

# iSTOXX<sup>®</sup> Europe Minimum Variance Index NR

Rebalancing Report - 20-Feb-2017

## Stock Statistics

iSTOXX<sup>®</sup> Europe Minimum Variance 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<sup>®</sup> Europe Minimum Variance 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.

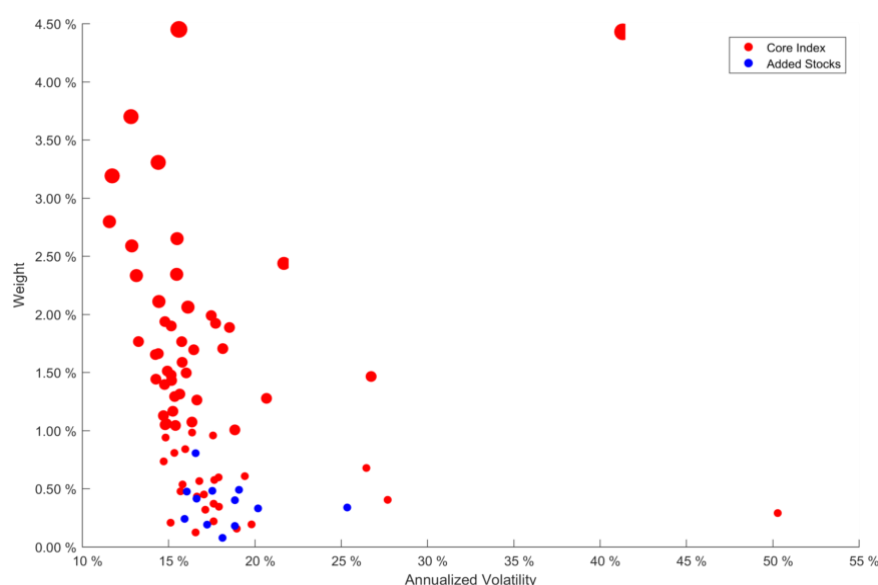
The number of constituents in the index decreased from **81** to **80**. The Turnover is **41.88%**, higher than its historical mean at **36.32%**. The weight of the Index Core Portfolio is stable.

Characteristics	20-Feb-2017
Number of Stocks	80
Added Stocks	12
Deleted Stocks	13
Core Number	68
Old weight of Core	89.55%
New weight of Core	95.57%
Turnover	41.88%
Historical Turnover	36.32%

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

## Volatility/Weight profile

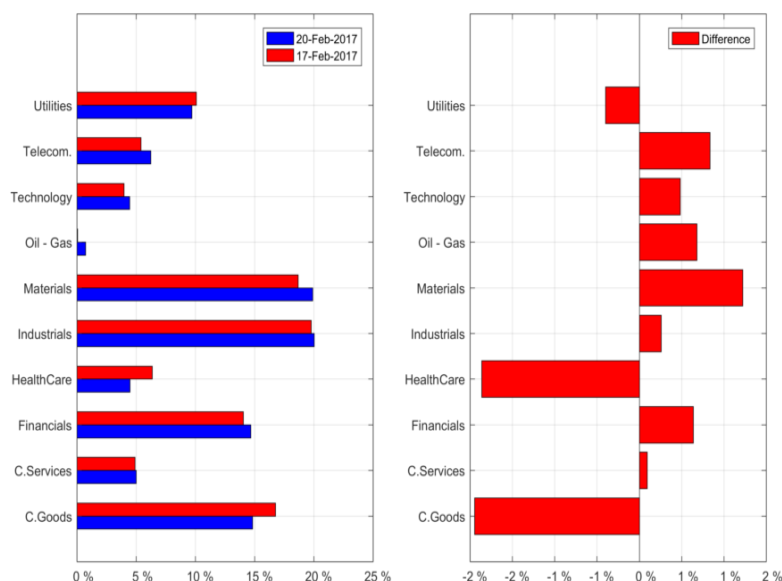
The chart on the right shows the distribution of the new iSTOXX<sup>®</sup> Europe Minimum Variance Index NR composition on 20-Feb-2017 in terms of annualized volatility (x-axis) and weight (y-axis). Volatility computed over 125 days ending on 14-Feb-2017. On the upper left corner we find low volatile 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: **-1.95%** for C.Goods, **-1.86%** for Health-Care, **1.22%** for Materials. The biggest sector exposures are: **20.03%** for Industrials, **19.89%** for Materials, **14.82%** for C.Goods.

