

# MONTHLY INDEX NEWS



## Newsletter Updates

In order to enhance the content and readability of the newsletter, we regularly update it to include additional families of indices and consider layout modifications to the various sections. Two new sections are featured as of this month's edition:

- Volatility indices
- Volatility-based index strategies.

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## STOXX Benchmark Indices

### Key Points

Stocks fell during January, as several governments imposed stricter lockdowns to combat the COVID-19 pandemic, and amid a trading frenzy around heavily-shortened US shares that engulfed markets in other regions and raised concerns of systemic risk.

The [STOXX® Global 1800 Index](#) dropped 1%, when measured in dollars and including dividends. The benchmark, which rose 16.9% last year, slid 0.3% in euros in January as the greenback gained 0.7% against the common currency.

The Eurozone's [EURO STOXX 50® Index](#) fell 1.8% when measured in euros, while the pan-European [STOXX® Europe 600 Index](#) retreated 0.7%. The [STOXX® North America 600 Index](#) lost 0.9% in dollars, as did the [STOXX® USA 500 Index](#). The [STOXX® Asia/Pacific 600 Index](#) decreased 0.4% in dollars.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. EURO STOXX 50	-1.8	-1.8	-1.8	-2.5	-2.5	7.6	15.5	15.5	32.4	17.9	17.9	34.1	2.0
2. STOXX Europe 600	-0.7	-0.7	-1.1	-1.4	-1.4	8.5	12.8	12.8	28.1	15.1	15.1	29.8	1.8
3. STOXX Global 1800	-0.3	-0.3	6.3	-1.0	-1.0	16.5	13.3	13.3	28.6	14.0	14.0	28.8	2.4
4. STOXX Global 1800 ex USA	-0.3	-0.3	0.4	-1.0	-1.0	10.1	10.8	10.8	23.0	12.1	12.1	24.4	1.5
5. STOXX USA 500	-0.2	-0.2	10.0	-0.9	-0.9	20.6	16.8	16.8	35.1	17.1	17.1	34.8	4.0
6. STOXX USA 900	-0.1	-0.1	10.1	-0.8	-0.8	20.7	16.8	16.8	35.3	17.1	17.1	35.0	3.9
7. STOXX North America 600	-0.2	-0.2	9.2	-0.9	-0.9	19.7	16.6	16.6	35.0	16.9	16.9	34.7	3.8
8. STOXX Asia/Pacific 600	0.3	0.3	4.7	-0.4	-0.4	14.8	14.4	14.4	20.5	13.7	13.7	21.4	1.1

Risk and return performance figures for STOXX Benchmark Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

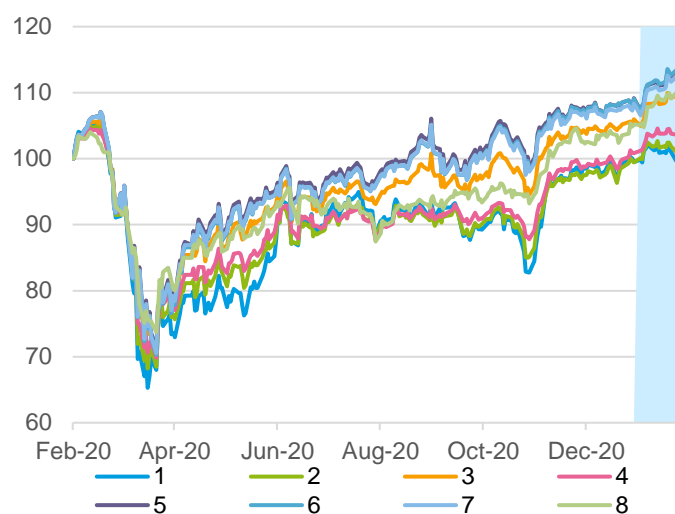


Figure 1: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

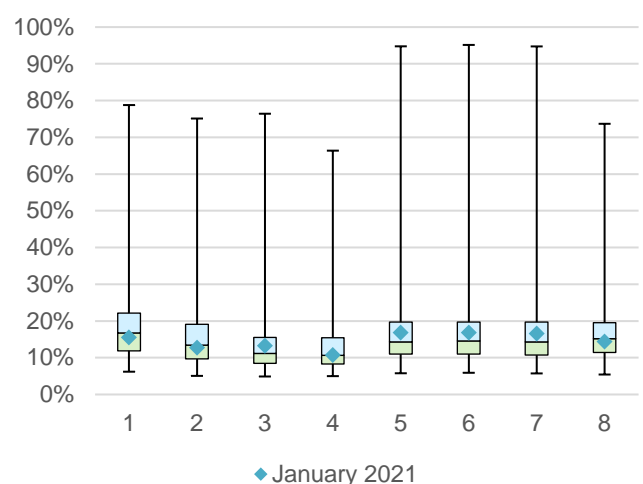


Figure 2: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2004 – Jan. 2021. Source: Qontigo.

## DAX Indices

### Key Points

Germany's DAX family is led by the blue-chip [DAX®](#). The MDAX® and SDAX®, respectively, gauge the performance of the country's mid- and small-caps. The TecDAX® tracks German technology companies. Finally, the HDAX® Index groups all equities that belong to either the DAX, MDAX or TecDAX.

The technology gauge led gains within the group during January, adding 5.1%. At the other end, the benchmark DAX fell 2.1%.

The [DAX® 50 ESG Index](#), which excludes companies involved in controversial activities and integrates environmental, social and governance (ESG) scoring into stock selection, outperformed the DAX during the month that ended.

### Risk and Return Characteristics

	(EUR) Return (%)			(EUR) Annualized volatility (%)		
	1M	YTD	1Y	1M	YTD	1Y
1. DAX	-2.1	-2.1	3.5	15.9	15.9	33.6
2. DAX 50 ESG	-1.8	-1.8	6.6	15.2	15.2	33.0
3. MDAX	0.9	0.9	11.1	11.3	11.3	28.2
4. SDAX	3.0	3.0	24.2	16.0	16.0	29.9
5. TecDAX	5.1	5.1	10.3	10.9	10.9	29.5
6. HDAX	-1.5	-1.5	3.1	14.4	14.4	32.4

Risk and return performance figures for DAX Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

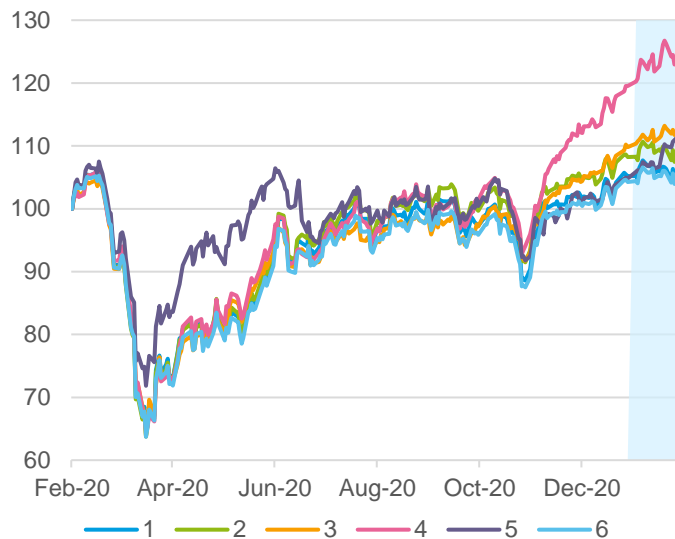


Figure 3: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

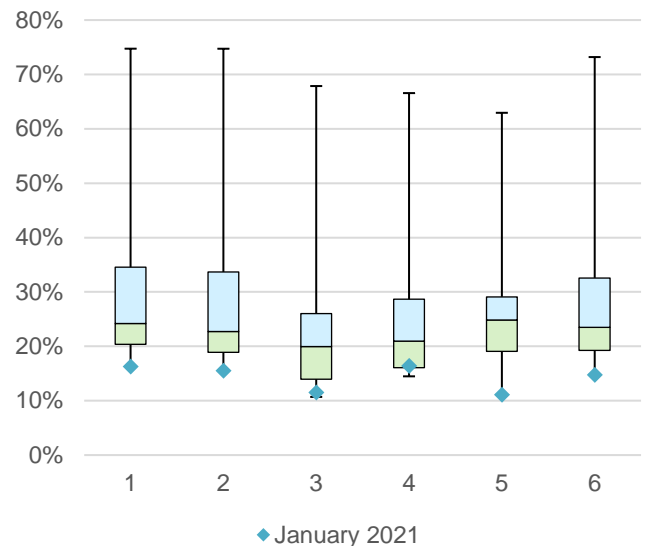


Figure 4: Monthly annualized volatility analysis, EUR Gross Return. Feb. 2020 – Jan. 2021. Source: Qontigo.

## ESG-X Indices

### Key Points

The [STOXX ESG-X indices](#) performed slightly better than their benchmarks during January.

