

## Description

The S&P Southern Europe Low Volatility Index measures the performance of the 25 least-volatile, locally listed stocks from Spain, Portugal and Italy that make up the S&P Southern Europe BMI. Constituents are weighted relative to the inverse of their corresponding volatility, with the least-volatile stocks receiving the highest weights.

## Index Attributes

Historically, it has been shown that, both in the U.S. and other markets, lower-volatility stocks have generally outperformed higher-volatility stocks over a medium- to long-term period on a risk-adjusted basis. This index tries to capture this "low volatility anomaly" by including low-volatility stocks from Spain, Portugal, and Italy—the major Southern European markets. The objective of the index is to achieve lower volatility than the overall market-cap-weighted benchmark representing these three markets—the S&P Southern Europe BMI.

## Methodology Construction

- **Universe.** All companies must be constituents of the S&P Spain BMI, S&P Portugal BMI or S&P Italy BMI.
- **Constituent Selection.** Each stock must have been issued and trading for at least one calendar year before becoming an index constituent. There is no minimum number of days that each stock must have actually traded. The volatilities of the constituents within each eligible universe are calculated and then ranked in descending order, based on the inverse of the realized volatility. Volatility is defined as the standard deviation of the security's daily price returns over the prior calendar year. The 25 stocks with the lowest realized volatility are selected for the index.
- **Liquidity.** As of the rebalancing reference date, stocks must have a minimum three-month average daily value traded (ADVT) of EUR 5 million. Current constituents must have a minimum ADVT of EUR 4 million.

## Quick Facts

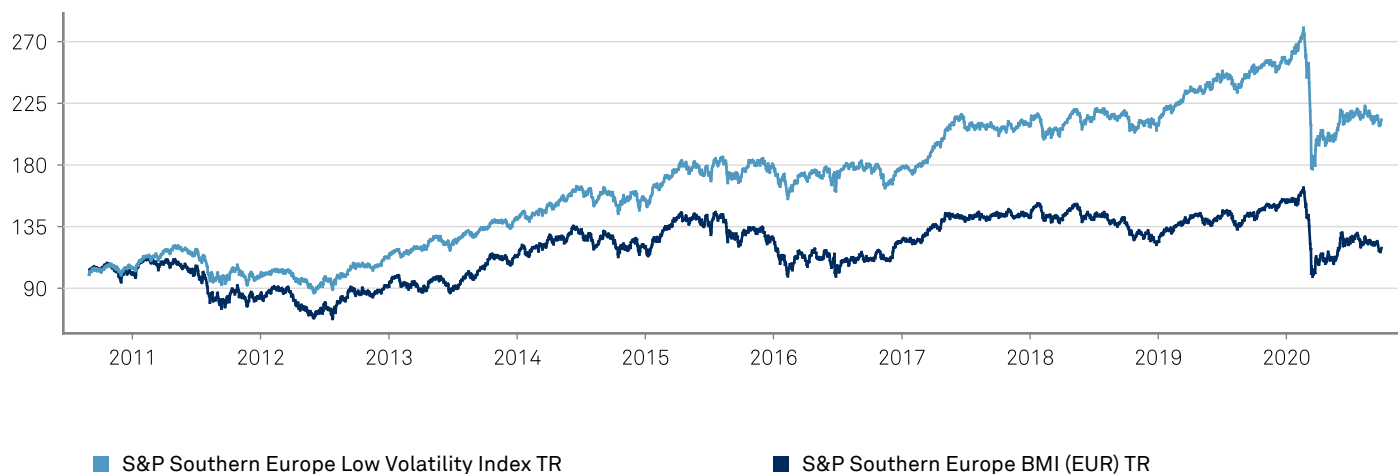
WEIGHTING METHOD	Volatility-driven
REBALANCING FREQUENCY	Quarterly in March, June, September, and December
CALCULATION FREQUENCY	End of day
CALCULATION CURRENCIES	EUR, USD
LAUNCH DATE	February 28, 2014
FIRST VALUE DATE	December 17, 1999
REGULATORY AUTHORIZATION	European Union

For more information, including the complete methodology document, please visit:  
<https://www.spglobal.com/spdji/en//indices/strategy/sp-southern-europe-low-volatility-index>

All information for an index prior to its Launch Date is back-tested, based on the methodology that was in effect on the Launch Date. Back-tested performance, which is hypothetical and not actual performance, is subject to inherent limitations because it reflects application of an Index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns.