	Close	Open	Difference
C.Goods	16.76%	14.82%	-1.95%
C.Services	4.91%	5.00%	0.09%
Financials	14.03%	14.67%	0.64%
HealthCare	6.35%	4.48%	-1.86%
Industrials	19.77%	20.03%	0.26%
Materials	18.67%	19.89%	1.22%
Oil - Gas	0.05%	0.74%	0.68%
Technology	3.98%	4.46%	0.48%
Telecom.	5.39%	6.23%	0.83%
Utilities	10.09%	9.69%	-0.40%

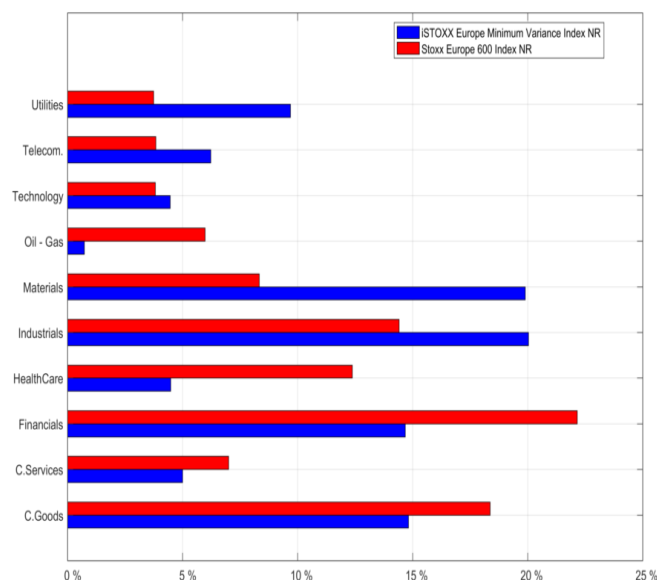


The left-hand side of the chart below shows the sector deviations at rebalancing. Differences are shown on the right-hand side. Index weights are taken as of 17-Feb-2017 (last business day before the new composition is implemented) compared to the new rebalancing weights as of 20-Feb-2017.

## Sector breakdown vs. benchmark

The iSTOXX<sup>®</sup> Europe Minimum Variance Index NR overweights Materials (**11.56%**) and Utilities (**5.95%**) compared to Stoxx Europe 600 Index NR. The iSTOXX<sup>®</sup> Europe Minimum Variance Index NR underweights Health-Care (**-7.89%**) and Financials (**-7.48%**) compared to Stoxx Europe 600 Index NR.

	BE	MV	Diff.	Volatility BE	Volatility MV
C.Goods	18.36%	14.82%	-3.55%	13.87%	12.12%
C.Services	7.00%	5.00%	-2.00%	16.23%	14.99%
Financials	22.15%	14.67%	-7.48%	20.14%	12.79%
HealthCare	12.37%	4.48%	-7.89%	16.87%	13.62%
Industrials	14.41%	20.03%	5.61%	14.53%	10.75%
Materials	8.33%	19.89%	11.56%	17.32%	12.62%
Oil - Gas	5.97%	0.74%	-5.24%	18.43%	19.86%
Technology	3.82%	4.46%	0.64%	16.08%	13.97%
Telecom.	3.84%	6.23%	2.39%	15.97%	11.95%
Utilities	3.74%	9.69%	5.95%	15.15%	13.16%