The ESG-X indices are versions of traditional, market-capitalization-weighted benchmarks that observe [standard responsible exclusions](#) of leading asset owners. They incorporate basic norm- and product-based exclusion criteria to comply with ESG principles. Companies are excluded based on data provider Sustainalytics' determination of non-compliance with their Global Standards Screening assessment, involvement in controversial weapons, tobacco production, thermal coal extraction or exploration, or use of thermal coal to generate at least a quarter of power output.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. EURO STOXX 50 ESG-X	-1.6	-1.6	-0.2	-2.3	-2.3	9.5	15.4	15.4	31.6	17.9	17.9	33.2	1.9
2. STOXX Europe 600 ESG-X	-0.6	-0.6	-0.6	-1.3	-1.3	9.0	12.7	12.7	27.9	15.2	15.2	29.6	1.9
6. STOXX Global 1800 ESG-X	-0.2	-0.2	7.8	-0.9	-0.9	18.2	13.4	13.4	28.5	14.1	14.1	28.7	2.4
3. STOXX USA 500 ESG-X	-0.1	-0.1	12.5	-0.8	-0.8	23.4	17.1	17.1	35.4	17.5	17.5	35.0	4.3
4. STOXX North America 600 ESG-X	-0.1	-0.1	11.4	-0.8	-0.8	22.2	16.8	16.8	35.2	17.2	17.2	34.8	4.1
5. STOXX Asia/Pacific 600 ESG-X	0.2	0.2	5.1	-0.5	-0.5	15.2	14.5	14.5	20.6	13.7	13.7	21.4	1.1

Risk and return performance figures for STOXX ESG-X Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

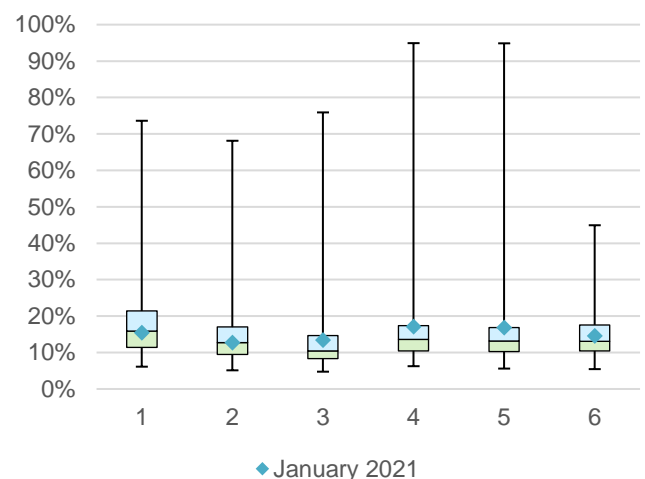
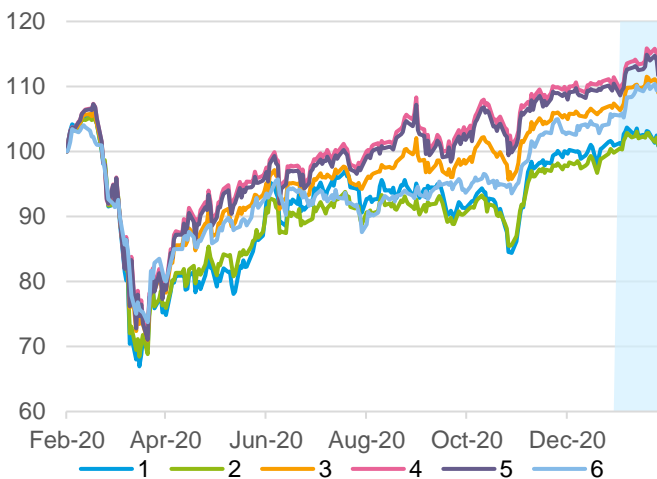


Figure 5: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 6: Monthly annualized volatility analysis, EUR Gross Return. Apr. 2012 – Jan. 2021. Source: Qontigo.

## ESG and Sustainability Indices

### Key Points

There was strong showing in January from STOXX's ESG and Sustainability indices. The [EURO STOXX 50® ESG Index](#) outperformed its benchmark by 44 basis points during the month. The ESG index, which is derived from the iconic EURO STOXX 50 Index and incorporates negative exclusions and ESG scoring into stock selection, beat its benchmark by more than 3 percentage points in 2020.

The [STOXX® Global ESG Impact Index](#) topped its benchmark by 54 basis points during last month, and the [STOXX® USA ESG Impact Index](#) outperformed by 36 basis points. The STOXX ESG Impact Indices offer a broad market exposure that is tilted towards companies that score better with respect to a small set of environmental, social, and governance indicators.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. EURO STOXX 50 ESG	-1.4	-1.4	2.1	-2.1	-2.1	11.9	15.8	15.8	31.0	18.3	18.3	32.7	2.0
2. STOXX Europe Industry Neutral ESG	-0.6	-0.6	-1.3	-1.3	-1.3	8.2	13.1	13.1	28.1	15.4	15.4	29.7	1.8
3. STOXX North America Industry Neutral ESG	-0.3	-0.3	7.4	-1.0	-1.0	17.7	15.6	15.6	35.6	15.8	15.8	35.3	3.8
4. STOXX Global ESG Impact	0.3	0.3	7.7	-0.4	-0.4	18.0	13.3	13.3	28.4	14.2	14.2	28.6	2.6
5. STOXX USA ESG Impact	0.3	0.3	9.6	-0.4	-0.4	20.2	16.1	16.1	35.2	16.6	16.6	34.9	4.5
6. STOXX Europe ESG Leaders Select 30	-0.2	-0.2	-19.6				11.3	11.3	30.7				2.0

Risk and return performance figures for STOXX ESG and Sustainability Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

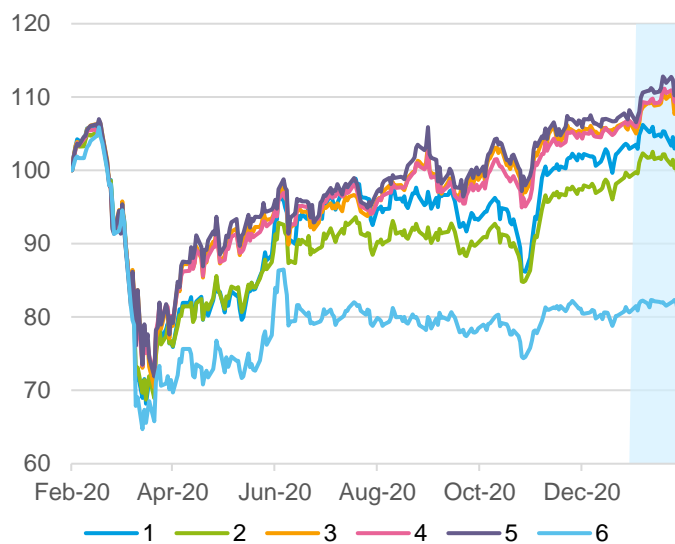


Figure 7: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

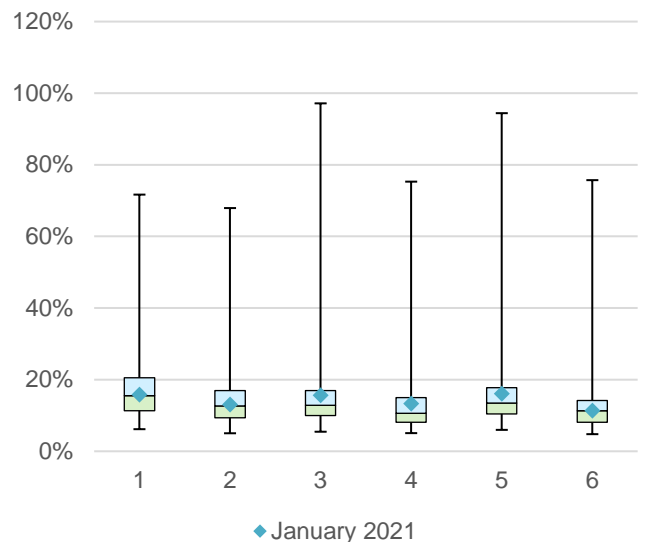


Figure 8: Monthly annualized volatility analysis, EUR Gross Return. Oct. 2012 – Jan. 2021. Source: Qontigo.

## Climate Indices – Paris-Aligned Benchmark Indices

### Key Points

The [STOXX Paris-Aligned Benchmark Indices \(PABs\)](#) had generally weaker performances than their respective benchmarks during January. The indices are based on liquid securities from a selection of STOXX Benchmark Indices and follow the [EU Paris-aligned Benchmark \(EU PAB\) requirements](#) outlined by the European Commission’s Technical Expert Group (TEG) on climate benchmarks.

Those requirements are designed such that the resulting PAB portfolio’s greenhouse gas (GHG) emissions are aligned with the long-term global warming target of the Paris Climate Agreement. The indices incorporate stringent carbon limitations in the selection of holdings, in line with global commitments to work towards keeping global warming between 1.5°C and 2°C above pre-industrial levels.

