

SPIVA[®] Japan

Contributors

Maya Beyhan, PhD
Senior Director, ESG Specialist
Index Investment Strategy
maya.beyhan@spglobal.com

Joseph Nelesen, PhD
Senior Director
Index Investment Strategy
joseph.nelesen@spglobal.com

Davide Di Gioia, MBA
Chief SPIVA Engineer
Index Investment Strategy
davide.di.gioia@spglobal.com

Experience the active vs. passive debate on a global scale.

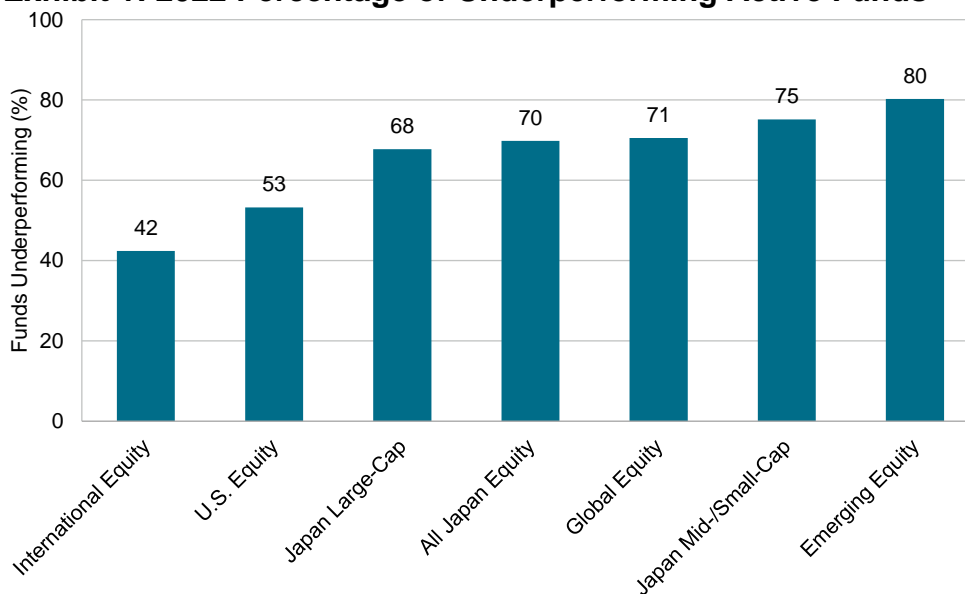
Since the first publication of the S&P Indices Versus Active (SPIVA) U.S. Scorecard in 2002, S&P Dow Jones Indices has been the de facto scorekeeper of the ongoing active versus passive debate.

The SPIVA Japan Scorecard measures the performance of actively managed funds offered in Japan against their respective benchmarks over various time horizons, covering large-, mid- and small-cap segments, as well as international and global equity funds.

Year-End 2022 Highlights

More than two-thirds (70%) of All Japanese Equity funds underperformed the broad-based [S&P Japan 500](#) over the full-year 2022 period. In all but one of the remaining categories, well over half of funds underperformed their benchmarks. International Equity funds were the sole exception with an underperformance rate of 42% in 2022.

Exhibit 1: 2022 Percentage of Underperforming Active Funds



Source: S&P Dow Jones Indices LLC, Morningstar. Data as of Dec. 31, 2022. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Register to receive our latest research, education, and commentary at on.spdji.com/SignUp.

- The [S&P/TOPIX 150](#) posted -3.42% in 2022, and **68% of Japanese Large-Cap funds underperformed** the index over the period. This was the worst underperformance rate reported for the large-cap category since December 2018.
- Results for active managers were better in the **International Equity funds** category, where **42% of actively managed funds underperformed** the S&P Global 1200 Ex-Japan in 2022 (see Exhibits 6, 7 and 8).
- For Japanese Mid-/Small-Cap funds, 75% underperformed the S&P Japan MidSmallCap, which declined 0.21% in 2022. However, **the long-term record of actively managed Japanese Mid-/Small-Cap funds is relatively better**, with 50%, 47% and 52% underperforming over the 3-, 5- and 10-year periods, respectively (see Exhibit 5).
- **All Japanese Equity funds generated a relatively range-bound underperformance rate over all our reported time horizons**, with underperformance rates versus the S&P Japan 500 ranging between 70% and 82%. In 2022, the S&P Japan 500 ended the year down 2.93%, and **70% of actively managed funds underperformed** (see Exhibit 4).
- After 80% of U.S. Equity funds underperformed over 2021, **actively managed Japanese funds invested in U.S. equities reduced their underperformance rate in 2022**, with a slight majority of 53% underperforming the [S&P 500®](#)'s loss of 6.17% in Japanese yen terms.
- The [S&P Global 1200](#) posted -4.80% in 2022, and **71% of Global Equity funds failed to beat the benchmark**, in many cases underperforming by wide margins. The average total return of the funds in this category was -12.68% on an equal-weighted basis and -22.17% on an asset-weighted basis.
- While the [S&P Emerging BMI](#) declined 5.76% in 2022, **80% of Emerging Equity funds underperformed**. As time horizons extended, the percentage of underperforming funds increased to levels surpassing any other category, with **88%, 91% and 100% failing to beat the benchmark over 3-, 5- and 10-year periods, respectively**.
- Taken all together, the data in this report suggest that among the active funds offered in Japan, **International Equity managers were relatively more successful** when it came to turning opportunities into positive outcomes, but that **despite an abundance of opportunities, active funds in all the other fund categories struggled to take advantage**.