## Historical Performance

\* Data has been re-based at 100



## Performance

INDEX LEVEL	RETURNS			ANNUALIZED RETURNS			
	1 MO	3 MOS	YTD	1 YR	3 YRS	5 YRS	10 YRS
Total Return							
377.74	-0.49%	1.81%	-16.37%	-12.11%	0.66%	4.12%	7.84%
Price Return							
163.07	-0.49%	0.06%	-19.2%	-15.96%	-3.91%	-0.24%	3.38%
Net Total Return							
313.67	-0.49%	1.42%	-17.04%	-13%	-0.36%	3.16%	6.85%
BENCHMARK* Total Return							
131.85	1.76%	3.72%	-19.88%	-12.27%	-4.74%	-1.41%	2.02%
BENCHMARK* Price Return							
63.04	1.75%	2.63%	-21.7%	-15.05%	-8.15%	-5.01%	-1.59%
BENCHMARK* Net Total Return							
112.13	1.75%	3.49%	-20.29%	-12.89%	-5.51%	-2.21%	1.22%

\* The index benchmark is the S&P Southern Europe BMI (EUR)

## Calendar Year Performance

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Total Return</b>	21.74%	0.29%	17.55%	-1.01%	15.99%	8.9%	26.42%	13.11%	-5.18%	-2.09%
<b>Price Return</b>	16.25%	-4.19%	13.17%	-5.08%	11.93%	5.25%	21.69%	7.89%	-9.73%	-6.13%
<b>Net Total Return</b>	20.54%	-0.7%	16.6%	-1.88%	15.08%	8.1%	25.41%	11.98%	-6.26%	-2.99%
<b>BENCHMARK* Total Return</b>	22.86%	-12.32%	14.35%	-1.85%	5.47%	4.78%	25.16%	8.09%	-15.88%	-11.45%
<b>BENCHMARK* Price Return</b>	17.85%	-15.52%	10.55%	-5.96%	2.09%	2.35%	21.9%	4.19%	-19.94%	-15.43%
<b>BENCHMARK* Net Total Return</b>	21.72%	-13.03%	13.51%	-2.76%	4.71%	4.26%	24.48%	7.27%	-16.79%	-12.35%

\* The index benchmark is the S&P Southern Europe BMI (EUR)

## Risk

	ANNUALIZED RISK			ANNUALIZED RISK-ADJUSTED RETURNS		
	3 YRS	5 YRS	10 YRS	3 YRS	5 YRS	10 YRS
<b>Total Return</b>	14.37%	13.59%	13.5%	0.05	0.3	0.58
<b>Price Return</b>	14.12%	13.52%	13.65%	-0.28	-0.02	0.25
<b>Net Total Return</b>	14.31%	13.56%	13.53%	-0.03	0.23	0.51
<b>BENCHMARK* Total Return</b>	18.4%	18.07%	18.63%	-0.26	-0.08	0.11
<b>BENCHMARK* Price Return</b>	18.24%	18.01%	18.74%	-0.45	-0.28	-0.08
<b>BENCHMARK* Net Total Return</b>	18.37%	18.06%	18.65%	-0.3	-0.12	0.07

Risk is defined as standard deviation calculated based on total returns using monthly values.

\* The index benchmark is the S&P Southern Europe BMI (EUR)

## Fundamentals

P/E (TRAILING)	P/E (PROJECTED)	P/B	INDICATED DIV YIELD	P/SALES	P/CASH FLOW
18.84	17.23	1.81	4.67%	1.05	5.94

As of August 31, 2020. Fundamentals are updated on approximately the fifth business day of each month.