We have partnered with Sustainalytics for datasets relating to their Global Standards Screening and controversial weapons, and with ISS ESG for climate-related data such as Scope 1 to Scope 3 emissions, science-based climate targets, and others.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. EURO STOXX PAB	-1.7	-1.7	2.4	-2.3	-2.3	12.3	13.9	13.9	28.8	16.5	16.5	30.6
2. EURO STOXX TMI PAB	-1.5	-1.5	2.9	-2.2	-2.2	12.8	14.0	14.0	28.8	16.8	16.8	30.7
3. STOXX Europe 600 PAB	-1.4	-1.4	1.1	-2.1	-2.1	10.9	11.9	11.9	26.2	14.2	14.2	27.9
4. STOXX Global 1800 PAB	-0.6	-0.6	8.1	-1.3	-1.3	18.5	12.6	12.6	27.9	13.2	13.2	28.0
5. STOXX USA 500 PAB	-0.5	-0.5	10.9	-1.3	-1.3	21.6	16.2	16.2	34.8	16.4	16.4	34.4
6. STOXX USA 900 PAB	-0.4	-0.4	11.9	-1.2	-1.2	22.7	16.3	16.3	34.9	16.5	16.5	34.5

Risk and return performance figures for STOXX Paris-Aligned Benchmark Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

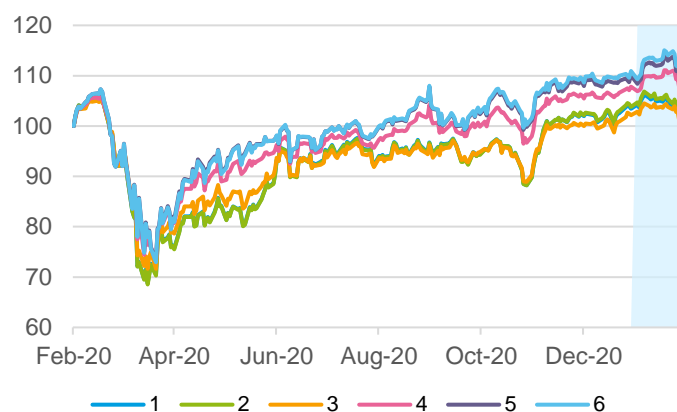


Figure 9: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

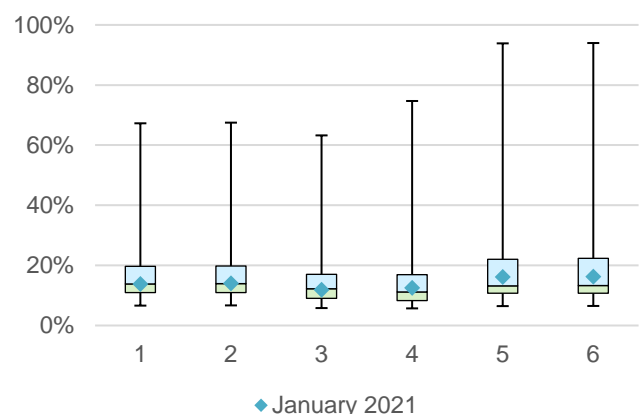


Figure 10: Monthly annualized volatility analysis, EUR Gross Return. Apr. 2018 – Jan. 2021. Source: Qontigo.



## Climate Indices – Climate Transition Benchmark Indices

### Key Points

The [STOXX Climate Transition Benchmark Indices \(CTBs\)](#) also had poor relative performances in the month that ended.

The STOXX CTBs are based on liquid securities from a selection of STOXX Benchmark Indices and follow the [EU Climate Transition Benchmark \(EU CTB\) requirements](#) outlined by the TEG on climate benchmarks. Those requirements are designed such that the resulting CTB portfolio is on a decarbonization trajectory.

As with the Paris-Aligned Benchmarks, we have partnered with Sustainalytics for exclusions datasets, and with ISS ESG for climate-related data, science-based climate targets and others.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. EURO STOXX CTB	-1.4	-1.4	2.2	-2.1	-2.1	12.0	14.7	14.7	29.2	17.3	17.3	31.0
2. EURO STOXX TMI CTB	-1.3	-1.3	2.5	-2.0	-2.0	12.4	14.8	14.8	29.2	17.4	17.4	31.0
3. STOXX Europe 600 CTB	-1.2	-1.2	0.2	-1.9	-1.9	9.9	12.6	12.6	26.8	14.9	14.9	28.4
4. STOXX Global 1800 CTB	-0.6	-0.6	7.1	-1.3	-1.3	17.4	12.8	12.8	28.4	13.5	13.5	28.6
5. STOXX USA 500 CTB	-0.7	-0.7	9.0	-1.4	-1.4	19.5	16.5	16.5	35.2	16.7	16.7	34.8
6. STOXX USA 900 CTB	-0.6	-0.6	9.5	-1.3	-1.3	20.1	16.6	16.6	35.3	16.8	16.8	35.0

Risk and return performance figures for STOXX Climate Transition Benchmark Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

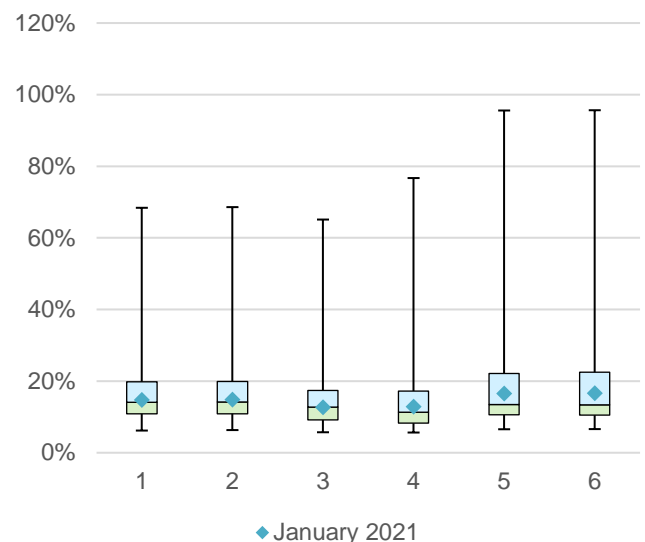
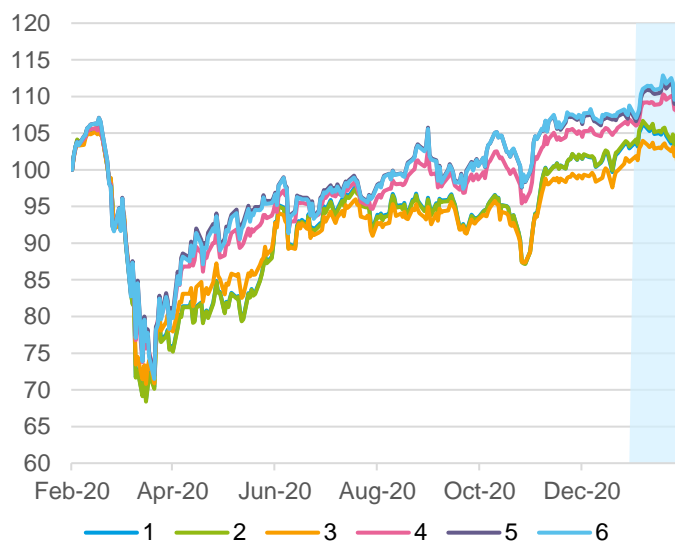


Figure 11: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 12: Monthly annualized volatility analysis, EUR Gross Return. Apr. 2018 – Jan. 2021. Source: Qontigo.

# Climate Indices – Impact, Change Leaders and Awareness Indices

## Key Points

Generally speaking, STOXX's Climate indices had weaker performances than their benchmarks during January. The exception within the group was the [STOXX® Global Climate Change Leaders Index](#), which selects corporate leaders that are publicly committed to reducing their carbon footprint.

The [STOXX® Europe Climate Impact Ex Global Compact Controversial Weapons & Tobacco Index](#) trailed the STOXX Europe 600, while the [STOXX® Global Climate Impact Ex Global Compact Controversial Weapons & Tobacco Index](#) came out in line with the STOXX Global 1800. The indices include companies that are leading in terms of climate change as well as those that are managing the effect of climate-related issues. They additionally exclude companies in contravention of global norms, and those involved with coal, tobacco or controversial weapons.

We have partnered with CDP, a leading climate data provider, to track companies taking action on, managing and understanding the effects of climate change.

## Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. STOXX Europe Climate Impact*	-1.3	-1.3	-4.4	-2.0	-2.0	4.8	12.9	12.9	28.4	15.1	15.1	30.0	1.7
2. STOXX Global Climate Impact*	-0.3	-0.3	4.2	-1.0	-1.0	14.2	12.4	12.4	28.4	12.9	12.9	28.5	2.4
3. STOXX North America Climate Impact*	-0.4	-0.4	6.5	-1.1	-1.1	16.7	15.8	15.8	35.2	16.0	16.0	34.8	4.0
4. STOXX Asia/Pacific Climate Impact*	0.2	0.2	0.6	-0.5	-0.5	10.3	15.4	15.4	21.6	14.5	14.5	22.4	1.4
5. STOXX Global Climate Change Leaders	0.1	0.1	3.4	-0.6	-0.6	13.4	12.8	12.8	27.5	13.4	13.4	27.5	3.2
6. iSTOXX Europe ESG Climate Awareness Select 50	0.2	0.2	-13.1	-0.5	-0.5	-4.7	10.2	10.2	29.5	11.3	11.3	30.8	3.0

Risk and return performance figures for STOXX Climate Indices, Gross Return. Data as of Jan. 29, 2021. \* Indices are the Ex Global Compact Controversial Weapons & Tobacco versions. Source: Qontigo.

