

# Ossiam World Minimum Variance Index NR

Rebalancing Report - 20-Mar-2017

## Stock Statistics

The Ossiam World Developed Minimum Variance Index NR rebalances semiannually (March and September), on the 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 Monday before the third Friday. Both the Ossiam World Minimum Variance Index NR and the benchmark S&P Global 1200 Index NR are computed in USD. The calculations in the document are performed by Ossiam using S&P /Datastream source.

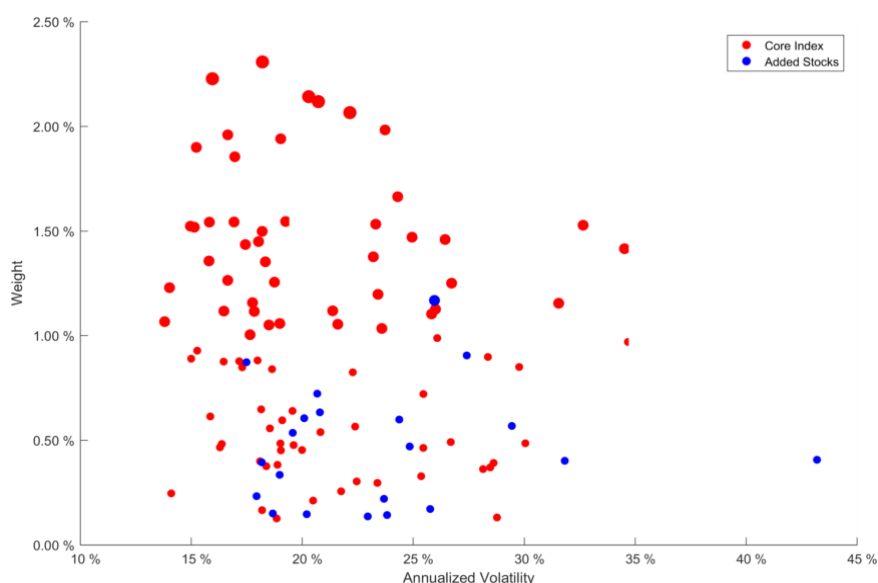
The number of constituents in the index decreased from **112** to **110**. The Turnover is **49.57%**, lower than its historical mean at **60.83%**. The weight of the Index Core Portfolio is stable.

Characteristics	20-Mar-2017
Number of Stocks	110
Added Stocks	21
Deleted Stocks	23
Core Number	89
Old weight of Core	88.22%
New weight of Core	90.19%
Turnover	49.57%
Historical Turnover	60.83%

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

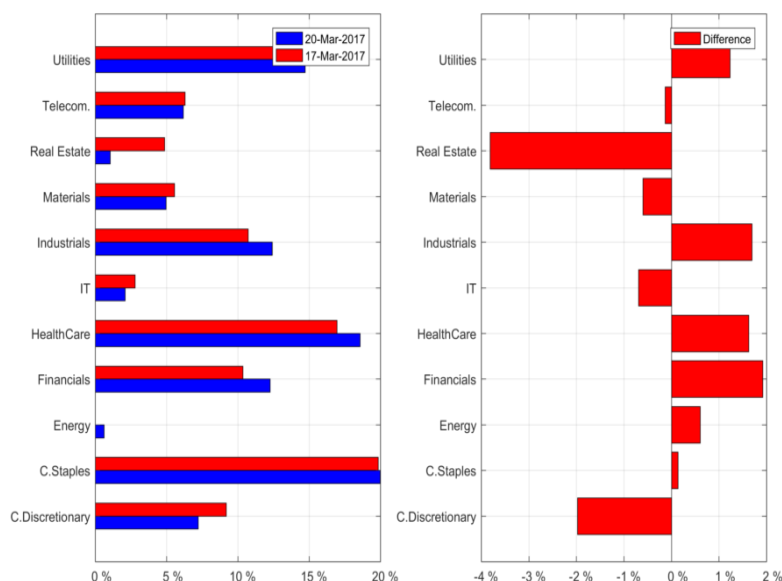
The chart on the right shows the distribution of the new Ossiam World Minimum Variance Index NR composition on 20-Mar-2017 in terms of annualized volatility (x-axis) and weight (y-axis). Volatility computed over 500 days ending on 13-Mar-2017. On the upper left corner we find low volatile stocks with 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: **-3.82%** for Real Estate, **-1.97%** for C.Discretionary, **1.92%** for Financials. The biggest sector exposures are: **19.98%** for C.Staples, **18.58%** for HealthCare, **14.72%** for Utilities.