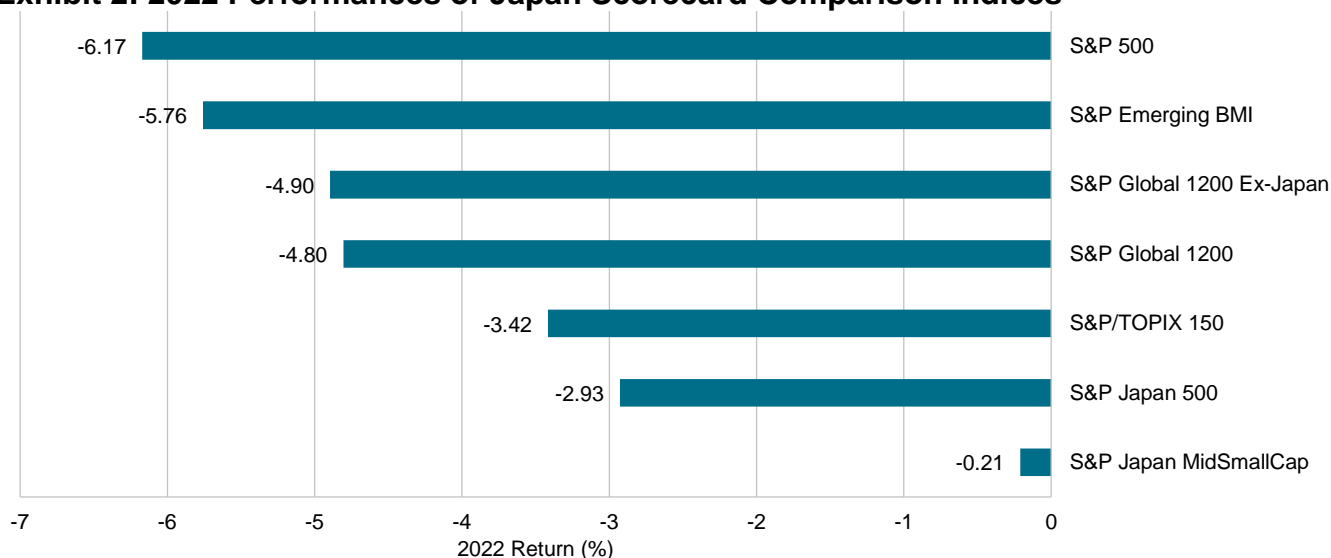
Market Context

Equity market conditions were extraordinarily challenging in 2022, with investors being forced to pivot from one economic concern to another. In local currency terms, however, **Japan appeared to be relatively more insulated from many of the issues affecting the rest of world**, with the S&P/TOPIX 150 down only 3.42% (in JPY terms), as Exhibit 2 illustrates, compared with the S&P 500, which fell 18.11% (in USD terms).

Japan also saw a different scenario than many other developed countries in 2022. **The Bank of Japan (BoJ) kept interest rates low, while other major economies were raising rates precipitously.** The stark differences in central bank policies caused a **weakening of the Japanese yen** against many currencies, but especially against the U.S. dollar. This boosted many international market returns for Japanese investors: for example, the S&P 500 fell only 6.2% in JPY terms (see Exhibit 2).

Owing in part to a currency depreciation, **the corporate earnings trend remained healthy in Japan**—a slowdown in global demand was felt, but the favorable currency trends and economic reopening in a post-pandemic era supported corporate earnings overall.

Exhibit 2: 2022 Performances of Japan Scorecard Comparison Indices

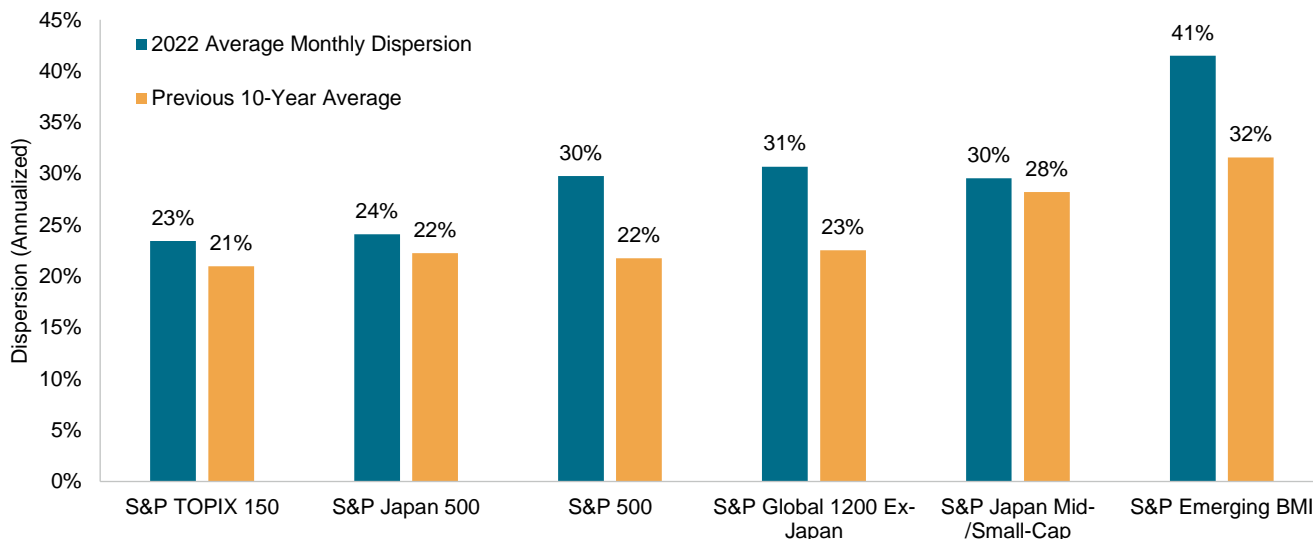


Source: S&P Dow Jones Indices LLC. Data as of Dec. 31, 2022. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Select aspects of the market environment in 2022 were **suggestive of a generally favorable environment for active managers in Japanese equities over the period.** First, as illustrated in Exhibit 2, the largest companies (as represented by the S&P/TOPIX 150) underperformed small- and mid-sized Japanese companies (as represented by the S&P Japan MidSmallCap). This suggests a tailwind for active managers, who are typically less likely to own all of the largest stocks at market weight.