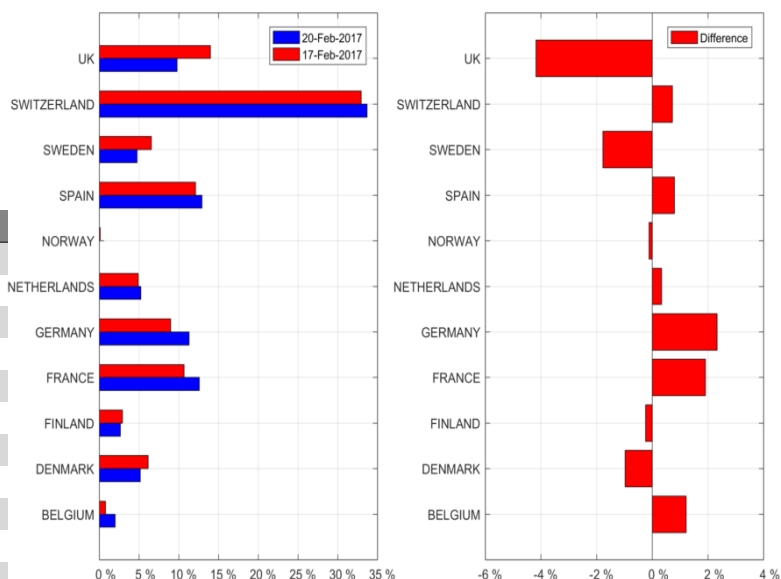


The table below shows, for each sector, the weight in the iSTOXX<sup>®</sup> Europe Minimum Variance Index NR (MV), in the benchmark Stoxx Europe 600 Index NR (BE) and their difference. We also show the annualized volatility of each sector in the iSTOXX<sup>®</sup> Europe Minimum Variance Index NR and in the benchmark. Annualized volatilities are computed using 125 business days ending on 14-Feb-2017

## Country Allocation

The most significant changes in country exposures are: **-4.19%** for UK, **2.33%** for GERMANY, **1.91%** for FRANCE. The biggest country exposures are: **33.66%** for SWITZERLAND, **12.90%** for SPAIN, **12.59%** for FRANCE.

	Close	Open	Difference
BELGIUM	0.79%	2.00%	1.22%
DENMARK	6.13%	5.15%	-0.98%
FINLAND	2.89%	2.65%	-0.25%
FRANCE	10.68%	12.59%	1.91%
GERMANY	8.95%	11.28%	2.33%
NETHERLANDS	4.89%	5.22%	0.33%
NORWAY	0.11%	0.00%	-0.11%
SPAIN	12.10%	12.90%	0.80%
SWEDEN	6.54%	4.76%	-1.78%
SWITZERLAND	32.94%	33.66%	0.73%
UK	13.98%	9.80%	-4.19%

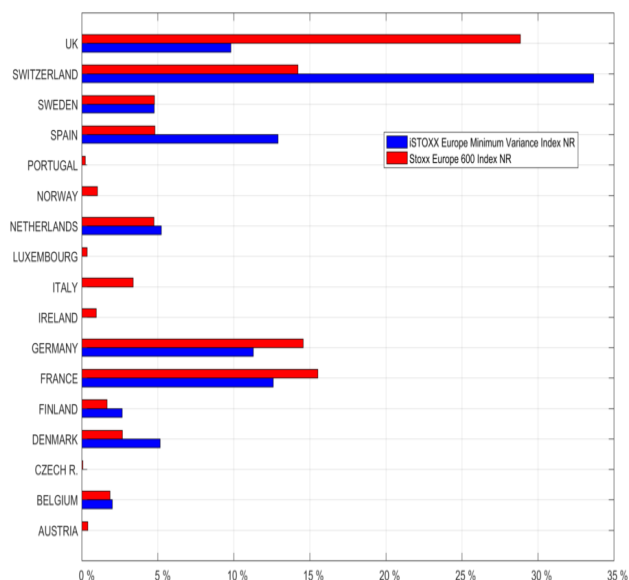


The left-hand side of the chart below shows the country deviations at rebalancing. Differences are shown on the right-hand side. Index weights are taken as of 17-Feb-2017 (last business day before the new composition is implemented) compared to the new rebalancing weights as of 20-Feb-2017.