	Close	Open	Diff.
C.Discretionary	9.18%	7.20%	-1.97%
C.Staples	19.84%	19.98%	0.14%
Energy	0.00%	0.60%	0.60%
Financials	10.34%	12.26%	1.92%
HealthCare	16.95%	18.58%	1.63%
IT	2.78%	2.08%	-0.69%
Industrials	10.71%	12.41%	1.70%
Materials	5.55%	4.95%	-0.60%
Real Estate	4.86%	1.05%	-3.82%
Telecom.	6.30%	6.17%	-0.13%
Utilities	13.49%	14.72%	1.23%

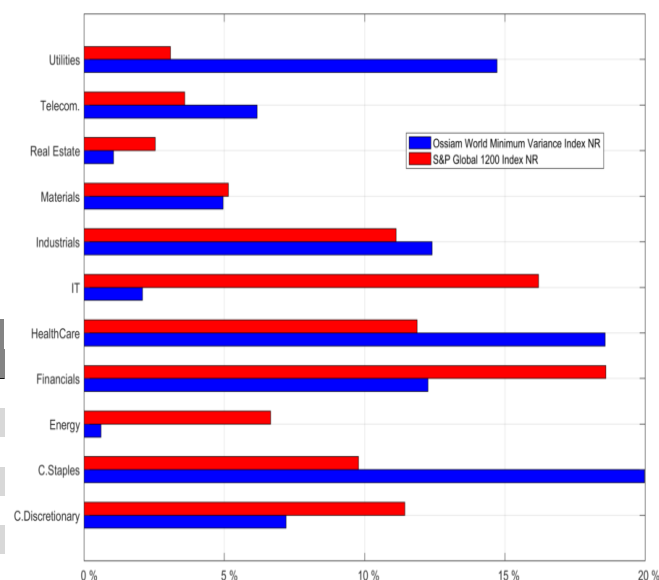


The left-hand side of the chart below shows the sector deviations at rebalancing. Differences are shown on the right-hand side. Index weights are taken as of 17-Mar-2017 (last business day before the new composition is implemented) compared to the new rebalancing weights as of 20-Mar-2017.

## Sector breakdown vs. benchmark

The Ossiam World Minimum Variance Index NR overweights Utilities (**11.64%**) and C.Staples (**10.20%**) compared to S&P Global 1200 Index NR. The Ossiam World Minimum Variance Index NR underweights IT (**-14.11%**) and Financials (**-6.33%**) compared to S&P Global 1200 Index NR.

				Vol.	
	B	S	Diff.	B	S
C.Discretionary	11.43%	7.20%	-4.23%	15.37%	14.14%
C.Staples	9.78%	19.98%	10.20%	12.15%	11.25%
Energy	6.65%	0.60%	-6.05%	24.19%	20.09%
Financials	18.60%	12.26%	-6.33%	19.22%	13.78%
HealthCare	11.87%	18.58%	6.70%	14.88%	12.83%
IT	16.19%	2.08%	-14.11%	16.44%	16.47%
Industrials	11.12%	12.41%	1.29%	14.73%	12.20%
Materials	5.15%	4.95%	-0.20%	22.04%	16.26%
Real Estate	2.54%	1.05%	-1.49%	15.39%	16.10%
Telecom.	3.59%	6.17%	2.58%	13.63%	15.02%
Utilities	3.08%	14.72%	11.64%	14.18%	15.87%