Second, there were plenty of opportunities for outperformance through stock selection in 2022. At the benchmark level, **the degree to which securities differ—above or below—the average performance is measured by *dispersion*.**¹ As illustrated in Exhibit 3, the average monthly annualized dispersion in the securities of the scorecard comparison indices was **higher in 2022 than the average over the past 10 years.**

Exhibit 3: Dispersion of Constituent Returns in Scorecard Comparison Indices



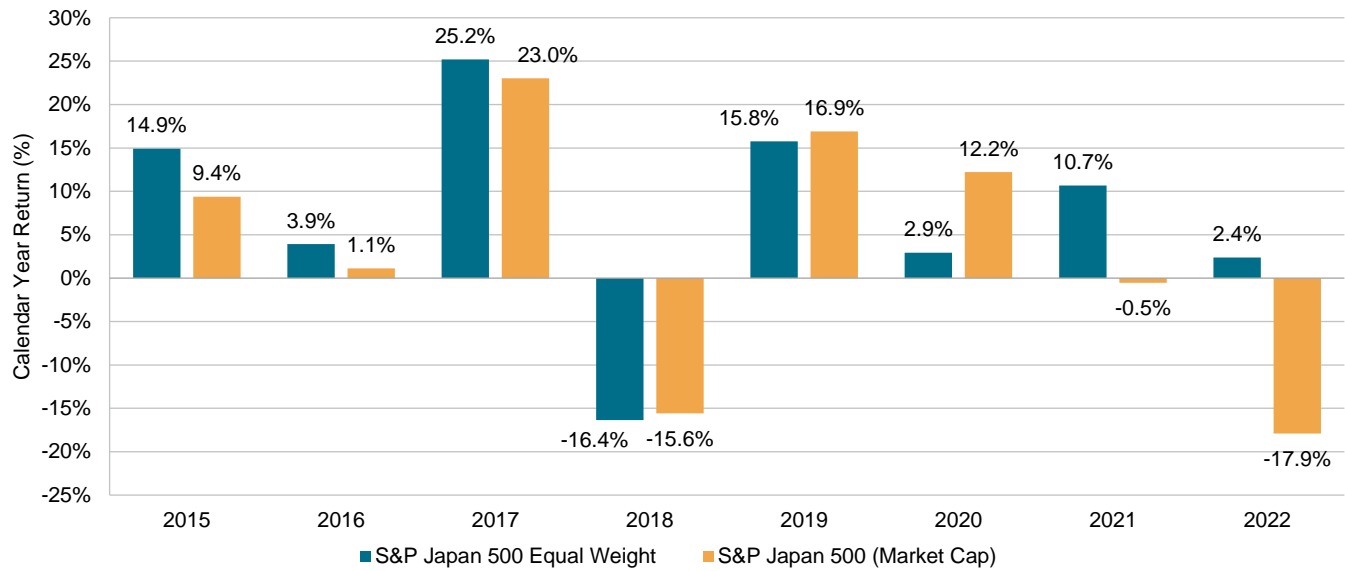
Source: S&P Dow Jones Indices LLC. Data as of Dec. 31, 2022. Index performance based on total return in JPY. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Of course, there are expenses and costs associated with running any portfolio, and so **an actively managed fund may still underperform even if it picks outperforming securities.** Ideally, a manager should hope to find not just securities that outperform, but those that outperform **materially**. There are times when most securities perform similarly, and differentiation is harder to find, and other times when the difference between winners and losers is larger.

Offering a quantitative perspective on the return potential by deviating from benchmark weights, Exhibit 4 compares the annual returns of the cap-weighted S&P Japan 500 (our benchmark for active managers in the broad All Japanese Equity funds category) with the S&P Japan 500 Equal Weight Index, which represents the return potential from *not* weighting in line with market capitalization. **2022 marked the largest outperformance of the S&P Japan 500 Equal Weight Index since the first calculation of SPIVA Japan Scorecards in 2015, with a return differential of 20%.**

¹ For example, see Edwards, Tim and Craig J. Lazzara, "[Dispersion: Measuring Market Opportunity](#)," S&P Dow Jones Indices, 2014.

Exhibit 4: S&P Japan 500 Market Cap Weight and Equal Weight Returns

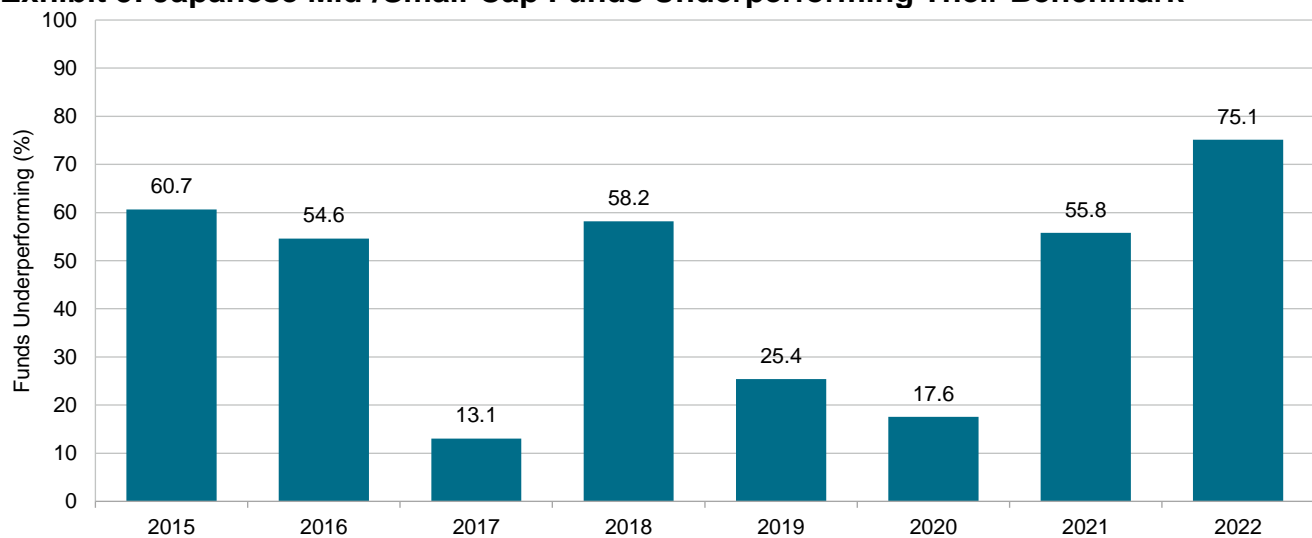


Source: S&P Dow Jones Indices LLC, Morningstar. Data as of Dec. 31, 2022. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Despite this market context, it appears that managers might not have taken advantage. Instead, **70% of actively managed funds in the All Japanese Equity funds category underperformed the S&P 500 Japan.**

This was not the only category to produce perhaps surprising results; 75% of Japanese Mid-/Small-Cap funds underperformed the S&P Japan MidSmallCap, producing the highest rate of underperformance since the inaugural SPIVA Japan Scorecard in 2015 (see Exhibit 5).

