

iSTOXX[®] Europe Minimum Variance High Dividend Index NR

Rebalancing Report - 20-Mar-2017

Stock Statistics

iSTOXX[®] Europe Minimum Variance High Dividend Index NR rebalances each third Friday of the month. The new composition is implemented at the opening of the next business day after the third Friday - usually the next Monday. The weights are computed using closing prices three days prior to the third Friday. Both the iSTOXX[®] Europe Minimum Variance High Dividend Index NR and the benchmark Stoxx Europe 600 Index NR are computed in EUR. The calculations in the document are performed by Ossiam using Stoxx/Datastream source.

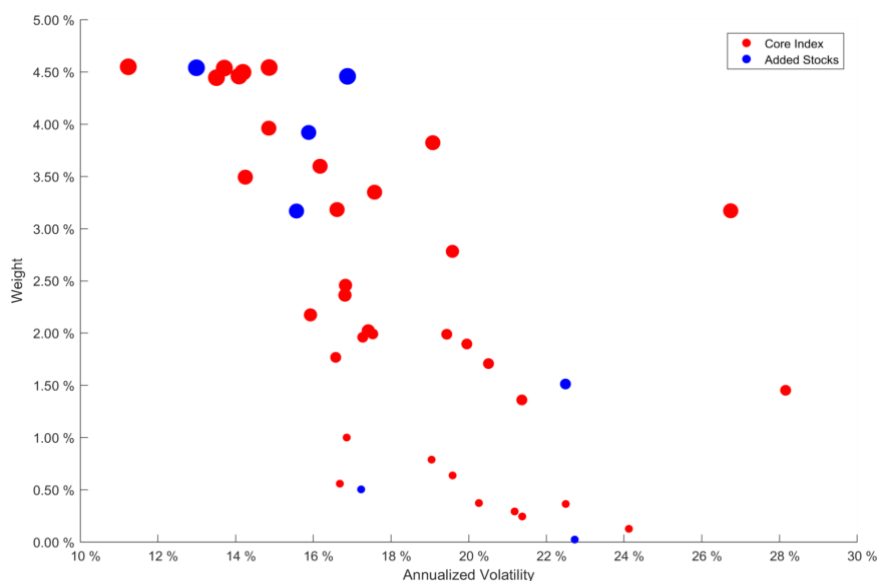
The number of constituents in the index increased from **40** to **42**. The Turnover is **49.88%**, higher than its historical mean at **35.79%**. The weight of the Index Core Portfolio decreased from **86.84%** to **81.88%**.

Characteristics	20-Mar-2017
Number of Stocks	42
Added Stocks	7
Deleted Stocks	5
Core Number	35
Old weight of Core	86.84%
New weight of Core	81.88%
Turnover	49.88%
Historical Turnover	35.79%

Added and deleted stocks are relative to 20-Mar-2017. The Core is defined as the subset of stocks that belong to the current as well as the previous composition.

Volatility/Weight profile

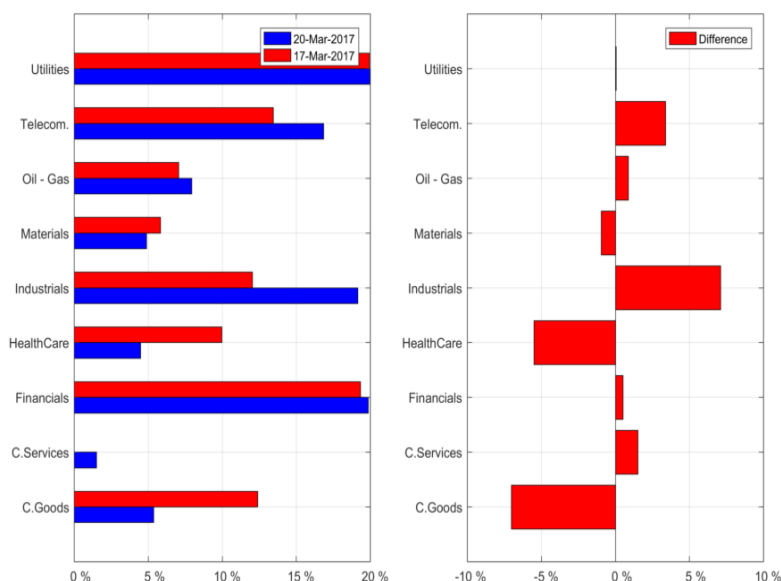
The chart on the right shows the distribution of the new iSTOXX[®] Europe Minimum Variance High Dividend Index NR composition on 20-Mar-2017 in terms of annualized volatility (x-axis) and weight (y-axis). Volatility computed over 125 days ending on 14-Mar-2017. On the upper left corner we find low volatile stocks with big weight in the index. On the lower right corner we find high volatile stocks with low weight in the index. These stocks usually enter the index for diversification purposes. We distinguish between Core index and added stocks to appreciate how these newly added stock are positioned in terms of volatility and weight.