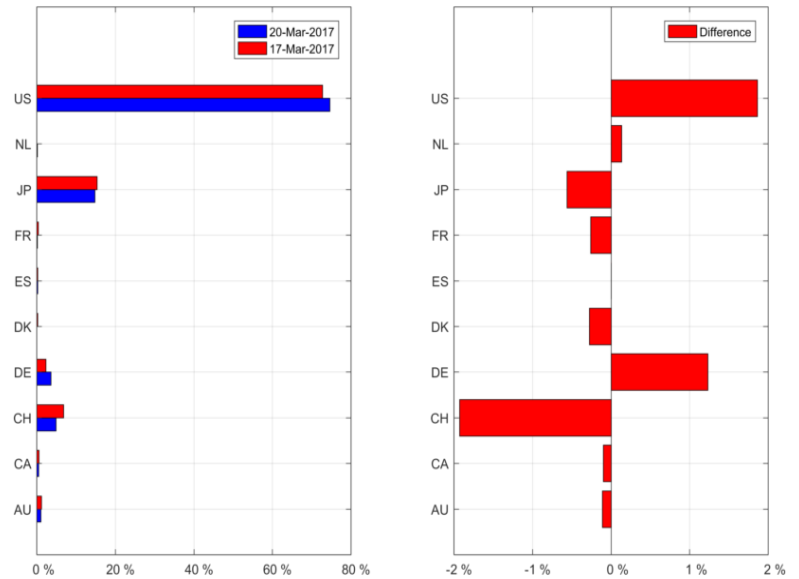


The table below shows, for each sector, the weight in the Ossiam World Minimum Variance Index NR (S), in the benchmark S&P Global 1200 Index NR (B) and their difference. We also show the annualized volatility of each sector in the Ossiam World Minimum Variance Index NR and in the benchmark. Annualized volatilities are computed using 500 business days ending on 13-Mar-2017

## Country Allocation

The most significant changes in country exposures are: **-1.93%** for CH, **1.86%** for US, **1.23%** for DE. The biggest country exposures are: **74.64%** for US, **14.78%** for JP, **4.93%** for CH.

	Close	Open	Diff.
AU	1.17%	1.05%	-0.11%
CA	0.57%	0.48%	-0.10%
CH	6.86%	4.93%	-1.93%
DE	2.35%	3.58%	1.23%
DK	0.28%	0.00%	-0.28%
ES	0.25%	0.26%	0.00%
FR	0.41%	0.15%	-0.26%
JP	15.34%	14.78%	-0.56%
NL	0.00%	0.14%	0.14%
US	72.78%	74.64%	1.86%

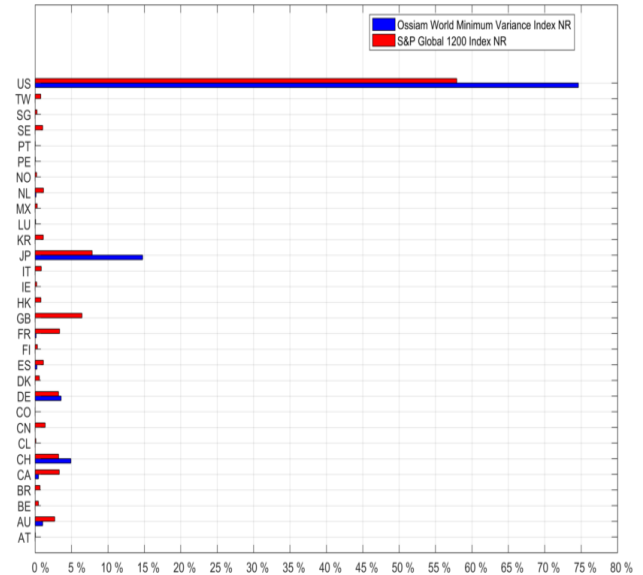


The left-hand side of the chart below shows the country deviations at rebalancing. Differences are shown on the right-hand side. Index weights are taken as of 17-Mar-2017 (last business day before the new composition is implemented) compared to the new rebalancing weights as of 20-Mar-2017.

## Country breakdown vs. benchmark

The Ossiam World Minimum Variance Index NR overweights US (**16.71%**) and JP (**6.93%**) compared to S&P Global 1200 Index NR. The Ossiam World Minimum Variance Index NR underweights GB (**-6.45%**) and FR (**-3.24%**) compared to S&P Global 1200 Index NR.