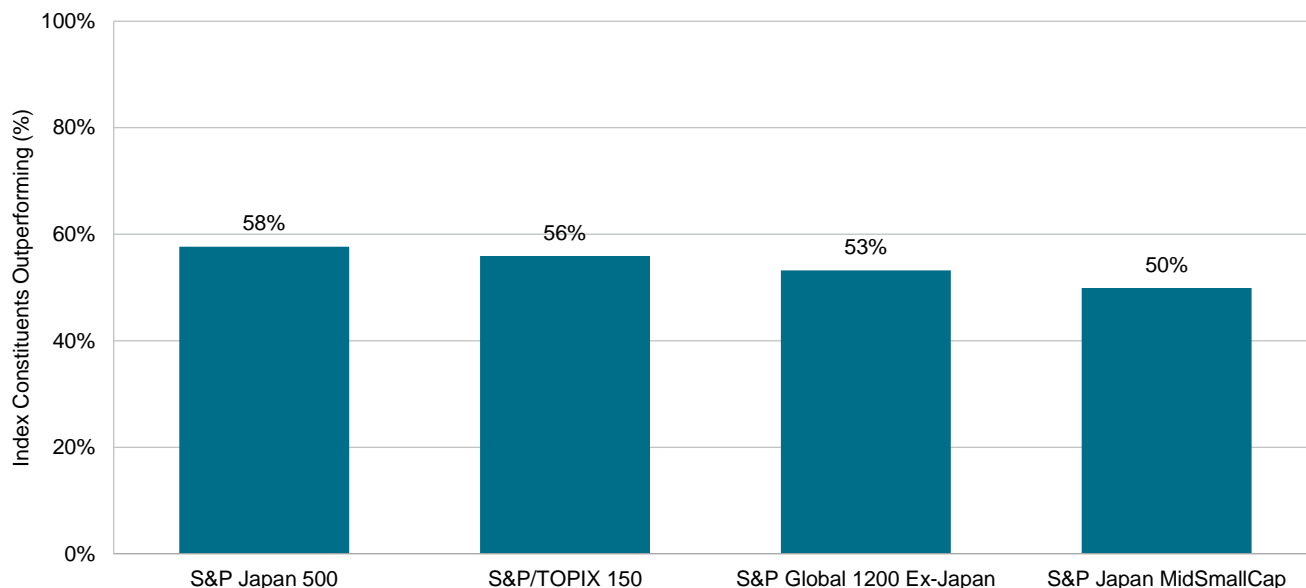
Exhibit 5: Japanese Mid-/Small-Cap Funds Underperforming Their Benchmark



Source: S&P Dow Jones Indices LLC, Morningstar. Data as of Dec. 31, 2022. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

However, there may be another reason for managers’ challenges in the mid/small space. This is best understood though an examination of the distribution of stock returns in the category (see Exhibit 6). While 56% of constituents from the S&P/TOPIX 150, 58% of stocks in the S&P Japan 500 and 53% of stocks in the S&P Global 1200 Ex-Japan outperformed their benchmarks, **only 50% of constituents of the S&P Japan MidSmallCap outperformed the index.**

Exhibit 6: Outperforming Constituents in Japan Comparison Indices

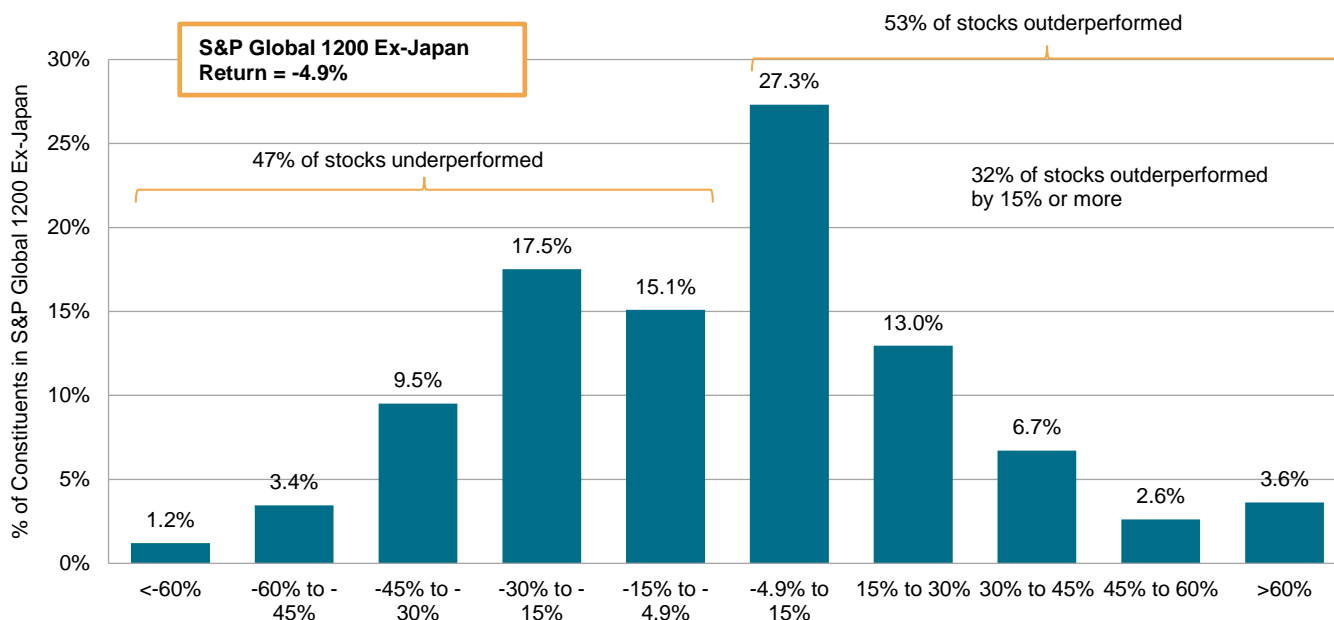


Source: S&P Dow Jones Indices LLC, FactSet. Data as of Dec. 31, 2022. Index performance based on total return in JPY. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