## Index and Volatility Performance

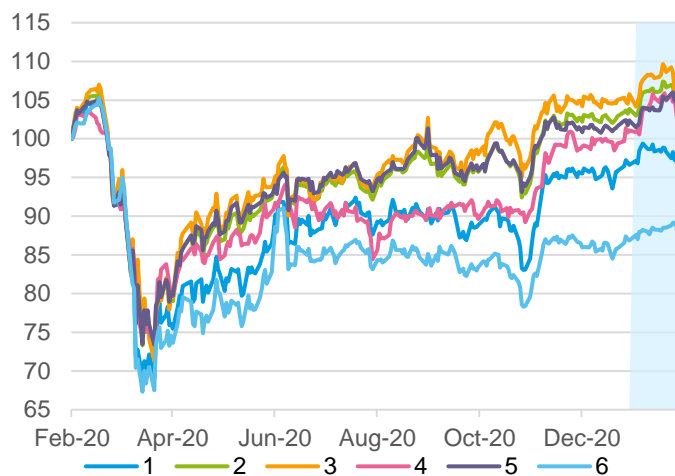


Figure 13: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

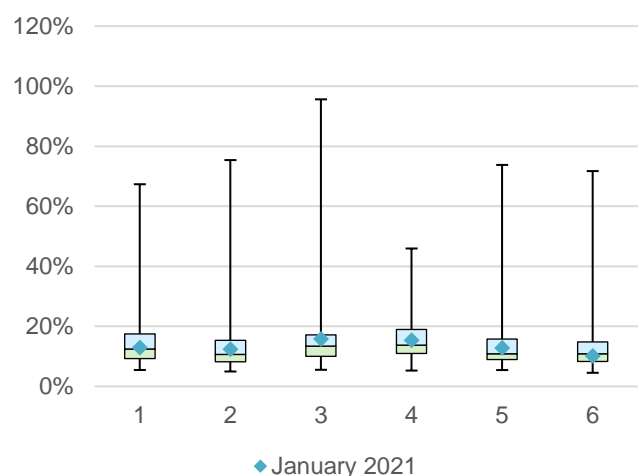


Figure 14: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2013 – Jan. 2021. Source: Qontigo.

## Low Carbon Indices

### Key Points

The underperformance trend extended to our Low Carbon Indices. The [EURO STOXX 50® Low Carbon Index](#) lagged its benchmark by 41 basis points during January, while the [STOXX® Europe 600 Low Carbon Index](#) underperformed by 17 basis points.

The [STOXX® Japan Low Carbon Index](#) trailed the [STOXX® Japan 600 Index](#) by 53 basis points.

The [STOXX Low Carbon Indices](#) were designed to help reduce the carbon footprint of portfolios and limit their exposure to climate-related risks. They use data from CDP and ISS ESG.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. EURO STOXX 50 Low Carbon	-2.2	-2.2	-2.5	-2.9	-2.9	6.9	14.8	14.8	33.1	17.3	17.3	34.8	2.0
2. STOXX Europe 600 Low Carbon	-0.9	-0.9	-1.2	-1.6	-1.6	8.3	12.5	12.5	28.2	14.9	14.9	29.9	1.8
3. STOXX Global 1800 Low Carbon	-0.4	-0.4	6.7	-1.1	-1.1	17.0	13.4	13.4	28.9	14.1	14.1	29.1	2.4
4. STOXX Global 1800 ex Europe Low Carbon	-0.2	-0.2	8.4	-0.9	-0.9	18.8	15.0	15.0	31.0	15.2	15.2	30.8	2.6
5. STOXX USA Low Carbon	-0.5	-0.5	7.9	-1.2	-1.2	18.3	16.9	16.9	35.9	17.3	17.3	35.6	4.0
6. STOXX Japan Low Carbon	-0.8	-0.8	5.5	-1.5	-1.5	15.6	15.4	15.4	21.7	13.9	13.9	22.2	1.4

Risk and return performance figures for STOXX Low Carbon Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

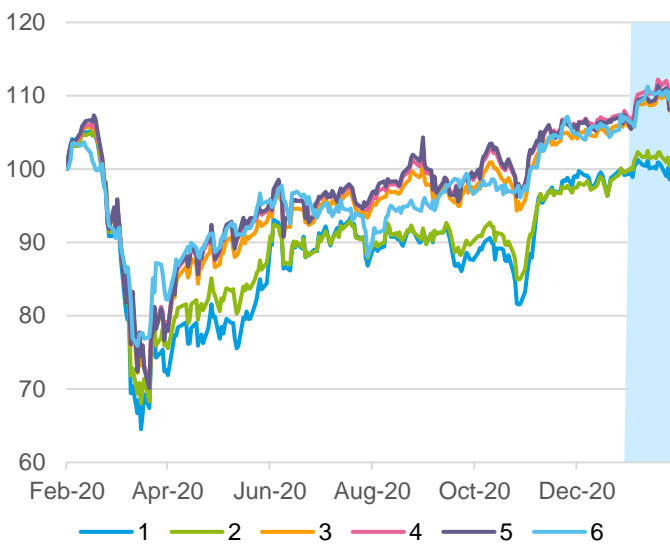


Figure 15: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

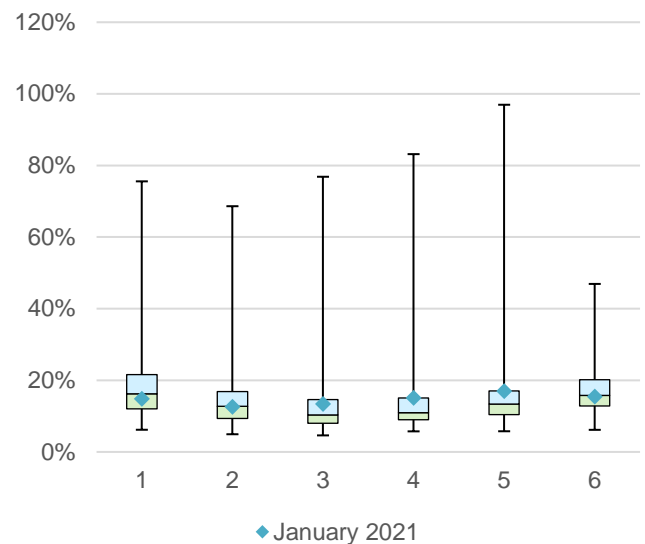


Figure 16: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2012 – Jan. 2021. Source: Qontigo.

## Thematic Indices – Revenue-Based

### Key Points

The [STOXX® Thematic Indices](#) continue to beat market returns. The indices seek exposure to the economic upside of disruptive global megatrends and follow two approaches: revenue-based and artificial-intelligence-driven. Seventeen of 22 revenue-based thematic indices outperformed the STOXX Global 1800 Index during the month that ended.

The [STOXX® Global Smart Cities Index](#), the group’s best performer in 2020, also had the highest returns last month. At the other end, the [STOXX® Global Fintech Index](#), fell 6.3%.

The average 2020 gain for all 22 indices was 35%, more than double that of the benchmark STOXX Global 1800 Index.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. STOXX Global Ageing Population	0.5	0.5	6.4	-0.2	-0.2	16.6	15.4	15.4	30.0	15.7	15.7	30.4	1.9
2. STOXX Global Artificial Intelligence	2.8	2.8	36.0	2.1	2.1	49.1	19.9	19.9	40.6	20.7	20.7	40.1	5.8
3. STOXX Global Automation & Robotics	2.0	2.0	31.4	1.3	1.3	44.1	18.6	18.6	28.1	18.9	18.9	28.6	9.9
4. STOXX Global Breakthrough Healthcare	3.5	3.5	46.3	2.8	2.8	60.4	18.7	18.7	30.8	18.4	18.4	30.2	6.4
5. STOXX Global Broad Infrastructure	-0.8	-0.8	-8.6	-1.5	-1.5	0.2	12.9	12.9	25.9	13.5	13.5	26.3	2.2
6. STOXX Global Digital Security	2.8	2.8	19.8	2.0	2.0	31.3	16.9	16.9	26.7	15.3	15.3	26.8	5.6
7. STOXX Global Digitalisation	-0.1	-0.1	28.0	-0.8	-0.8	40.4	16.2	16.2	30.0	17.2	17.2	30.3	6.2
8. STOXX Global Electric Vehicles & Driving Technology	5.1	5.1	34.8	4.4	4.4	47.7	22.9	22.9	30.4	23.8	23.8	31.5	2.5
9. STOXX Global Fintech	-5.6	-5.6	9.0	-6.3	-6.3	19.5	17.5	17.5	36.1	19.1	19.1	36.2	5.9
10. STOXX Global Health & Weight Loss	-2.2	-2.2	26.4	-2.9	-2.9	38.6	12.3	12.3	23.0	13.0	13.0	23.9	9.8
11. STOXX Global Housing Construction	1.6	1.6	18.1	0.9	0.9	29.5	19.2	19.2	32.1	20.2	20.2	32.3	2.6

Risk and return performance figures for STOXX Thematic Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

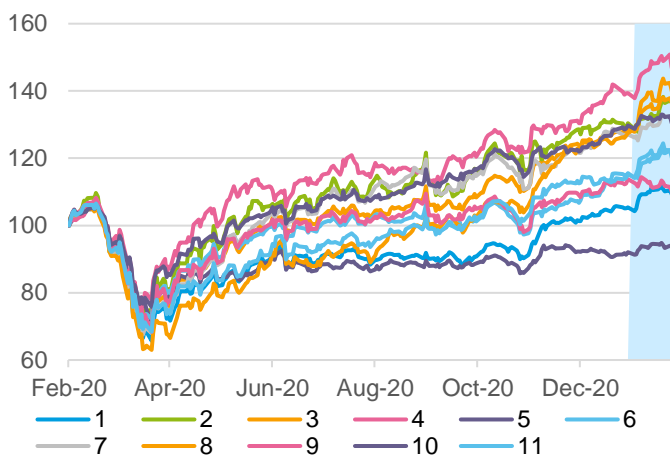


Figure 17: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

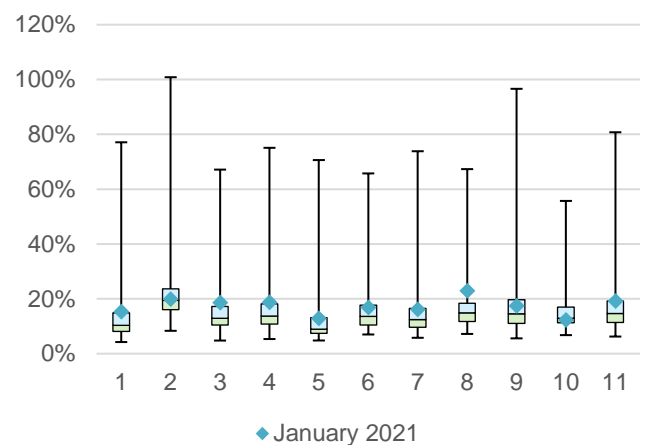


Figure 18: Monthly annualized volatility analysis, EUR Gross Return. Jul. 2012 – Jan. 2021. Source: Qontigo.