	B	S	Diff.	Vol.	
				B	S
AT	0.06%	0.00%	-0.06%	28.79%	0.00%
AU	2.71%	1.05%	-1.65%	23.40%	21.61%
BE	0.48%	0.00%	-0.48%	19.68%	0.00%
BR	0.69%	0.00%	-0.69%	38.85%	0.00%
CA	3.34%	0.48%	-2.86%	20.07%	19.62%
CH	3.24%	4.93%	1.69%	15.55%	14.70%
CL	0.12%	0.00%	-0.12%	21.92%	0.00%
CN	1.40%	0.00%	-1.40%	23.31%	0.00%
CO	0.02%	0.00%	-0.02%	37.52%	0.00%
DE	3.23%	3.58%	0.35%	20.55%	18.39%
DK	0.60%	0.00%	-0.60%	19.10%	0.00%
ES	1.15%	0.26%	-0.90%	26.42%	21.76%
FI	0.33%	0.00%	-0.33%	21.91%	0.00%
FR	3.38%	0.15%	-3.24%	20.83%	20.21%
GB	6.45%	0.00%	-6.45%	22.81%	0.00%
HK	0.81%	0.00%	-0.81%	18.53%	0.00%
IE	0.23%	0.00%	-0.23%	22.53%	0.00%
IT	0.86%	0.00%	-0.86%	28.13%	0.00%
JP	7.85%	14.78%	6.93%	19.03%	16.61%
KR	1.14%	0.00%	-1.14%	22.61%	0.00%
LU	0.08%	0.00%	-0.08%	40.94%	0.00%
MX	0.30%	0.00%	-0.30%	27.42%	0.00%
NL	1.17%	0.14%	-1.03%	19.76%	22.96%
NO	0.22%	0.00%	-0.22%	26.52%	0.00%
PE	0.05%	0.00%	-0.05%	27.12%	0.00%
PT	0.04%	0.00%	-0.04%	28.38%	0.00%
SE	1.05%	0.00%	-1.05%	21.92%	0.00%
SG	0.27%	0.00%	-0.27%	19.26%	0.00%
TW	0.79%	0.00%	-0.79%	20.65%	0.00%
US	57.93%	74.64%	16.71%	14.03%	9.97%



## Added Stocks

The rebalancing has added 21 new stocks. In the table below, T is the current rebalancing date (20-Mar-2017), while T-1 is the previous rebalancing date (19-Sep-2016). Vol(T-1) and Vol(T) are the annualized volatilities computed over 500 business days ending, respectively, on 12-Sep-2016 and 13-Mar-2017. The average daily volumes ADV(T-1) and ADV(T), expressed in mln USD, are computed over 125 business days ending on the same dates as before, with the relative ranking over the benchmark S&P Global 1200 Index NR. Finally, WW(T) is the stock weight at the current rebalancing date.

	Sector	Country	Vol		WW(T)	ADV		B	LF	EU
			T-1	T		T-1	T			
ADIDAS AG	C.Discretionary	DE	30.36%	27.42%	0.90%	112.09(360)	127.84(341)	Y	Y	Y
AETNA INCO.	HealthCare	US	26.02%	25.77%	0.17%	293.14(108)	346.83(93)	Y	Y	Y
AMERICAN EXPRESS CO.	Financials	US	23.49%	23.83%	0.14%	296.10(106)	324.50(104)	Y	Y	Y
CITIZENS FINL.GP.INCO.	Financials	US	27.23%	29.45%	0.57%	-Inf(1063)	174.88(254)	Y	N	N
CONSTELLATION BNS.INCO.	C.Staples	US	20.00%	20.68%	0.72%	210.95(178)	282.27(126)	Y	Y	Y
CVS HEALTH CORP.	C.Staples	US	18.43%	19.58%	0.54%	456.57(52)	605.11(34)	Y	Y	Y
DTE ENERGY CO.	Utilities	US	18.12%	17.49%	0.87%	87.31(425)	107.04(393)	Y	N	N
EXXON MOBIL CORP.	Energy	US	21.03%	20.09%	0.60%	965.80(11)	995.30(12)	Y	Y	Y
FASTENAL CO.	Industrials	US	23.59%	24.38%	0.60%	-Inf(871)	115.71(366)	Y	N	N
GENERAL DYNAMICS CORP.	Industrials	US	18.57%	17.95%	0.23%	216.43(171)	247.67(159)	Y	Y	Y
ILLUMINA INCO.	HealthCare	US	38.89%	43.20%	0.41%	189.56(212)	193.35(221)	Y	Y	Y
KONINKLIJKE AHOLD DEL NV	C.Staples	NL	22.93%	22.96%	0.14%	71.13(467)	103.74(399)	Y	N	N
L'OREAL	C.Staples	FR	20.55%	20.21%	0.15%	108.56(374)	104.75(397)	Y	Y	Y
MITSUBISHI EST.CO.LTD.	Real Estate	JP	27.21%	24.85%	0.47%	99.37(398)	99.27(414)	Y	Y	Y
MONSTER BEVERAGE CORP.	C.Staples	US	36.00%	31.84%	0.40%	181.83(220)	137.61(321)	Y	Y	Y
NORTHROP GRUMMAN CORP.	Industrials	US	18.96%	18.18%	0.39%	194.37(206)	243.02(163)	Y	Y	Y
PNC FINL.SVS.GP.INCO.	Financials	US	20.40%	20.80%	0.63%	211.51(176)	313.36(112)	Y	Y	Y
PUB.SER.ENTER.GP.INCO.	Utilities	US	19.74%	18.99%	0.33%	133.50(314)	117.03(365)	Y	Y	Y
SHIN-ETSU CHM.CO.LTD.	Materials	JP	25.31%	25.96%	1.17%	85.81(431)	119.52(364)	Y	N	N
STRYKER CORP.	HealthCare	US	17.82%	18.68%	0.15%	154.79(269)	166.27(272)	Y	Y	Y
TIME WARNER INCO.	C.Discretionary	US	26.02%	23.69%	0.22%	292.87(109)	476.55(55)	Y	Y	Y