As Exhibit 6 shows, there is not always an even split between outperformers and underperformers. At times, when more than half of the constituents outperform the benchmark, it should theoretically be easier than usual for managers to outperform through concentrated stock selection. **When fewer single stocks outperform, they might also be harder to find.**

As Exhibit 1 illustrates, **the International Equity category deserves particular attention:** this is the only category where more than half of active funds *outperformed* the benchmark in 2022. Here, again, the distribution of stock returns can provide insight: 53% of the constituents in its comparison benchmark (the S&P Global 1200 Ex-Japan) outperformed the benchmark’s return of -4.9% (see Exhibit 7). Moreover, 32% of constituents outperformed the index by 15% or more—suggesting a broad opportunity set for selecting “winners.”

Exhibit 7: 2022 Distribution of S&P Global 1200 Ex-Japan Constituent Returns

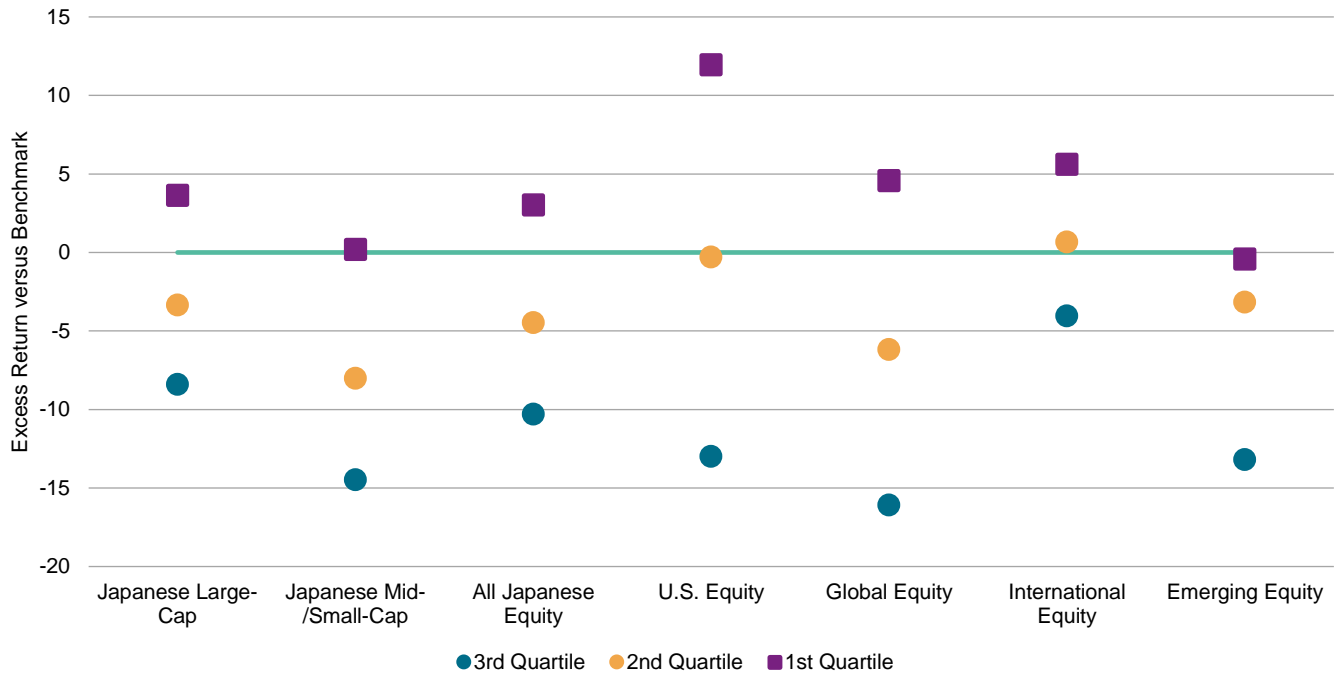


Source: S&P Dow Jones Indices LLC, FactSet. Data as of Dec. 31, 2022. Index performance based on total return in JPY. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

Taken all together, the preceding exhibits present a curious combination of data suggesting that there was an abundance of opportunities for active managers to profit by selecting from positively skewed universes of stocks and deviating from benchmark weights where opportunity was heightened in comparison to previous years. But despite this rich environment for stock picking, except for the International Equity category, the majority of actively managed funds still underperformed their comparison indices (see Exhibit 1).

Exhibit 8 does not resolve this dissonance between conditions and outcomes, but it does offer some perspective on the results. Specifically, for each reported fund category, **the exhibit plots the excess return versus comparison index by active fund quartile**—illustrating the spread between the magnitude by which the bottom 25% of funds underperform and the magnitude by which the top 25% of funds outperform the comparison index. For all categories except International Equity, **the bottom quartile funds underperformed to a greater degree than the top quartile funds outperformed**. This suggests that regardless of the category, investors faced a non-symmetric reward for picking active funds, highlighting a particularly challenging “fund selection risk” over the period.

Exhibit 8: 2022 Excess Return versus Category Benchmark by Active Fund Quartile



Source: S&P Dow Jones Indices LLC, Morningstar. Data as of Dec. 31, 2022. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

A Unique Scorecard for the Active Versus Passive Debate

Since its first publication 20 years ago, the SPIVA Scorecard has served as the de facto scorekeeper of the active versus passive debate. For two decades, we have heard passionate arguments from believers in both camps when headline numbers have deviated from their beliefs.

Beyond the SPIVA Scorecard's widely cited headline numbers is a rich data set that addresses issues related to measurement techniques, universe composition and fund survivorship that are far less frequently discussed but are often much more fascinating. These data sets are rooted in the following fundamental principles of the SPIVA Scorecard, with which regular readers will be familiar.