## Index Characteristics

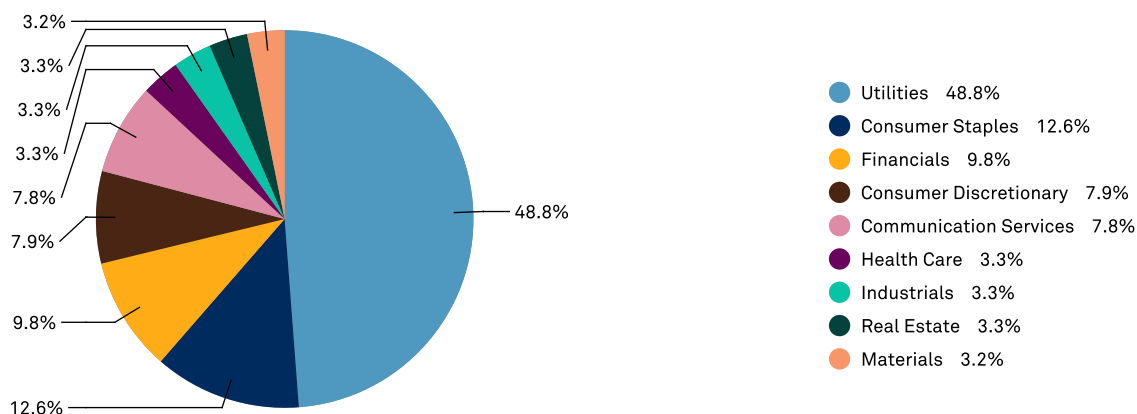
NUMBER OF CONSTITUENTS	25
CONSTITUENT MARKET [EUR MILLION]	
MEAN TOTAL MARKET CAP	17,463.24
LARGEST TOTAL MARKET CAP	77,078.88
SMALLEST TOTAL MARKET CAP	1,745.37
MEDIAN TOTAL MARKET CAP	8,670.81
WEIGHT LARGEST CONSTITUENT [%]	5.5
WEIGHT TOP 10 CONSTITUENTS [%]	45.4

## ESG Carbon Characteristics

CARBON TO VALUE INVESTED (METRIC TONS CO <sub>2</sub> e/\$1M INVESTED)*	301.26
CARBON TO REVENUE (METRIC TONS CO <sub>2</sub> e/\$1M REVENUES)*	510.36
WEIGHTED AVERAGE CARBON INTENSITY (METRIC TONS CO <sub>2</sub> e/\$1M REVENUES)*	529.96
FOSSIL FUEL RESERVE EMISSIONS (METRIC TONS CO <sub>2</sub> /\$1M INVESTED)	0

\*Operational and first-tier supply chain greenhouse gas emissions.  
For more information, please visit: [www.spdji.com/esg-carbon-metrics](http://www.spdji.com/esg-carbon-metrics).

## Sector\* Breakdown



\*Based on GICS® sectors

The weightings for each sector of the index are rounded to the nearest tenth of a percent; therefore, the aggregate weights for the index may not equal 100%.

## Country Breakdown

COUNTRY	NUMBER OF CONSTITUENTS	TOTAL MARKET CAP [EUR MILLION]	INDEX WEIGHT [%]
Italy	11	178,845.25	44.8
Spain	11	230,504.52	42.4
Portugal	3	27,231.31	12.8

Based on index constituents' country of domicile.

## Tickers

	TICKER	REUTERS
Net Total Return	SPSELVEN	N/A
Price Return	SPSELVEP	.SPSELVEP
Total Return	SPSELVET	N/A

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### Beijing

86.10.6569.2770

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### Sydney

61 2 9255 9802

## DISCLAIMER

Source: S&P Dow Jones Indices LLC.

The launch date of the S&P Southern Europe Low Volatility Index was February 28, 2014. The launch date of the S&P Southern Europe BMI (EUR) was March 24, 2014.

All information presented prior to the index launch date is back-tested. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. Past performance is not an indication or guarantee of future results. Please see the Performance Disclosure at <http://www.spindices.com/regulatory-affairs-disclaimers/> for more information regarding the inherent limitations associated with back-tested performance.

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