## Country breakdown vs. benchmark

The iSTOXX<sup>®</sup> Europe Minimum Variance Index NR overweights SWITZERLAND (**19.45%**) and SPAIN (**8.10%**) compared to Stoxx Europe 600 Index NR. The iSTOXX<sup>®</sup> Europe Minimum Variance Index NR underweights UK (**-19.05%**) and ITALY (**-3.38%**) compared to Stoxx Europe 600 Index NR.

	BE		Diff.	Volatility	
	BE	MV		BE	MV
AUSTRIA	0.38%	0.00%	-0.38%	17.05%	0.00%
BELGIUM	1.86%	2.00%	0.14%	14.38%	14.45%
CZECH R.	0.07%	0.00%	-0.07%	15.57%	0.00%
DENMARK	2.67%	5.15%	2.47%	17.71%	13.29%
FINLAND	1.66%	2.65%	0.99%	17.18%	15.72%
FRANCE	15.52%	12.59%	-2.93%	15.05%	12.22%
GERMANY	14.56%	11.28%	-3.28%	14.77%	12.55%
IRELAND	0.95%	0.00%	-0.95%	18.07%	0.00%
ITALY	3.38%	0.00%	-3.38%	22.39%	0.00%
LUXEMBOURG	0.34%	0.00%	-0.34%	28.32%	0.00%
NETHERLANDS	4.74%	5.22%	0.48%	14.74%	13.70%
NORWAY	1.02%	0.00%	-1.02%	19.26%	0.00%
PORTUGAL	0.23%	0.00%	-0.23%	17.12%	0.00%
SPAIN	4.80%	12.90%	8.10%	17.43%	12.34%
SWEDEN	4.78%	4.76%	-0.02%	15.97%	14.62%
SWITZERLAND	14.21%	33.66%	19.45%	14.07%	10.32%
UK	28.84%	9.80%	-19.05%	18.00%	20.41%



The table below shows, for each country, the weight in the iSTOXX<sup>®</sup> Europe Minimum Variance Index NR (MV), in the benchmark Stoxx Europe 600 Index NR (BE) and their difference. We also show the annualized volatility of each country in the iSTOXX<sup>®</sup> Europe Minimum Variance Index NR and in the benchmark. Annualized volatilities are computed using 125 business days ending on 14-Feb-2017

## Added Stocks

The rebalancing has added 12 new stocks. In the table below, T is the current rebalancing date (20-Feb-2017), while T-1 is the previous rebalancing date (23-Jan-2017). Vol(T-1) and Vol(T) are the annualized volatilities computed over 125 business days ending, respectively, on 17-Jan-2017 and 14-Feb-2017. The average daily volumes ADV(T-1) and ADV(T), expressed in mln EUR, are computed over 50 business days ending on the same dates as before, with the relative ranking over the benchmark Stoxx Europe 600 Index NR. Finally, WW(T) is the stock weight at the current rebalancing date.