## Thematic Indices – Revenue-Based (cont.)

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
12. STOXX Global Industry 4.0	1.4	1.4	19.3	0.7	0.7	30.8	18.2	18.2	32.9	18.9	18.9	32.9	5.2
13. STOXX Global Millennials	-1.0	-1.0	36.4	-1.7	-1.7	49.5	19.5	19.5	30.1	20.6	20.6	30.1	8.6
14. STOXX Global Next Generation	1.0	1.0	8.6	0.2	0.2	19.0	14.2	14.2	27.5	14.2	14.2	27.4	3.6
15. STOXX Global Pet Care	0.7	0.7	19.3	0.0	0.0	30.8	12.2	12.2	25.2	10.9	10.9	24.9	5.4
16. STOXX Global Sharing Economy	-4.6	-4.6	16.1	-5.3	-5.3	27.3	20.6	20.6	33.5	22.3	22.3	33.8	7.3
17. STOXX Global Silver Economy	1.6	1.6	12.4	0.8	0.8	23.2	17.8	17.8	30.6	18.5	18.5	30.4	2.5
18. STOXX Global Smart Cities	5.9	5.9	69.1	5.1	5.1	85.4	24.6	24.6	35.8	25.6	25.6	35.7	7.4
19. STOXX Global Smart City Infrastructure	1.1	1.1	5.9	0.4	0.4	16.1	12.4	12.4	27.4	12.9	12.9	28.3	3.3
20. STOXX Global Smart Factory	3.2	3.2	29.6	2.5	2.5	42.1	23.4	23.4	37.8	24.7	24.7	37.5	4.7
21. STOXX Global Video Gaming & eSports	5.2	5.2	46.0	4.5	4.5	60.0	16.2	16.2	29.0	15.9	15.9	28.6	12.5
22. iSTOXX Developed Markets B.R.AI.N	2.7	2.7	11.3	1.9	1.9	22.1	16.4	16.4	29.5	16.3	16.3	28.9	5.6

Risk and return performance figures for STOXX Thematic Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

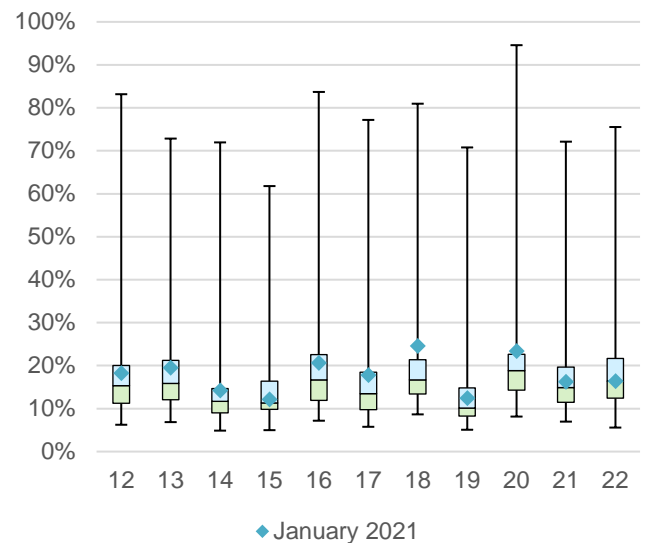
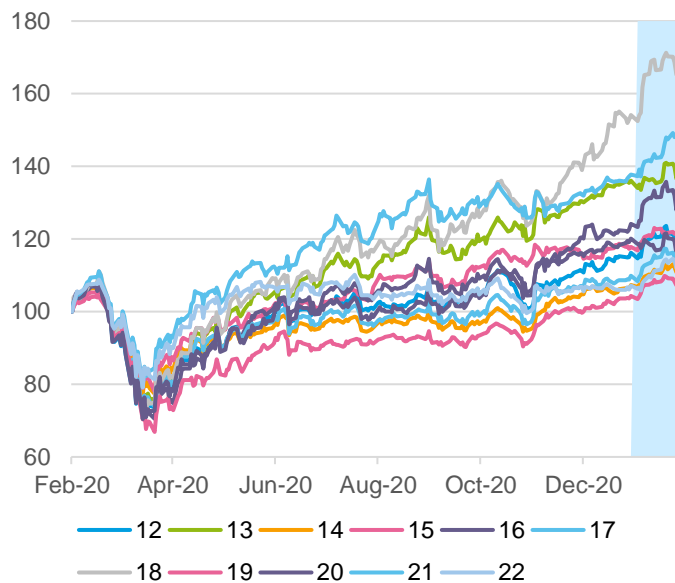


Figure 19: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 20: Monthly annualized volatility analysis, EUR Gross Return. Jul. 2013 – Jan. 2021. Source: Qontigo.

## Thematic Indices – AI-Driven

### Key Points

Among the STOXX artificial-intelligence-driven thematic indices, the AI theme in particular was a strong performer in the month that ended, providing positive returns.

The AI-driven thematic indices employ computational systems to select businesses investing in the adoption of intellectual property underpinning the respective theme. Two of them track companies exposed to the AI theme and one selects businesses investing in blockchain.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. STOXX AI Global Artificial Intelligence	2.2	2.2	23.1	1.5	1.5	35.0	13.9	13.9	28.7	13.4	13.4	28.8	4.1
2. STOXX AI Global Artificial Intelligence ADTV5	2.3	2.3	22.5	1.5	1.5	34.3	14.2	14.2	29.1	13.7	13.7	29.3	4.1
3. iSTOXX Yewno Developed Markets Blockchain	-1.9	-1.9	-1.9	-2.6	-2.6	7.6	16.4	16.4	36.3	17.1	17.1	36.2	4.0

Risk and return performance figures for STOXX Thematic Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance



Figure 21: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

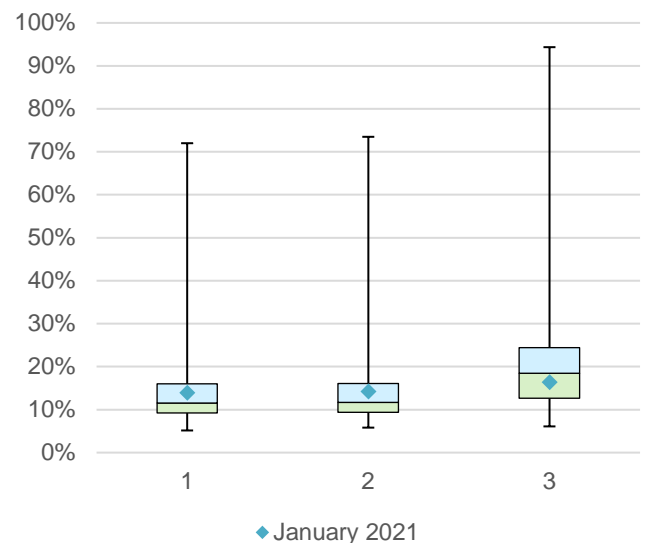


Figure 22: Monthly annualized volatility analysis, EUR Gross Return. Apr. 2013 – Jan. 2021. Source: Qontigo.

## Factor Indices – Global

### Key Points

Investors turned to Value stocks in the US in January, according to the [STOXX Factor Indices](#) tracking global portfolios.