- **Survivorship Bias Correction:** Many funds might be liquidated or merged during a period of study. However, for someone making an investment decision at the beginning of the period, these funds are part of the opportunity set. Unlike other commonly available comparison reports, SPIVA Scorecards account for the entire opportunity set—not just the survivors—thereby eliminating survivorship bias.
- **Apples-to-Apples Comparison:** Fund returns are often compared with a popular benchmark regardless of their investment category. The SPIVA Japan Scorecard makes an appropriate comparison by measuring a fund's returns against the returns of a benchmark that reflects the fund's investment category.
- **Asset-Weighted Returns:** Average returns for a fund group are often calculated using only equal weighting, which results in the returns of a JPY 10 billion fund affecting the average in the same manner as the returns of a JPY 10 million fund. An accurate representation of how market participants fared in a particular period can be ascertained by calculating weighted average returns, where each fund's return is weighted by net assets. SPIVA Scorecards show both equal- and asset-weighted averages.
- **Data Cleaning:** SPIVA Scorecards avoid double-counting multiple share classes in all count-based calculations by using only the share class with greater assets. Index, leveraged and inverse funds, along with other index-linked products, are excluded because this is meant to be a scorecard for active managers.

Reports

Report 1a: Percentage of Funds Underperforming Their Benchmarks (Based on Absolute Return)

Fund Category	Comparison Index	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)
Japanese Large-Cap Funds	S&P/TOPIX 150	67.76	77.23	90.40	81.94
Japanese Mid-/Small-Cap Funds	S&P Japan MidSmallCap	75.12	49.77	47.00	52.10
All Japanese Equity Funds	S&P Japan 500	69.83	71.14	81.64	72.96
U.S. Equity Funds	S&P 500	53.23	90.30	94.66	90.63
Global Equity Funds	S&P Global 1200	70.51	82.21	82.09	94.63
International Equity Funds	S&P Global 1200 Ex-Japan	42.42	86.57	95.59	96.23
Emerging Equity Funds	S&P Emerging BMI	80.26	87.65	91.11	100.00

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending Dec. 31, 2022. Outperformance is based on equal-weighted fund counts. Index performance based on total return. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Report 1b: Percentage of Funds Underperforming Their Benchmarks (Based on Risk-Adjusted Return)

Fund Category	Comparison Index	3-Year (%)	5-Year (%)	10-Year (%)
Japanese Large-Cap Funds	S&P/TOPIX 150	82.77	93.19	84.28
Japanese Mid-/Small-Cap Funds	S&P Japan MidSmallCap	52.97	48.00	66.47
All Japanese Equity Funds	S&P Japan 500	76.65	86.04	78.54
U.S. Equity Funds	S&P 500	90.30	96.18	96.88
Global Equity Funds	S&P Global 1200	81.82	81.59	93.96
International Equity Funds	S&P Global 1200 Ex-Japan	85.07	88.24	96.23
Emerging Equity Funds	S&P Emerging BMI	87.65	93.33	100.00

Source: S&P Dow Jones Indices LLC, Morningstar. Results shown for all time horizons over which the comparison index total return was positive. Data for periods ending Dec. 31, 2022. Risk-adjusted return is computed as the annualized average monthly return divided by the annualized standard deviation of the monthly return for the measured periods. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Report 2: Survivorship of Funds

Fund Category	Number of Funds at Start	Survivorship (%)
1-Year		
Japanese Large-Cap Funds	304	95.72
Japanese Mid-/Small-Cap Funds	213	96.24
All Japanese Equity Funds	517	95.94
U.S. Equity Funds	124	95.16
Global Equity Funds	356	95.79
International Equity Funds	66	95.45
Emerging Equity Funds	76	88.16
3-Year		
Japanese Large-Cap Funds	325	83.08
Japanese Mid-/Small-Cap Funds	219	88.58
All Japanese Equity Funds	544	85.29
U.S. Equity Funds	134	81.34
Global Equity Funds	253	87.35
International Equity Funds	67	83.58
Emerging Equity Funds	81	74.07
5-Year		
Japanese Large-Cap Funds	323	75.54
Japanese Mid-/Small-Cap Funds	200	85.00
All Japanese Equity Funds	523	79.16
U.S. Equity Funds	131	74.05
Global Equity Funds	201	78.11
International Equity Funds	68	76.47
Emerging Equity Funds	90	60.00
10-Year		
Japanese Large-Cap Funds	299	59.53
Japanese Mid-/Small-Cap Funds	167	65.87
All Japanese Equity Funds	466	61.80
U.S. Equity Funds	32	56.25
Global Equity Funds	149	51.01
International Equity Funds	53	60.38
Emerging Equity Funds	83	30.12

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending Dec. 31, 2022. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Report 3: Average Fund Performance (Equal-Weighted)

Index/Fund Category	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)
S&P/TOPIX 150	-3.42	6.90	4.49	10.70
Japanese Large-Cap Funds	-6.00	5.55	2.61	10.33
S&P Japan MidSmallCap	-0.21	2.77	0.75	10.48
Japanese Mid-/Small-Cap Funds	-7.59	3.79	1.56	12.82
S&P Japan 500	-2.93	6.07	3.62	10.73
All Japanese Equity Funds	-6.62	4.87	2.21	11.25
S&P 500	-6.17	14.85	12.94	17.42
U.S. Equity Funds	-5.12	11.26	8.77	11.94
S&P Global 1200	-4.80	12.32	9.98	14.04
Global Equity Funds	-12.68	7.51	6.35	10.21
S&P Global 1200 Ex-Japan	-4.90	12.70	10.40	14.30
International Equity Funds	-2.60	10.20	7.81	10.95
S&P Emerging BMI	-5.76	5.30	3.14	7.03
Emerging Equity Funds	-11.07	1.38	0.07	3.93

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending Dec. 31, 2022. Returns for periods greater than one year are annualized. Index performance based on total return. Funds are equal weighted, but indices are not. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Report 4: Average Fund Performance (Asset-Weighted)