Sector Allocation

The most significant changes in sector exposures are: **7.11%** for Industrials, **-7.03%** for C.Goods, **-5.49%** for HealthCare. The biggest sector exposures are: **19.98%** for Utilities, **19.85%** for Financials, **19.15%** for Industrials.

	Close	Open	Diff.
C.Goods	12.39%	5.36%	-7.03%
C.Services	0.00%	1.51%	1.51%
Financials	19.33%	19.85%	0.52%
HealthCare	9.97%	4.48%	-5.49%
Industrials	12.04%	19.15%	7.11%
Materials	5.82%	4.88%	-0.94%
Oil - Gas	7.06%	7.94%	0.88%
Telecom.	13.45%	16.84%	3.40%
Utilities	19.94%	19.98%	0.05%

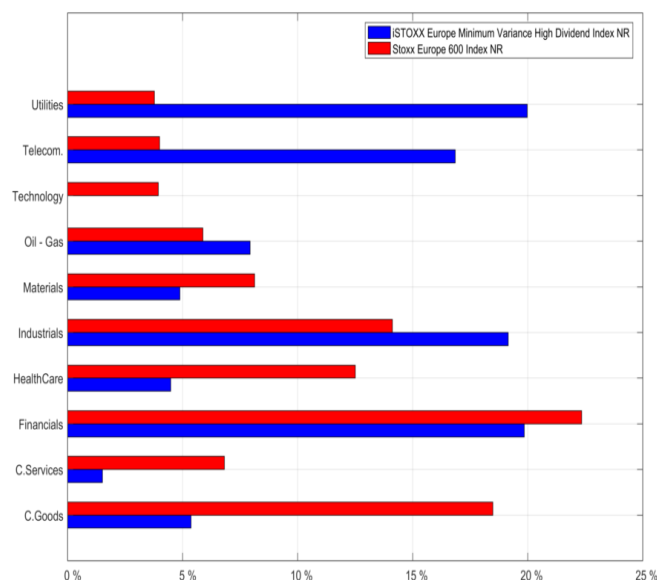


The left-hand side of the chart below shows the sector deviations at rebalancing. Differences are shown on the right-hand side. Index weights are taken as of 17-Mar-2017 (last business day before the new composition is implemented) compared to the new rebalancing weights as of 20-Mar-2017.

Sector breakdown vs. benchmark

The iSTOXX[®] Europe Minimum Variance High Dividend Index NR overweights Utilities (**16.21%**) and Telecom. (**12.84%**) compared to Stoxx Europe 600 Index NR. The iSTOXX[®] Europe Minimum Variance High Dividend Index NR underweights C.Goods (**-13.12%**) and HealthCare (**-8.02%**) compared to Stoxx Europe 600 Index NR.