The Column B shows whenever the added stock was in the S&P Global 1200 Index NR selection as of 19-Sep-2016. The columns LF/EU show whenever the stock was selected by the liquidity filter/eligible universe as of 19-Sep-2016.

## Deleted Stocks

The rebalancing has deleted 23 new stocks. In the table below, T is the current rebalancing date (20-Mar-2017), while T-1 is the previous rebalancing date (19-Sep-2016). Vol(T-1) and Vol(T) are the annualized volatilities computed over 500 business days ending, respectively, on 12-Sep-2016 and 13-Mar-2017. The average daily volumes ADV(T-1) and ADV(T), expressed in mln USD, are computed over 125 business days ending on the same dates as before, with the relative ranking over the benchmark S&P Global 1200 Index NR. Finally, WW(T-1) is the stock weight at the previous rebalancing date.

	Sector	Country	Vol		WW(T-1)	ADV		B	LF	EU
			T-1	T		T-1	T			
AIR LIQUIDE	Materials	FR	23.25%	22.64%	0.14%	95.37(407)	97.18(416)	Y	N	N
CHIPOTLE MEXN.GRILL INCO	C.Discretionary	US	31.39%	33.42%	1.87%	508.23(43)	-Inf(704)	Y	N	N
COLGATE-PALM.CO.	C.Staples	US	15.44%	16.54%	0.22%	218.08(168)	273.18(133)	Y	Y	Y
DIGITAL REALTY TST.INCO.	Real Estate	US	20.66%	23.29%	0.48%	177.18(228)	148.56(300)	Y	Y	Y
EBAY INCO.	IT	US	28.84%	28.77%	0.28%	289.44(111)	319.70(105)	Y	Y	Y
ENTERGY CORP.	Utilities	US	18.31%	18.80%	0.44%	101.48(390)	106.08(394)	Y	Y	Y
EQUITY RESD.	Real Estate	US	20.25%	20.12%	0.23%	153.06(275)	144.30(306)	Y	Y	Y
EXPRESS SCRIPTS HLDG.CO.	HealthCare	US	21.75%	22.85%	0.39%	294.31(107)	292.30(121)	Y	Y	Y
FIRSTENERGY CORP.	Utilities	US	21.30%	21.78%	0.25%	133.45(315)	141.62(312)	Y	Y	Y
L BRANDS INCO.	C.Discretionary	US	25.79%	28.80%	0.58%	185.11(217)	-Inf(1201)	Y	N	N
LABY.CORP.OF AM.HDG.	HealthCare	US	20.82%	21.50%	0.23%	109.90(366)	103.73(400)	Y	Y	Y
NEWMONT MINING CORP.	Materials	US	44.92%	44.29%	0.16%	290.26(110)	263.70(141)	Y	Y	Y
NOVO NORDISK A/S	HealthCare	DK	26.61%	28.62%	0.28%	148.71(284)	157.21(284)	Y	Y	Y
ONO PHARM.CO.LTD.	HealthCare	JP	39.76%	39.66%	0.20%	166.77(244)	-Inf(1167)	Y	N	N
PERRIGO COMPANY PLC.	HealthCare	US	35.57%	37.68%	0.31%	257.06(130)	-Inf(796)	Y	N	N
PUBLIC STORAGE INCO.	Real Estate	US	19.51%	21.05%	0.33%	202.49(194)	189.22(228)	Y	Y	Y
REALTY INCOME CORP.	Real Estate	US	20.59%	22.83%	0.97%	113.02(357)	112.64(374)	Y	Y	Y
SEVEN & I HDG.CO.LTD.	C.Staples	JP	23.62%	25.36%	0.72%	123.28(332)	104.32(398)	Y	Y	Y
SYNGENTA AG	Materials	CH	30.51%	30.32%	2.47%	86.09(430)	101.79(405)	Y	N	N
ULTA BEAUTY INCO.	C.Discretionary	US	31.42%	29.13%	0.20%	236.22(152)	217.96(191)	Y	Y	Y
VENTAS INCO.	Real Estate	US	22.88%	24.93%	0.18%	152.30(278)	140.91(313)	Y	Y	Y
VIVENDI	C.Discretionary	FR	23.75%	24.46%	0.27%	87.37(424)	74.88(466)	Y	N	N
WELLTOWER INCO.	Real Estate	US	23.34%	24.50%	0.58%	152.71(276)	144.40(305)	Y	Y	Y

