.6	19.1
FTSE Developed Europe	11.6	-8.2	18.4	20.8	7.4	9.3	3.1	11.1	-10.1	26.9

**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	0.1	0.7	-32.5	-32.5	-32.5	-32.5
FTSE Developed Europe ex UK Minimum Variance	-0.6	-0.1	0.2	0.6	-31.6	-31.6	-31.6	-31.6
FTSE Developed Eurozone Minimum Variance	-0.7	-0.1	0.1	0.5	-33.2	-33.2	-33.2	-33.2
FTSE Developed Europe	-0.5	-0.2	-0.1	0.4	-35.4	-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 %
Polymetal International	UK	Mining	1.11	0.08	1.03
Lindt & Spruengli - Reg	Switzerland	Food Producers	0.99	0.12	0.87
PSP Swiss Property	Switzerland	Real Estate Investment & Services	0.94	0.07	0.87
Lindt & Spruengli - PC	Switzerland	Food Producers	0.92	0.12	0.81
ICA Gruppen AB	Sweden	Food & Drug Retailers	0.87	0.04	0.82
Elia Group	Belgium	Electricity	0.86	0.05	0.81
Swiss Prime Site	Switzerland	Real Estate Investment & Services	0.79	0.10	0.69
Coloplast B	Denmark	Health Care Equipment & Services	0.78	0.26	0.52
Colruyt	Belgium	Food & Drug Retailers	0.77	0.04	0.73
Deutsche Wohnen SE	Germany	Real Estate Investment & Services	0.77	0.19	0.58
<b>Totals</b>			<b>8.80</b>	<b>1.07</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	1.47	8	0.27	1.20
Belgium	8	3.61	14	1.45	2.16
Denmark	17	4.93	20	3.46	1.47
Finland	12	3.99	15	1.95	2.03
France	53	14.06	85	16.42	-2.36
Germany	44	12.39	84	13.55	-1.16
Ireland	4	1.47	5	0.41	1.07
Italy	22	5.50	40	3.85	1.65
Netherlands	16	4.44	30	6.34	-1.90
Norway	6	1.56	16	0.94	0.62
Poland	12	3.15	14	0.43	2.72
Portugal	4	1.71	4	0.31	1.40
Spain	22	6.83	26	4.10	2.72
Sweden	20	3.51	48	4.55	-1.04
Switzerland	33	12.95	49	16.84	-3.89
UK	64	18.43	131	25.12	-6.69
<b>Totals</b>	<b>343</b>	<b>100.00</b>	<b>589</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	7	2.73	8	0.56	2.17
Belgium	9	6.70	14	2.97	3.73
Finland	12	6.95	15	4.00	2.94
France	55	25.06	85	33.66	-8.59
Germany	48	23.20	84	27.77	-4.57
Greece	-	-	9	0.29	-0.29
Ireland	4	2.88	5	0.83	2.04
Italy	22	9.06	40	7.89	1.17
Netherlands	16	8.39	30	12.99	-4.61
Portugal	4	3.15	4	0.63	2.53
Spain	22	11.88	26	8.41	3.47
<b>Totals</b>	<b>199</b>	<b>100.00</b>	<b>320</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 %	
0500	Oil & Gas	15	3.99	23	6.05	-2.06
1300	Chemicals	7	1.59	22	3.31	-1.71
1700	Basic Resources	4	1.73	21	2.62	-0.90
2300	Construction & Materials	11	1.85	21	2.83	-0.97
2700	Industrial Goods & Services	44	9.66	97	11.07	-1.42
3300	Automobiles & Parts	7	1.19	18	2.06	-0.87
3500	Food & Beverage	22	9.78	23	8.17	1.61
3700	Personal & Household Goods	21	7.00	36	8.97	-1.97
4500	Health Care	36	11.29	49	17.04	-5.74
5300	Retail	22	8.75	30	3.17	5.58
5500	Media	17	4.86	20	1.81	3.05
5700	Travel & Leisure	5	1.65	14	0.96	0.69
6500	Telecommunications	19	7.24	22	3.10	4.14
7500	Utilities	29	9.71	30	4.86	4.85
8300	Banks	22	3.26	47	7.91	-4.65
8500	Insurance	26	6.33	34	5.57	0.76
8600	Real Estate	18	6.72	21	1.80	4.92
8700	Financial Services	11	1.78	34	2.50	-0.72
9500	Technology	7	1.62	27	6.20	-4.58
<b>Totals</b>		<b>343</b>	<b>100.00</b>	<b>589</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	343	298	199
Dividend Yield %	4.32	4.48	4.54
Constituent (Wgt %)			
Average	0.29	0.34	0.50
Largest	1.11	1.32	1.58
Median	0.26	0.29	0.46
Top 10 Holdings (Wgt %)	8.80	10.59	12.50

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