	B		S	Diff.	Vol.	
	B	S			B	S
C.Goods	18.49%	5.36%	-13.12%		14.11%	15.82%
C.Services	6.82%	1.51%	-5.31%		15.85%	22.50%
Financials	22.35%	19.85%	-2.50%		19.13%	12.82%
HealthCare	12.50%	4.48%	-8.02%		16.47%	14.11%
Industrials	14.12%	19.15%	5.03%		14.49%	12.07%
Materials	8.13%	4.88%	-3.25%		16.98%	21.13%
Oil - Gas	5.88%	7.94%	2.06%		17.76%	16.72%
Technology	3.95%	0.00%	-3.95%		15.53%	0.00%
Telecom.	4.00%	16.84%	12.84%		15.70%	12.53%
Utilities	3.77%	19.98%	16.21%		14.94%	12.97%

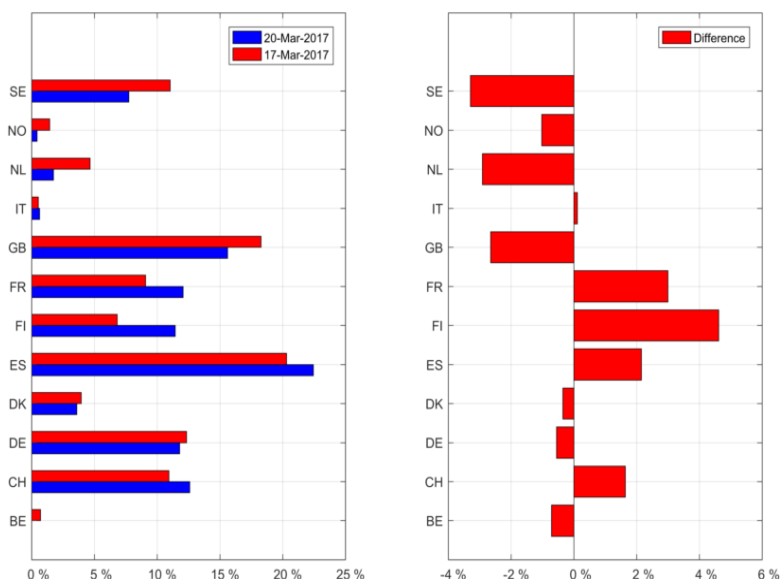


The table below shows, for each sector, the weight in the iSTOXX[®] Europe Minimum Variance High Dividend Index NR (S), in the benchmark Stoxx Europe 600 Index NR (B) and their difference. We also show the annualized volatility of each sector in the iSTOXX[®] Europe Minimum Variance High Dividend Index NR and in the benchmark. Annualized volatilities are computed using 125 business days ending on 14-Mar-2017

Country Allocation

The most significant changes in country exposures are: **4.61%** for FI, **-3.30%** for SE, **2.99%** for FR. The biggest country exposures are: **22.44%** for ES, **15.60%** for GB, **12.58%** for CH.

	Close	Open	Diff.
BE	0.71%	0.00%	-0.71%
CH	10.94%	12.58%	1.64%
DE	12.33%	11.78%	-0.55%
DK	3.94%	3.60%	-0.35%
ES	20.29%	22.44%	2.15%
FI	6.82%	11.43%	4.61%
FR	9.07%	12.06%	2.99%
GB	18.26%	15.60%	-2.65%
IT	0.53%	0.64%	0.11%
NL	4.64%	1.72%	-2.92%
NO	1.44%	0.42%	-1.03%
SE	11.04%	7.74%	-3.30%