The Column B shows whenever the deleted stock was in the S&P Global 1200 Index NR selection as of 20-Mar-2017. The columns LF/EU show whenever the stock was selected by the liquidity filter/eligible universe as of 20-Mar-2017.

## Ranking Index Constituents - Top 25

The table shows the top 25 positions in the Ossiam World Minimum Variance Index NR as of 20-Mar-2017. The column WW indicates the weights in the Ossiam World Minimum Variance Index NR as of 20-Mar-2017. The column Vol gives the annualized volatility computed over 500 business days ending on 13-Mar-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 13-Mar-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 Ossiam World 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
CONS.EDISON INCO.	Utilities	US	2.31%	18.21%	74	6.10%	4	50	YES
THE SOUTHERN CO.	Utilities	US	2.23%	15.96%	23	10.46%	21	22	YES
MUNCHENER RUCK.GESELL.AG	Financials	DE	2.14%	20.30%	169	31.56%	872	408	YES
CME GROUP INCO.	Financials	US	2.12%	20.73%	190	16.42%	116	164	YES
INTUITIVE SURGICAL INCO.	HealthCare	US	2.07%	22.15%	255	18.56%	160	222	YES
ASTELLAS PHARMA INCO.	HealthCare	JP	1.98%	23.74%	365	15.55%	96	273	YES
DOMINION RESOURCES INCO.	Utilities	US	1.96%	16.65%	33	13.80%	60	42	YES
WAL MART STORES INCO.	C.Staples	US	1.94%	19.04%	108	15.10%	86	100	YES
AT&T INCO.	Telecom.	US	1.90%	15.23%	15	23.50%	323	119	YES
LOCKHEED MARTIN CORP.	Industrials	US	1.85%	16.97%	40	18.94%	172	84	YES
ELI LILLY & CO.	HealthCare	US	1.66%	24.31%	398	13.03%	53	280	YES
CANON INCO.	IT	JP	1.54%	19.26%	119	27.45%	550	265	YES
MCDONALDS CORP.	C.Discretionary	US	1.54%	16.93%	39	21.99%	259	113	YES
THE CLOROX CO.	C.Staples	US	1.54%	15.82%	21	14.28%	69	37	YES
TAKEDA PHARM.CO.LTD.	HealthCare	JP	1.53%	23.32%	327	18.03%	146	265	YES
FANUC CORP.	Industrials	JP	1.53%	32.66%	885	18.46%	158	637	YES
WASTE MANAGEMENT INCO.	Industrials	US	1.52%	14.97%	11	21.72%	251	92	YES
THE PROCTER & GAMBLE CO.	C.Staples	US	1.52%	15.14%	14	21.61%	247	93	YES
RAYTHEON CO.	Industrials	US	1.50%	18.20%	72	17.78%	142	95	YES
MITSUMI & CO.LTD.	Industrials	JP	1.47%	24.95%	446	24.61%	381	423	YES
CIGNA CORP.	HealthCare	US	1.46%	26.44%	542	18.18%	150	408	YES
EDISON INTL.	Utilities	US	1.45%	18.04%	62	11.56%	30	51	YES
XCEL ENERGY INCO.	Utilities	US	1.43%	17.44%	45	11.22%	24	37	YES
FAST RETAILING CO.LTD.	C.Discretionary	JP	1.41%	34.53%	951	15.09%	85	656	YES
MONSANTO CO.	Materials	US	1.38%	23.21%	318	23.71%	334	323	YES



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