Index/Fund Category	1-Year (%)	3-Year (%)	5-Year (%)	10-Year (%)
S&P/TOPIX 150	-3.42	6.90	4.49	10.70
Japanese Large-Cap Funds	-8.13	5.09	2.31	10.06
S&P Japan MidSmallCap	-0.21	2.77	0.75	10.48
Japanese Mid-/Small-Cap Funds	-8.37	4.09	1.34	10.89
S&P Japan 500	-2.93	6.07	3.62	10.73
All Japanese Equity Funds	-8.22	4.74	1.91	10.31
S&P 500	-6.17	14.85	12.94	17.42
U.S. Equity Funds	-19.21	9.44	8.82	10.35
S&P Global 1200	-4.80	12.32	9.98	14.04
Global Equity Funds	-22.17	4.88	5.23	9.63
S&P Global 1200 Ex-Japan	-4.90	12.70	10.40	14.30
International Equity Funds	-7.21	9.41	7.27	10.57
S&P Emerging BMI	-5.76	5.30	3.14	7.03
Emerging Equity Funds	-11.32	1.88	2.33	4.28

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending Dec. 31, 2022. Index performance based on total returns. Returns for periods greater than one year are annualized. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Report 5: Quartile Breakpoints of Fund Performance

Fund Category	Third Quartile	Second Quartile	First Quartile
1-Year			
Japanese Large-Cap Funds	-11.83	-6.77	0.22
Japanese Mid-/Small-Cap Funds	-14.69	-8.23	-0.02
All Japanese Equity Funds	-13.23	-7.40	0.09
U.S. Equity Funds	-19.16	-6.47	5.78
Global Equity Funds	-20.90	-10.98	-0.23
International Equity Funds	-8.95	-4.23	0.72
Emerging Equity Funds	-18.95	-8.93	-6.18
3-Year			
Japanese Large-Cap Funds	4.07	5.49	7.04
Japanese Mid-/Small-Cap Funds	1.17	3.62	6.15
All Japanese Equity Funds	2.95	5.08	6.76
U.S. Equity Funds	8.81	11.36	13.07
Global Equity Funds	7.46	9.35	11.66
International Equity Funds	8.57	9.89	11.60
Emerging Equity Funds	-1.80	2.88	4.25
5-Year			
Japanese Large-Cap Funds	1.54	2.63	3.74
Japanese Mid-/Small-Cap Funds	-0.70	1.49	2.86
All Japanese Equity Funds	0.98	2.35	3.48
U.S. Equity Funds	7.62	9.11	10.30
Global Equity Funds	6.38	8.10	9.78
International Equity Funds	6.25	8.30	9.43
Emerging Equity Funds	-1.00	0.92	1.88
10-Year			
Japanese Large-Cap Funds	9.26	10.17	10.93
Japanese Mid-/Small-Cap Funds	10.41	11.72	14.97
All Japanese Equity Funds	9.53	10.52	11.77
U.S. Equity Funds	13.00	13.68	16.32
Global Equity Funds	10.03	11.40	12.87
International Equity Funds	10.48	11.91	12.84
Emerging Equity Funds	4.19	5.03	5.58

Source: S&P Dow Jones Indices LLC, Morningstar. Data for periods ending Dec. 31, 2022. Index performance based on total returns. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

Appendix A: SPIVA Methodology

Percentage of Funds Outperformed by the Index

To correct for survivorship bias, we use the opportunity set available at the beginning of the period as the denominator. We determine the count of funds that have survived and beat the index. We then report the index outperformance percentage.

Survivorship (%)

This measure represents the percentage of funds in existence at the beginning of the time period that are still active at the end of the time period.

Equal-Weighted Fund Performance

Equal-weighted returns for a particular style category are determined by calculating a simple average return of all active funds in that category in a particular month.

Asset-Weighted Fund Performance

Asset-weighted returns for a particular style category are determined by calculating a weighted average return of all funds in that category in a particular month, with each fund's return weighted by its total net assets. Asset-weighted returns are a better indicator of fund category performance because they more accurately reflect the returns of the total money invested in that particular style category.

Quartiles Breakpoints

The p^{th} percentile for a set of data is the value that is greater than or equal to $p\%$ of the data, but is less than or equal to $(100-p)\%$ of the data. In other words, it is a value that divides the data into two parts: the lower $p\%$ of the values and the upper $(100-p)\%$ of the values. The first quartile is the 75th percentile, the value separating the elements of a population into the lower 75% and the upper 25%. The second quartile is the 50th percentile and the third quartile is the 25th percentile. For fund category quartiles in a particular time horizon, the data used is the return of the largest share class of the fund net of fees, excluding loads.

Survivorship Bias

Many funds might liquidate or merge during a period of study. This usually occurs due to continued poor performance by the fund. Therefore, if index returns were compared to fund returns using only surviving funds, the comparison would be biased in favor of the fund category. These reports remove this bias by (a) using the entire investment opportunity set,

made up of all funds in that particular category at the outset of the period, as the denominator for outperformance calculations, (b) explicitly showing the survivorship rate in each category, and (c) constructing peer average return series for each category based on all available funds at the outset of the period.

Fees

The fund returns used are net of fees, excluding loads.

Indices

A benchmark index provides an investment vehicle against which fund performance can be measured.

S&P/TOPIX 150

The S&P/TOPIX 150 is designed to represent the large-cap universe for Japan. It includes 150 highly liquid securities of leading blue-chip companies from each of the Global Industry Classification Standard (GICS®) sectors of the Japanese market.

S&P Japan MidSmallCap

The S&P Japan MidSmallCap combines the S&P Japan MidCap and S&P Japan SmallCap and comprises the stocks representing the lowest 30% of float-adjusted market cap in Japan. It is a subset of the [S&P Japan BMI](#), a comprehensive, rules-based index measuring Japanese stock market performance.

S&P Japan 500

The S&P Japan 500 is designed to represent the Japanese investable market. Index constituents are drawn from eligible companies listed on the Tokyo, Osaka or JASDAQ exchanges. Data is sourced from the comprehensive Toyo Keizai database. Constituents represent the large-, mid- and small-cap components of the Japanese equity markets.