The STOXX Factor Indices offer robust factor definitions and targeted factor exposures, and ensure the tradability of component stocks. They employ the institutionally tested analytics of Axioma Factor Risk Models.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. STOXX Global 1800 Ax Low Risk	-1.6	-1.6	-7.8	-2.3	-2.3	1.1	10.4	10.4	24.7	10.5	10.5	24.9
2. STOXX Global 1800 Ax Momentum	0.8	0.8	25.5	0.1	0.1	37.6	16.5	16.5	31.5	17.1	17.1	31.7
3. STOXX Global 1800 Ax Multi-Factor	-0.5	-0.5	2.2	-1.2	-1.2	12.1	12.2	12.2	25.6	12.4	12.4	26.0
4. STOXX Global 1800 Ax Quality	-1.8	-1.8	13.4	-2.5	-2.5	24.3	12.2	12.2	27.2	12.4	12.4	27.4
5. STOXX Global 1800 Ax Size	0.5	0.5	1.9	-0.3	-0.3	11.7	12.7	12.7	30.3	12.8	12.8	30.8
6. STOXX Global 1800 Ax Value	2.0	2.0	-5.3	1.3	1.3	3.8	13.6	13.6	32.8	14.2	14.2	33.3
7. STOXX Global 1800 ex USA Ax Low Risk	-0.3	-0.3	-9.3	-1.0	-1.0	-0.6	8.6	8.6	18.7	9.5	9.5	20.0
8. STOXX Global 1800 ex USA Ax Momentum	-0.9	-0.9	13.5	-1.6	-1.6	24.4	12.0	12.0	24.0	14.0	14.0	25.8
9. STOXX Global 1800 ex USA Ax Multi-Factor	-0.4	-0.4	0.8	-1.1	-1.1	10.5	10.8	10.8	21.6	12.1	12.1	23.3
10. STOXX Global 1800 ex USA Ax Quality	0.0	0.0	10.4	-0.7	-0.7	21.0	10.8	10.8	20.7	12.0	12.0	22.4
11. STOXX Global 1800 ex USA Ax Size	1.1	1.1	2.7	0.4	0.4	12.6	10.5	10.5	23.9	11.6	11.6	25.7
12. STOXX Global 1800 ex USA Ax Value	-0.3	-0.3	-6.3	-1.0	-1.0	2.7	12.4	12.4	25.9	13.8	13.8	27.3

Risk and return performance figures for STOXX Factor (Global) indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

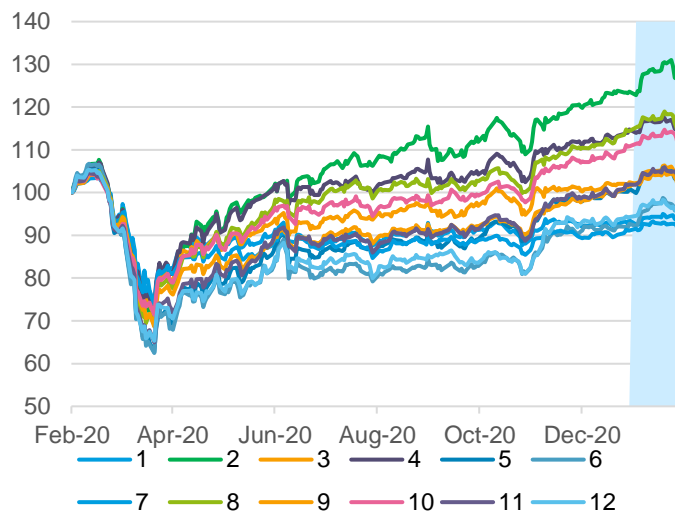


Figure 23: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

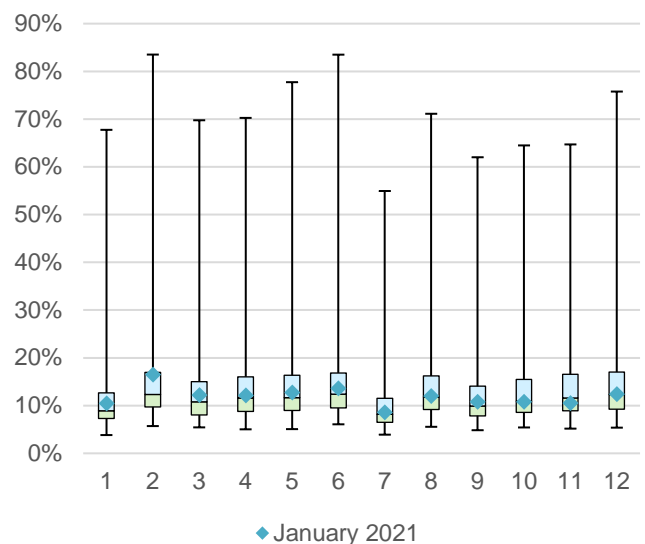


Figure 24: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2004 – Jan. 2021. Source: Qontigo.

## Factor Indices – Regional: Europe

### Key Points

In Europe, it was Size that provided the standout performance in January, with the [STOXX® Europe 600 Ax Size Index](#) adding 1.4% in euros. The [STOXX® Europe 600 Ax Low Risk Index](#), which posted the group's second-steepest loss during 2020, retreated 1.7% in the month.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. STOXX Europe 600 Ax Low Risk	-1.7	-1.7	-7.0	-2.4	-2.4	2.0	10.1	10.1	23.7	12.3	12.3	25.3
2. STOXX Europe 600 Ax Momentum	-1.2	-1.2	8.2	-1.9	-1.9	18.6	13.8	13.8	29.5	16.8	16.8	31.4
3. STOXX Europe 600 Ax Multi-Factor	-0.2	-0.2	2.0	-0.9	-0.9	11.8	11.1	11.1	26.8	13.9	13.9	28.8
4. STOXX Europe 600 Ax Quality	0.6	0.6	8.3	-0.1	-0.1	18.8	12.5	12.5	26.3	14.5	14.5	28.3
5. STOXX Europe 600 Ax Size	1.4	1.4	1.9	0.6	0.6	11.7	13.0	13.0	28.5	15.0	15.0	30.4
6. STOXX Europe 600 Ax Value	-1.3	-1.3	-6.3	-2.0	-2.0	2.7	13.5	13.5	33.1	15.6	15.6	34.6

Risk and return performance figures for STOXX Factor (Regional) Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

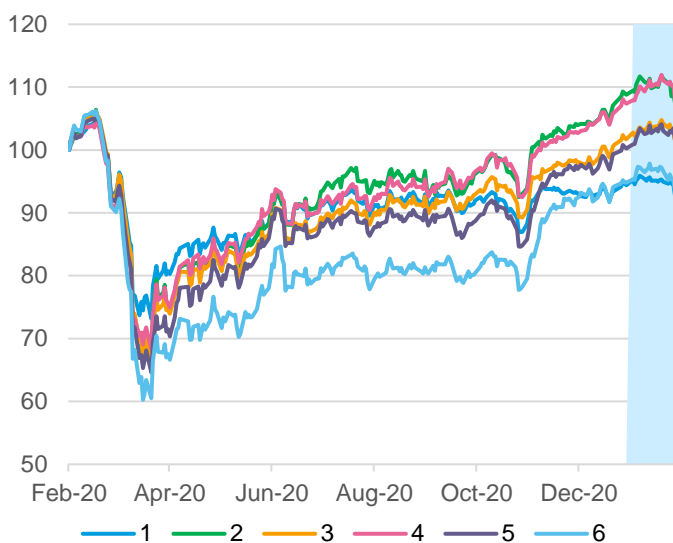


Figure 25: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

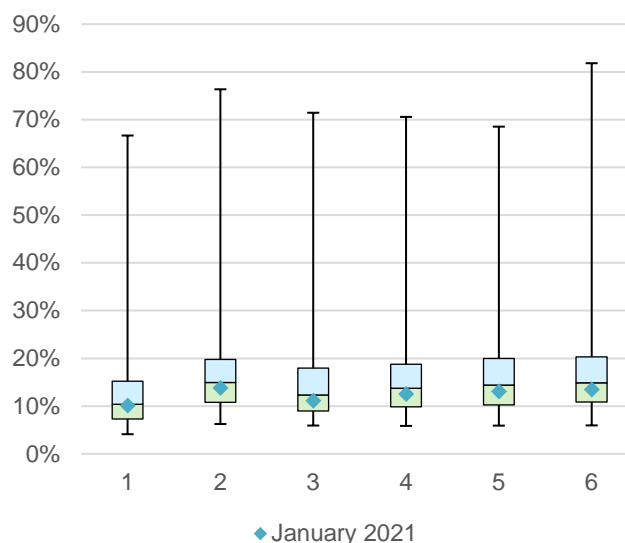


Figure 26: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2004 – Jan. 2021. Source: Qontigo.



## Factor Indices – Regional: US

### Key Points

As implied by the global indices, Value reigned among US factors in the month that ended. The [STOXX® USA 500 Ax Value Index](#) rose 1.7%, while the [STOXX® USA 900 Ax Value Index](#) added 2.2%.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. STOXX USA 500 Ax Low Risk	-1.5	-1.5	-5.9	-2.2	-2.2	3.1	14.2	14.2	32.6	14.0	14.0	32.4
2. STOXX USA 500 Ax Momentum	1.2	1.2	25.1	0.4	0.4	37.2	19.2	19.2	37.1	19.3	19.3	36.9
3. STOXX USA 500 Ax Multi-Factor	-0.5	-0.5	-2.0	-1.2	-1.2	7.5	15.3	15.3	36.3	15.0	15.0	36.2
4. STOXX USA 500 Ax Quality	-2.4	-2.4	12.7	-3.1	-3.1	23.5	15.8	15.8	35.6	16.0	16.0	35.3
5. STOXX USA 500 Ax Size	-0.4	-0.4	5.6	-1.1	-1.1	15.8	17.7	17.7	36.8	17.8	17.8	36.8
6. STOXX USA 500 Ax Value	2.5	2.5	-8.4	1.7	1.7	0.5	14.7	14.7	41.4	14.6	14.6	41.4
7. STOXX USA 900 Ax Low Risk	-1.4	-1.4	-6.1	-2.1	-2.1	2.9	13.9	13.9	32.6	13.6	13.6	32.5
8. STOXX USA 900 Ax Momentum	1.0	1.0	25.5	0.3	0.3	37.6	19.6	19.6	37.0	19.8	19.8	36.7
9. STOXX USA 900 Ax Multi-Factor	-0.7	-0.7	6.0	-1.4	-1.4	16.2	15.5	15.5	34.5	15.4	15.4	34.3
10. STOXX USA 900 Ax Quality	-2.2	-2.2	13.5	-2.9	-2.9	24.4	15.6	15.6	35.6	15.6	15.6	35.3
11. STOXX USA 900 Ax Size	-0.3	-0.3	5.5	-1.0	-1.0	15.6	16.0	16.0	36.0	15.8	15.8	35.8
12. STOXX USA 900 Ax Value	2.9	2.9	-9.8	2.2	2.2	-1.1	14.6	14.6	40.6	14.4	14.4	40.6