	Sector	Country	Vol(T-1)	Vol(T)	WW(T)	ADV(T-1)	ADV(T)	B	LF	EU
AGEAS (EX-FORTIS) NV	Financials	BELGIUM	21.18%	19.09%	0.49%	21.09 (290)	24.26 (261)	Y	Y	Y
AIR LIQUIDE	Materials	FRANCE	17.60%	16.63%	0.41%	86.69 (77)	84.64 (79)	Y	Y	Y
DANONE	C.Goods	FRANCE	17.15%	16.06%	0.48%	104.94 (63)	96.88 (64)	Y	Y	Y
DSV A/S	Industrials	DENMARK	21.77%	18.85%	0.40%	20.92 (293)	20.61 (297)	Y	Y	Y
GAS NATURAL SDG SA	Utilities	SPAIN	17.54%	17.54%	0.48%	19.65 (308)	20.79 (296)	Y	N	N
LONDON STOCK EX.GP	Financials	UK	18.95%	18.85%	0.18%	18.49 (318)	24.97 (257)	Y	N	N
NATIONAL GRID	Utilities	UK	18.38%	18.13%	0.08%	114.71 (54)	96.01 (65)	Y	Y	Y
NOVOZYMES A/S	HealthCare	DENMARK	29.11%	25.35%	0.34%	15.85 (360)	24.11 (264)	Y	N	N
ORANGE SA	Telecom.	FRANCE	18.20%	16.57%	0.81%	87.64 (76)	83.90 (80)	Y	Y	Y
RELX	C.Services	UK	16.71%	15.93%	0.24%	53.03 (128)	49.97 (135)	Y	Y	Y
REPSOL YPF SA	Oil - Gas	SPAIN	21.53%	20.19%	0.33%	77.93 (92)	74.27 (95)	Y	Y	Y
SAMPO OYJ	Financials	FINLAND	19.00%	17.24%	0.19%	32.75 (199)	30.91 (214)	Y	Y	Y

The Column B shows whenever the added stock was in the Stoxx Europe 600 Index NR selection as of 23-Jan-2017. The columns LF/EU show whenever the stock was selected by the liquidity filter/eligible universe as of 23-Jan-2017.

## Deleted Stocks

The rebalancing has deleted 13 new stocks. In the table below, T is the current rebalancing date (20-Feb-2017), while T-1 is the previous rebalancing date (23-Jan-2017). Vol(T-1) and Vol(T) are the annualized volatilities computed over 125 business days ending, respectively, on 17-Jan-2017 and 14-Feb-2017. The average daily volumes ADV(T-1) and ADV(T), expressed in mln EUR, are computed over 50 business days ending on the same dates as before, with the relative ranking over the benchmark Stoxx Europe 600 Index NR. Finally, WW(T-1) is the stock weight at the previous rebalancing date.

	Sector	Country	Vol(T-1)	Vol(T)	WW(T-1)	ADV(T-1)	ADV(T)	B	LF	EU
ADIDAS AG	C.Goods	GERMANY	22.32%	22.89%	0.16%	88.84 (74)	85.26 (78)	Y	Y	Y
ALSTOM SA	Industrials	FRANCE	21.01%	20.81%	0.95%	24.59 (262)	19.08 (317)	Y	N	N
ASML HOLDING NV	Technology	NETHERLANDS	20.11%	20.81%	0.06%	95.67 (67)	101.15 (61)	Y	Y	Y
BALOISE-HOLDING AG	Financials	SWITZERLAND	13.72%	13.95%	2.31%	22.26 (277)	16.80 (347)	Y	N	N
COLOPLAST A/S	HealthCare	DENMARK	17.96%	17.76%	1.59%	20.55 (297)	17.57 (333)	Y	N	N
KONINKLIJKE AHOLD DEL NV	C.Services	NETHERLANDS	18.99%	20.83%	0.43%	87.92 (75)	80.26 (83)	Y	Y	Y
NORSK HYDRO ASA	Materials	NORWAY	23.24%	27.02%	0.11%	27.10 (237)	31.87 (205)	Y	Y	Y
NOVARTIS AG	HealthCare	SWITZERLAND	17.49%	17.99%	0.11%	379.04 (2)	387.57 (1)	Y	Y	Y
PLAYTECH	C.Services	UK	22.04%	22.90%	1.24%	25.69 (255)	19.47 (312)	Y	N	N
RECKITT BENCKISER GP	C.Goods	UK	15.26%	17.61%	1.05%	116.77 (53)	124.29 (49)	Y	Y	Y
ROYAL MAIL	Industrials	UK	19.89%	21.80%	0.16%	23.03 (269)	21.28 (288)	Y	Y	Y
SWEDISH MATCH AB	C.Goods	SWEDEN	16.96%	16.97%	1.88%	20.51 (298)	20.06 (305)	Y	N	N
UCB SA	HealthCare	BELGIUM	24.80%	21.37%	0.40%	21.05 (292)	20.03 (306)	Y	N	N