S&P 500

Widely regarded as the best single gauge of the U.S. equities market, this market-capitalization-weighted index includes a representative sample of the top 500 companies in the leading industries of the U.S. economy, and it provides over 80% coverage of U.S. equities.

S&P Global 1200

Capturing approximately 70% of the world's capital markets, the S&P Global 1200 is a composite of seven headline indices, many of which are accepted leaders in their regions. It includes the S&P 500 (U.S.), [S&P Europe 350®](#) (Europe), S&P/TOPIX 150 (Japan), [S&P/TSX](#)

60 (Canada), S&P/ASX All Australian 50 (Australia), S&P Asia 50 (Asia Ex-Japan) and S&P Latin America 40 (Latin America).

S&P Global 1200 Ex-Japan

The S&P Global 1200 Ex-Japan is a composite of six headline indices, many of which are accepted leaders in their regions. It includes the S&P 500 (U.S.), S&P Europe 350 (Europe), S&P/TSX 60 (Canada), S&P/ASX All Australian 50 (Australia), S&P Asia 50 (Asia Ex-Japan) and S&P Latin America 40 (Latin America).

S&P Emerging BMI

The S&P Emerging BMI captures all companies domiciled in emerging markets within the S&P Global BMI with a float-adjusted market capitalization of at least USD 100 million and a minimum annual trading liquidity of USD 50 million.

General Disclaimer

© 2023 S&P Dow Jones Indices. All rights reserved. S&P, S&P 500, SPX, SPY, The 500, US500, US 30, S&P 100, S&P COMPOSITE 1500, S&P 400, S&P MIDCAP 400, S&P 600, S&P SMALLCAP 600, S&P GIVI, GLOBAL TITANS, DIVIDEND ARISTOCRATS, Select Sector, S&P MAESTRO, S&P PRISM, S&P STRIDE, GICS, SPIVA, SPDR, INDEXOLOGY, iTraxx, iBoxx, ABX, ADBI, CDX, CMBX, MBX, MCDX, PRIMEX, HHPI and SOVX are trademarks of S&P Global, Inc. ("S&P Global") or its affiliates. DOW JONES, DJIA, THE DOW and DOW JONES INDUSTRIAL AVERAGE are trademarks of Dow Jones Trademark Holdings LLC ("Dow Jones"). These trademarks together with others have been licensed to S&P Dow Jones Indices LLC. Redistribution or reproduction in whole or in part are prohibited without written permission of S&P Dow Jones Indices LLC. This document does not constitute an offer of services in jurisdictions where S&P Dow Jones Indices LLC, S&P Global, Dow Jones or their respective affiliates (collectively "S&P Dow Jones Indices") do not have the necessary licenses. Except for certain custom index calculation services, all information provided by S&P Dow Jones Indices is impersonal and not tailored to the needs of any person, entity or group of persons. S&P Dow Jones Indices receives compensation in connection with licensing its indices to third parties and providing custom calculation services. Past performance of an index is not an indication or guarantee of future results.

It is not possible to invest directly in an index. Exposure to an asset class represented by an index may be available through investable instruments based on that index. S&P Dow Jones Indices does not sponsor, endorse, sell, promote or manage any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. S&P Dow Jones Indices makes no assurance that investment products based on the index will accurately track index performance or provide positive investment returns. S&P Dow Jones Indices LLC is not an investment advisor, and S&P Dow Jones Indices makes no representation regarding the advisability of investing in any such investment fund or other investment vehicle. A decision to invest in any such investment fund or other investment vehicle should not be made in reliance on any of the statements set forth in this document. S&P Dow Jones Indices is not an investment adviser, commodity trading advisor, commodity pool operator, broker dealer, fiduciary, promoter" (as defined in the Investment Company Act of 1940, as amended), "expert" as enumerated within 15 U.S.C. § 77k(a) or tax advisor. Inclusion of a security, commodity, crypto currency or other asset within an index is not a recommendation by S&P Dow Jones Indices to buy, sell, or hold such security, commodity, crypto currency or other asset, nor is it considered to be investment advice or commodity trading advice.

These materials have been prepared solely for informational purposes based upon information generally available to the public and from sources believed to be reliable. No content contained in these materials (including index data, ratings, credit-related analyses and data, research, valuations, model, software or other application or output therefrom) or any part thereof ("Content") may be modified, reverse-engineered, reproduced or distributed in any form or by any means, or stored in a database or retrieval system, without the prior written permission of S&P Dow Jones Indices. The Content shall not be used for any unlawful or unauthorized purposes. S&P Dow Jones Indices and its third-party data providers and licensors (collectively "S&P Dow Jones Indices Parties") do not guarantee the accuracy, completeness, timeliness or availability of the Content. S&P Dow Jones Indices Parties are not responsible for any errors or omissions, regardless of the cause, for the results obtained from the use of the Content. THE CONTENT IS PROVIDED ON AN "AS IS" BASIS. S&P DOW JONES INDICES PARTIES DISCLAIM ANY AND ALL EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE, FREEDOM FROM BUGS, SOFTWARE ERRORS OR DEFECTS, THAT THE CONTENT'S FUNCTIONING WILL BE UNINTERRUPTED OR THAT THE CONTENT WILL OPERATE WITH ANY SOFTWARE OR HARDWARE CONFIGURATION. In no event shall S&P Dow Jones Indices Parties be liable to any party for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including, without limitation, lost income or lost profits and opportunity costs) in connection with any use of the Content even if advised of the possibility of such damages.

S&P Global keeps certain activities of its various divisions and business units separate from each other in order to preserve the independence and objectivity of their respective activities. As a result, certain divisions and business units of S&P Global may have information that is not available to other business units. S&P Global has established policies and procedures to maintain the confidentiality of certain non-public information received in connection with each analytical process.

In addition, S&P Dow Jones Indices provides a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

The Global Industry Classification Standard (GICS®) was developed by and is the exclusive property and a trademark of S&P and MSCI. Neither MSCI, S&P nor any other party involved in making or compiling any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall MSCI, S&P, any of their affiliates or any third party involved in making or compiling any GICS classifications have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

TOPIX is a trademark of Tokyo Stock Exchange and has been licensed for use by S&P Dow Jones Indices.