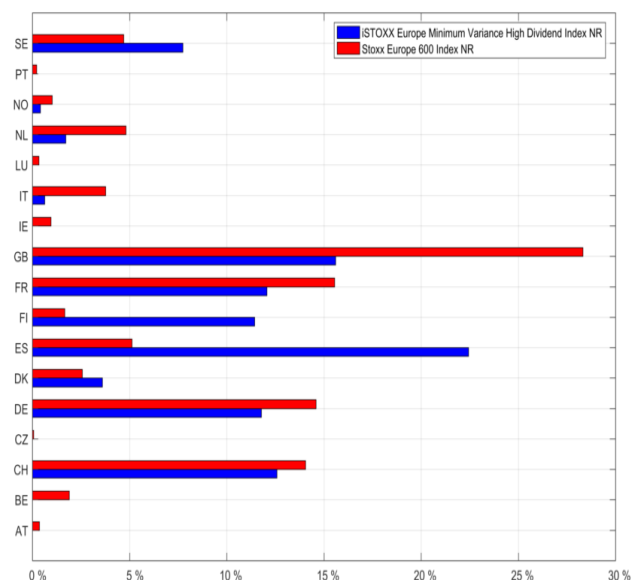


The left-hand side of the chart below shows the country deviations at rebalancing. Differences are shown on the right-hand side. Index weights are taken as of 17-Mar-2017 (last business day before the new composition is implemented) compared to the new rebalancing weights as of 20-Mar-2017.

Country breakdown vs. benchmark

The iSTOXX[®] Europe Minimum Variance High Dividend Index NR overweights ES (**17.31%**) and FI (**9.76%**) compared to Stoxx Europe 600 Index NR. The iSTOXX[®] Europe Minimum Variance High Dividend Index NR underweights GB (**-12.72%**) and FR (**-3.49%**) compared to Stoxx Europe 600 Index NR.

	B		Diff.	Vol.	
	B	S		B	S
AT	0.36%	0.00%	-0.36%	17.12%	0.00%
BE	1.89%	0.00%	-1.89%	14.19%	0.00%
CH	14.05%	12.58%	-1.47%	13.90%	11.01%
CZ	0.07%	0.00%	-0.07%	15.53%	0.00%
DE	14.60%	11.78%	-2.82%	14.36%	14.77%
DK	2.57%	3.60%	1.03%	17.49%	16.18%
ES	5.13%	22.44%	17.31%	17.29%	12.61%
FI	1.66%	11.43%	9.76%	16.71%	14.10%
FR	15.55%	12.06%	-3.49%	14.80%	14.18%
GB	28.32%	15.60%	-12.72%	16.83%	13.95%
IE	0.95%	0.00%	-0.95%	18.12%	0.00%
IT	3.77%	0.64%	-3.13%	23.58%	19.59%
LU	0.33%	0.00%	-0.33%	27.92%	0.00%
NL	4.81%	1.72%	-3.08%	16.15%	18.85%
NO	1.02%	0.42%	-0.60%	19.11%	19.52%
PT	0.22%	0.00%	-0.22%	16.81%	0.00%
SE	4.70%	7.74%	3.04%	15.57%	14.27%



The table below shows, for each country, the weight in the iSTOXX[®] Europe Minimum Variance High Dividend Index NR (S), in the benchmark Stoxx Europe 600 Index NR (B) and their difference. We also show the annualized volatility of each country in the iSTOXX[®] Europe Minimum Variance High Dividend Index NR and in the benchmark. Annualized volatilities are computed using 125 business days ending on 14-Mar-2017

Added Stocks

The rebalancing has added 7 new stocks. In the table below, T is the current rebalancing date (20-Mar-2017), while T-1 is the previous rebalancing date (20-Feb-2017). Vol(T-1) and Vol(T) are the annualized volatilities computed over 125 business days ending, respectively, on 14-Feb-2017 and 14-Mar-2017. Finally, WW(T) is the stock weight at the current rebalancing date.

	Sector	Country	Vol		WW(T)	B
			T-1	T		
ASTRAZENECA PLC.	HealthCare	GB	23.50%	22.73%	0.02%	Y
DISB.INTNAC.DE AMEN.SA	C.Services	ES	22.10%	22.50%	1.51%	Y
GAS NATURAL SDG SA	Utilities	ES	17.54%	15.57%	3.17%	Y
KONE OYJ	Industrials	FI	17.92%	16.88%	4.46%	Y
KUEHNE+NAGEL INTL.G	Industrials	CH	12.88%	12.99%	4.54%	Y
NORDEA BANK AB	Financials	SE	17.81%	17.23%	0.50%	Y
ORANGE SA	Telecom.	FR	16.57%	15.88%	3.92%	Y

The Column B shows whenever the added stock was in the Stoxx Europe 600 Index NR selection as of 20-Feb-2017.