Risk and return performance figures for STOXX Factor (Regional) indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo

### Index and Volatility Performance

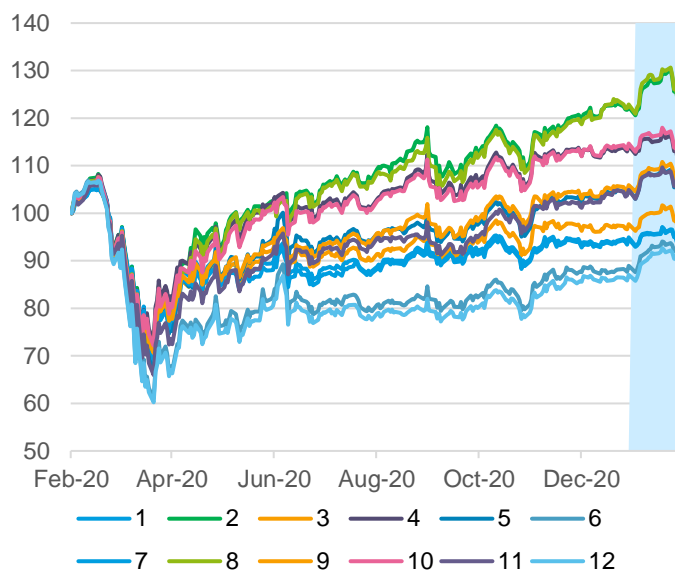


Figure 27: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

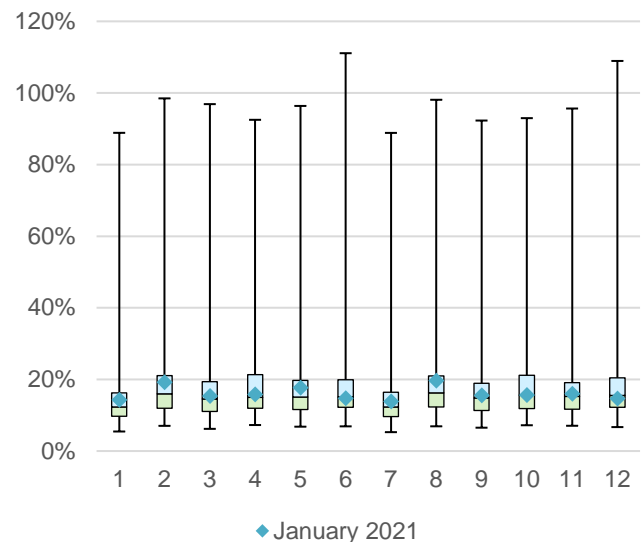


Figure 28: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2004 – Jan. 2021. Source: Qontigo.

## Factor Indices – Regional: Asia/Pacific

### Key Points

Quality was the weakest-performing style in Asia/Pacific portfolios, while Momentum trailed all styles in the Japan universe, according to the STOXX Factor Indices. The benchmark STOXX Japan 600 Index fell 0.9% in dollars in the month.

As in the US, Value provided positive returns in Asian markets during the month.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. STOXX Asia/Pacific 600 Ax Low Risk	0.9	0.9	-12.3	0.2	0.2	-3.8	12.3	12.3	17.7	11.3	11.3	18.3
2. STOXX Asia/Pacific 600 Ax Momentum	-0.4	-0.4	23.7	-1.1	-1.1	35.6	18.0	18.0	21.6	17.5	17.5	22.6
3. STOXX Asia/Pacific 600 Ax Multi-Factor	-0.6	-0.6	-4.1	-1.3	-1.3	5.1	14.2	14.2	18.9	13.4	13.4	20.0
4. STOXX Asia/Pacific 600 Ax Quality	-0.6	-0.6	9.6	-1.4	-1.4	20.2	13.1	13.1	19.8	12.7	12.7	20.6
5. STOXX Asia/Pacific 600 Ax Size	1.4	1.4	4.0	0.7	0.7	14.1	14.2	14.2	22.4	13.3	13.3	23.4
6. STOXX Asia/Pacific 600 Ax Value	1.4	1.4	-3.8	0.7	0.7	5.5	14.2	14.2	23.3	14.0	14.0	24.2
7. STOXX Japan 600 Ax Low Risk	1.2	1.2	-5.4	0.4	0.4	3.7	14.8	14.8	18.9	13.0	13.0	19.2
8. STOXX Japan 600 Ax Momentum	-1.4	-1.4	14.0	-2.1	-2.1	25.0	17.3	17.3	21.3	16.4	16.4	21.7
9. STOXX Japan 600 Ax Multi-Factor	0.6	0.6	-1.3	-0.2	-0.2	8.3	15.1	15.1	20.2	13.4	13.4	20.9
10. STOXX Japan 600 Ax Quality	0.7	0.7	11.6	0.0	0.0	22.3	15.3	15.3	22.0	13.6	13.6	22.5
11. STOXX Japan 600 Ax Size	0.8	0.8	1.4	0.1	0.1	11.2	14.3	14.3	23.1	12.4	12.4	23.7
12. STOXX Japan 600 Ax Value	2.2	2.2	-4.9	1.5	1.5	4.3	14.9	14.9	23.5	13.7	13.7	24.1

Risk and return performance figures for STOXX Factor (Regional) indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

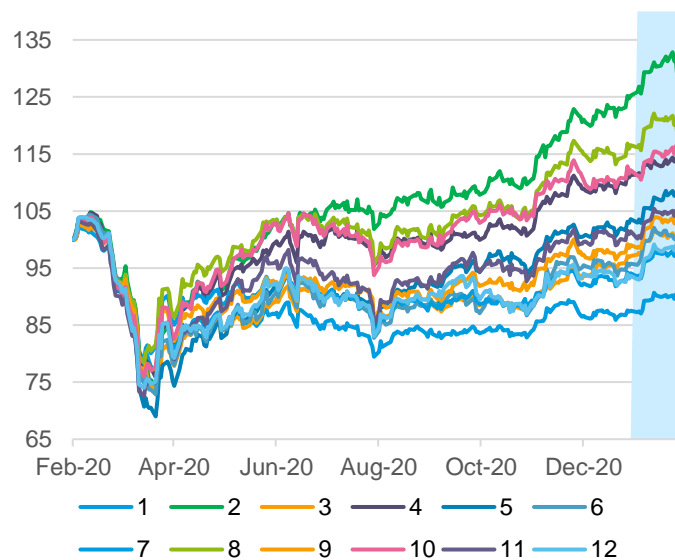


Figure 29: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

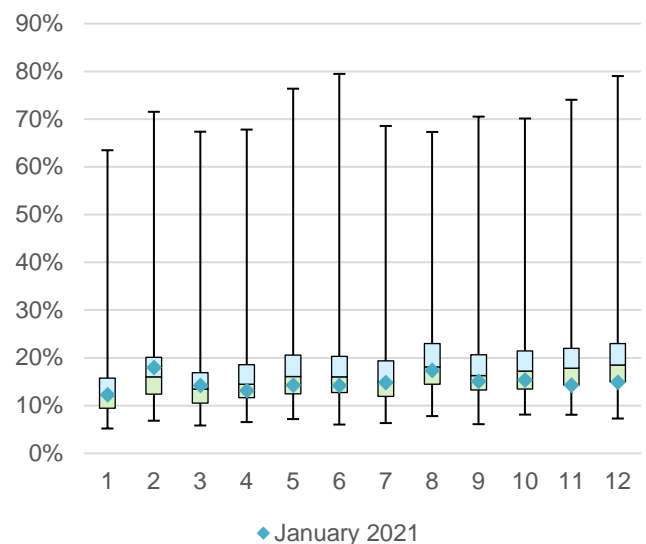


Figure 30: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2004 – Jan. 2021. Source: Qontigo.

## ESG-X Factor Indices – Global

### Key Points

The [STOXX® ESG-X Factor Indices](#) implement the same factor-based methodology of the STOXX Factor Indices, seeking exposure to five style signals, but do so on slightly smaller universes that exclude stocks based on the responsible policies of leading asset owners.