The Column B shows whenever the deleted stock was in the Stoxx Europe 600 Index NR selection as of 20-Feb-2017. The columns LF/EU show whenever the stock was selected by the liquidity filter/eligible universe as of 20-Feb-2017.

## Ranking Index Constituents - Top 25

The table shows the top 25 positions in the iSTOXX<sup>®</sup> Europe Minimum Variance Index NR as of 20-Feb-2017. The column WW indicates the weights in the iSTOXX<sup>®</sup> Europe Minimum Variance Index NR as of 20-Feb-2017. The column Vol gives the annualized volatility computed over 125 business days ending on 14-Feb-2017. We also provide the ranking of these volatilities (Rank Vol) relative to the Filtered Selection at the rebalancing date. The column Corr gives the average correlation of each stock relative to the rest of the filtered selection, computed over 500 business days ending on 14-Feb-2017. We also provide the ranking of these correlations (Rank Corr) relative to the Filtered Selection at the rebalancing date. The Rank Blend is computed as 66% Rank Vol + 34% Rank Corr. The lower the stock's Rank Blend, the higher the likelihood that the stock will be overweighted in the Index. Finally, the column Core shows whether the stock was in the iSTOXX<sup>®</sup> Europe Minimum Variance Index NR already (YES) or it entered at this rebalancing (NO).

	Sector	Country	WW	Vol	Rank Vol	Corr	Rank Corr	Rank Blend	Core
SYNGENTA AG	Materials	SWITZERLAND	4.45%	15.60%	30	24.89%	5	21	YES
RANDGOLD RESOURCES	Materials	UK	4.43%	41.32%	274	-2.60%	1	181	YES
CLARIANT AG	Materials	SWITZERLAND	3.70%	12.83%	3	42.27%	82	29	YES
ENDESA SA	Utilities	SPAIN	3.31%	14.41%	9	38.64%	41	19	YES
SWISSCOM	Telecom.	SWITZERLAND	3.19%	11.74%	2	48.35%	180	62	YES
GEBERIT AG	Industrials	SWITZERLAND	2.80%	11.58%	1	48.21%	177	60	YES
SONOVA HOLDING AG	HealthCare	SWITZERLAND	2.65%	15.50%	29	38.97%	49	35	YES
KUEHNE+NAGEL INTL.G	Industrials	SWITZERLAND	2.59%	12.88%	4	45.32%	123	44	YES
GALENICA AG	C.Services	SWITZERLAND	2.44%	21.69%	145	28.22%	8	98	YES
CARLSBERG AS	C.Goods	DENMARK	2.34%	15.48%	28	41.80%	79	45	YES
NESTLE AG	C.Goods	SWITZERLAND	2.33%	13.14%	5	47.16%	156	56	YES
MUNCHENER RUCK.GESELL.AG	Financials	GERMANY	2.11%	14.45%	11	51.70%	236	87	YES
DANSKE BANK A/S	Financials	DENMARK	2.06%	16.13%	40	47.47%	167	83	YES
PARTNERS GROUP HOLDING	Financials	SWITZERLAND	1.99%	17.48%	57	38.77%	45	52	YES
IBERDROLA SA	Utilities	SPAIN	1.94%	14.80%	15	47.58%	169	67	YES
AENA SHS	Industrials	SPAIN	1.92%	17.73%	67	35.41%	24	52	YES
THALES SA	Industrials	FRANCE	1.90%	15.16%	22	42.68%	85	43	YES
NN GROUP	Financials	NETHERLANDS	1.89%	18.53%	85	43.32%	95	88	YES
DEUTSCHE POST AG	Industrials	GERMANY	1.77%	13.26%	6	53.57%	269	95	YES
MICHELIN	C.Goods	FRANCE	1.76%	15.77%	33	48.66%	183	84	YES
FORTUM OYJ	Utilities	FINLAND	1.70%	18.15%	79	40.71%	61	72	YES
ATOS	Technology	FRANCE	1.69%	16.47%	43	47.13%	155	81	YES
ABERTIS INFSTS.SA	Industrials	SPAIN	1.66%	14.41%	10	48.93%	194	72	YES
SGS SA	Industrials	SWITZERLAND	1.65%	14.24%	7	44.80%	114	43	YES
HENKEL AGKGAA	C.Goods	GERMANY	1.59%	15.79%	34	43.83%	100	56	YES