Deleted Stocks

The rebalancing has deleted 5 new stocks. In the table below, T is the current rebalancing date (20-Mar-2017), while T-1 is the previous rebalancing date (20-Feb-2017). Vol(T-1) and Vol(T) are the annualized volatilities computed over 125 business days ending, respectively, on 14-Feb-2017 and 14-Mar-2017. Finally, WW(T-1) is the stock weight at the previous rebalancing date.

	Sector	Country	Vol		WW(T-1)	B
			T-1	T		
AGEAS (EX-FORTIS) NV	Financials	BE	19.09%	20.01%	0.71%	Y
ELECTROLUX AB	C.Goods	SE	20.68%	19.36%	4.58%	Y
NOVARTIS AG	HealthCare	CH	17.99%	17.42%	3.61%	Y
SANOFI	HealthCare	FR	18.86%	18.41%	1.79%	Y
UNILEVER PLC.	C.Goods	GB	17.18%	27.38%	2.47%	Y

The Column B shows whenever the deleted stock was in the Stoxx Europe 600 Index NR selection as of 20-Mar-2017.

Ranking Index Constituents - Top 25

The table shows the top 25 positions in the iSTOXX[®] Europe Minimum Variance High Dividend Index NR as of 20-Mar-2017. The column WW indicates the weights in the iSTOXX[®] Europe Minimum Variance High Dividend Index NR as of 20-Mar-2017. The column Vol gives the annualized volatility computed over 125 business days ending on 14-Mar-2017. Finally, the column Core shows whether the stock was in the iSTOXX[®] Europe Minimum Variance High Dividend Index NR already (YES) or it entered at this rebalancing (NO).

	Sector	Country	WW	Vol	Core
SWISSCOM	Telecom.	CH	4.55%	11.24%	YES
TELIA COMPANY AB	Telecom.	SE	4.54%	14.87%	YES
KUEHNE+NAGEL INTL.G	Industrials	CH	4.54%	12.99%	NO
ABERTIS INFSTS.SA	Industrials	ES	4.54%	13.71%	YES
ENDESA SA	Utilities	ES	4.50%	14.19%	YES
GLAXOSMITHKLINE PLC.	HealthCare	GB	4.46%	14.09%	YES
KONE OYJ	Industrials	FI	4.46%	16.88%	NO
MUNCHENER RUCK.GESELL.AG	Financials	DE	4.44%	13.51%	YES
IBERDROLA SA	Utilities	ES	3.96%	14.86%	YES
ORANGE SA	Telecom.	FR	3.92%	15.88%	NO
BOUYGUES SA	Industrials	FR	3.82%	19.08%	YES
DANSKE BANK A/S	Financials	DK	3.60%	16.18%	YES
SWISS RE AG	Financials	CH	3.49%	14.25%	YES
FORTUM OYJ	Utilities	FI	3.35%	17.58%	YES
VODAFONE GROUP PLC.	Telecom.	GB	3.18%	16.61%	YES
K + S AG	Materials	DE	3.17%	26.75%	YES
GAS NATURAL SDG SA	Utilities	ES	3.17%	15.57%	NO
IMPERIAL BRANDS PLC.	C.Goods	GB	2.78%	19.59%	YES
DAIMLER AG	C.Goods	DE	2.46%	16.83%	YES
TOTAL SA	Oil - Gas	FR	2.36%	16.82%	YES
SAMPO OYJ	Financials	FI	2.17%	15.93%	YES
NATIONAL GRID PLC.	Utilities	GB	2.02%	17.42%	YES
ENAGAS SA	Utilities	ES	1.99%	17.53%	YES
REPSOL YPF SA	Oil - Gas	ES	1.99%	19.44%	YES
KLEPIERRE	Financials	FR	1.96%	17.28%	YES

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