## DISCLAIMERS

This document is of a commercial and not of a regulatory nature.

Ossiam, a subsidiary of Natixis Global Asset Management, is a French asset manager authorized by the Autorité des Marchés Financiers (Agreement No. GP-10000016). Although information contained herein is from sources believed to be reliable, Ossiam makes no representation or warranty regarding the accuracy of any information of which it is not the source. The information presented in this document is based on market data at a given moment and may change from time to time.

This material has been prepared solely for informational purposes only and it is not intended to be and should not be considered as an offer, or a solicitation of an offer, or an invitation or a personal recommendation to buy or sell participating shares in any Ossiam Fund, or any security or financial instrument, or to participate in any investment strategy, directly or indirectly. It is intended for use only by those recipients to whom it is made directly available by Ossiam. Ossiam will not treat recipients of this material as its clients by virtue of their receiving this material.

This material reflects the views and opinions of the individual authors at this date and in no way the official position or advices of any kind of these authors or of Ossiam and thus does not engage the responsibility of Ossiam nor of any of its officers or employees. Past performance is not a guide to future performance. Any opinions expressed herein are statements of our judgment on this date and are subject to change without notice. Ossiam assume no fiduciary responsibility or liability for any consequences, financial or otherwise, arising from, an investment in any security or financial instrument described herein or in any other security, or from the implementation of any investment strategy. This information contained herein is not intended for distribution to, or use by, any person or entity in any country or jurisdiction where to do so would be contrary to law or regulation or which would subject Ossiam to any registration requirements in these jurisdictions. The risks associated with the Fund and the Index are detailed in the “General Risk Considerations” section of the Prospectus, available in English on [www.ossiam.com](http://www.ossiam.com). Investments decision should only be made on the basis of the Prospectus. Investors should also be well informed about the main characteristics of the Index (number of stocks, sector and or country breakdown, past evolution...) in order to have an overview of the risks and opportunities related to an exposure to the Index.

The STOXX® Indices and the data composed therein (the Index Data) are the intellectual property (including registered trademarks) of STOXX Limited, Zurich, Switzerland (STOXX) and/or its licensors (the STOXX Licensors). The use of the Index Data requires a license from STOXX. STOXX and the STOXX Licensors do not make any warranties or representations, express or implied with respect to the timeliness, sequence, accuracy, completeness, currentness, merchantability, quality or fitness for any particular purpose of the Index Data. In particular, the inclusion of a company in a STOXX® Index does not in any way reflect an opinion of STOXX or the STOXX Licensors on the merits of that company. STOXX and the STOXX Licensors are not providing investment, tax or other professional advice through the publication of the STOXX® Indices or in connection there with STOXX and its licensors have no relationship to Ossiam, other than the licensing of the iSTOXX® Europe Minimum Variance Index and the related trademarks for use in connection with OSSIAM ETF indexed to the Index.

This material may not be distributed, published, or reproduced, in whole or in part.