The indices showed diverse performances relative to the benchmark STOXX Global 1800 ESG-X Index's 0.9% drop during January. Quality and Low Risk were the weakest signals in terms of returns.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. STOXX Global 1800 ESG-X Ax Low Risk	-1.8	-1.8	-7.6	-2.5	-2.5	0.6	10.5	10.5	24.6	10.6	10.6	24.8
2. STOXX Global 1800 ESG-X Ax Momentum	0.3	0.3	26.6	-0.5	-0.5	37.8	16.4	16.4	31.3	17.0	17.0	31.6
3. STOXX Global 1800 ESG-X Ax Multi-Factor	-0.7	-0.7	2.4	-1.4	-1.4	11.4	12.7	12.7	25.9	12.9	12.9	26.3
4. STOXX Global 1800 ESG-X Ax Quality	-1.9	-1.9	13.6	-2.6	-2.6	23.6	12.2	12.2	27.2	12.5	12.5	27.5
5. STOXX Global 1800 ESG-X Ax Size	0.2	0.2	2.5	-0.6	-0.6	12.4	12.6	12.6	30.7	12.7	12.7	31.3
6. STOXX Global 1800 ESG-X Ax Value	1.7	1.7	-2.8	1.0	1.0	5.7	13.7	13.7	32.7	14.3	14.3	33.3

Risk and return performance figures for STOXX ESG-X Factor (Global) Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

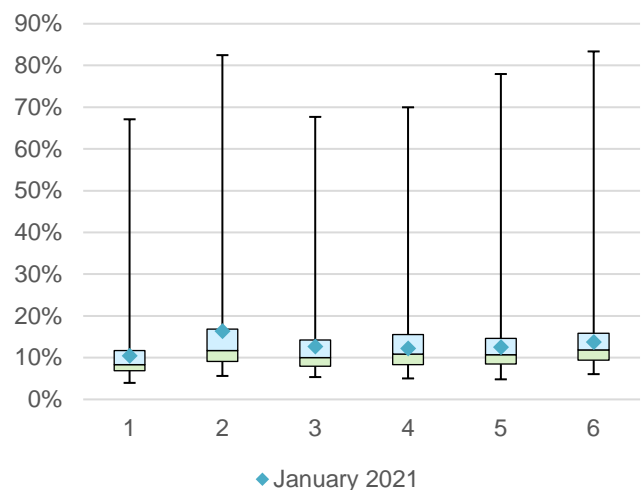
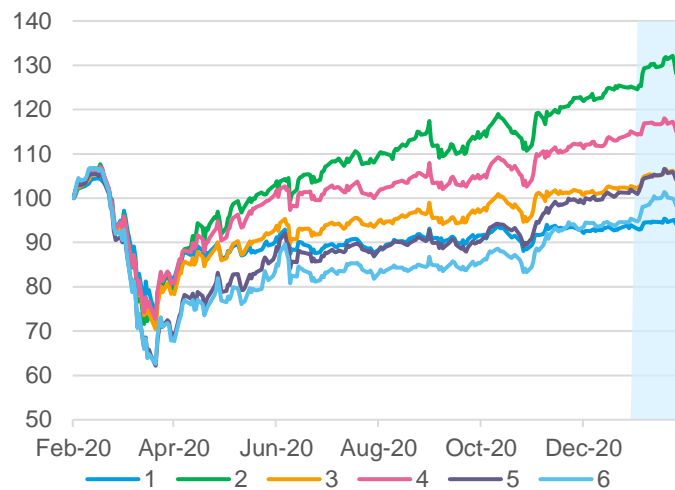


Figure 31: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 32: Monthly annualized volatility analysis, EUR Gross Return Apr. 2012 – Jan. 2021. Source: Qontigo.

## ESG-X Factor Indices – Regional: Europe

### Key Points

In Europe, the [STOXX® Europe 600 ESG-X Size Factor Index](#) returned over 2 percentage points more than the [STOXX® Europe 600 ESG-X Index](#)'s 0.6% retreat during January.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. STOXX Europe 600 ESG-X Ax Low Risk	-1.7	-1.7	-7.4	-2.4	-2.4	0.8	10.1	10.1	23.7	12.3	12.3	25.4
2. STOXX Europe 600 ESG-X Ax Momentum	-1.4	-1.4	8.0	-2.1	-2.1	17.5	13.8	13.8	29.7	16.9	16.9	31.8
3. STOXX Europe 600 ESG-X Ax Multi-Factor	-0.3	-0.3	2.2	-1.0	-1.0	11.2	10.9	10.9	26.5	13.8	13.8	28.5
4. STOXX Europe 600 ESG-X Ax Quality	0.8	0.8	8.7	0.1	0.1	18.2	12.4	12.4	26.4	14.4	14.4	28.4
5. STOXX Europe 600 ESG-X Ax Size	1.4	1.4	3.6	0.7	0.7	13.5	12.5	12.5	30.3	14.3	14.3	32.2
6. STOXX Europe 600 ESG-X Ax Value	-1.5	-1.5	-5.5	-2.2	-2.2	2.8	13.6	13.6	33.5	15.9	15.9	35.1

Risk and return performance figures for STOXX ESG-X Factor (Regional) Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

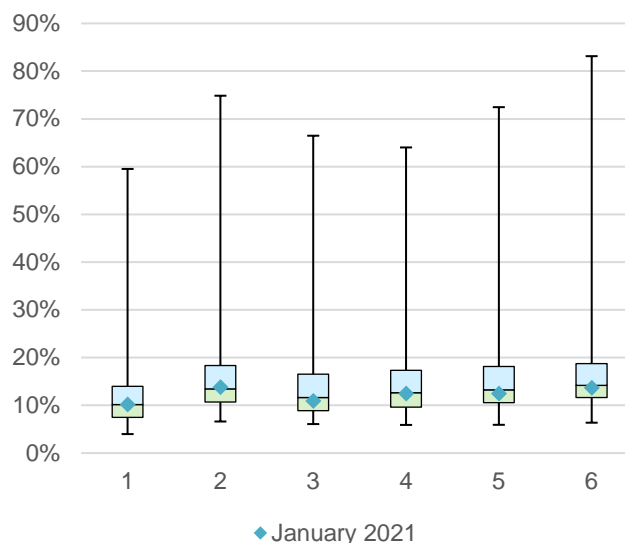
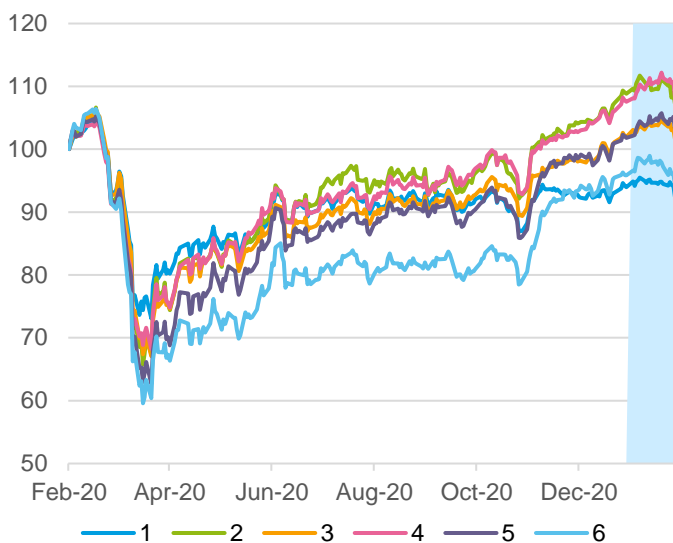


Figure 33: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 34: Monthly annualized volatility analysis, EUR Gross Return. Apr. 2012 – Jan. 2021. Source: Qontigo.

## ESG-X Factor Indices – Regional: US

### Key Points

Within the [STOXX® USA 500 ESG-X Index](#) and [STOXX® USA 900 ESG-X Index](#) universes, Value was, again, January's best-performing factor. Quality and Low Risk came last.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. STOXX USA 500 ESG-X Ax Low Risk	-1.5	-1.5	-5.2	-2.2	-2.2	3.9	14.5	14.5	32.9	14.4	14.4	32.7
2. STOXX USA 500 ESG-X Ax Momentum	0.9	0.9	27.3	0.2	0.2	39.5	18.9	18.9	38.6	19.2	19.2	38.3
3. STOXX USA 500 ESG-X Ax Multi-Factor	-0.2	-0.2	-0.2	-0.9	-0.9	9.4	15.9	15.9	37.1	15.9	15.9	37.0
4. STOXX USA 500 ESG-X Ax Quality	-2.3	-2.3	16.2	-3.0	-3.0	27.4	16.8	16.8	36.2	17.3	17.3	35.9
5. STOXX USA 500 ESG-X Ax Size	0.5	0.5	7.1	-0.2	-0.2	17.4	17.7	17.7	36.3	17.6	17.6	36.1
6. STOXX USA 500 ESG-X Ax Value	2.4	2.4	-8.5	1.7	1.7	0.3	14.5	14.5	41.7	14.4	14.4	41.7
7. STOXX USA 900 ESG-X Ax Low Risk	-1.5	-1.5	-5.3	-2.2	-2.2	3.0	14.3	14.3	32.5	14.2	14.2	32.3
8. STOXX USA 900 ESG-X Ax Momentum	0.6	0.6	25.9	-0.1	-0.1	37.0	19.5	19.5	38.3	19.8	19.8	38.0
9. STOXX USA 900 ESG-X Ax Multi-Factor	-0.7	-0.7	5.7	-1.4	-1.4	15.0	16.0	16.0	35.1	15.9	15.9	35.0
10. STOXX USA 900 ESG-X Ax Quality	-1.9	-1.9	14.8	-2.6	-2.6	24.9	16.4	16.4	35.8	16.7	16.7	35.5
11. STOXX USA 900 ESG-X Ax Size	0.0	0.0	5.0	-0.7	-0.7	15.1	15.4	15.4	36.7	15.1	15.1	36.6
12. STOXX USA 900 ESG-X Ax Value	2.9	2.9	-9.7	2.2	2.2	-1.8	14.3	14.3	40.8	14.0	14.0	40.8

Risk and return performance figures for STOXX ESG-X Factor (Regional) indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

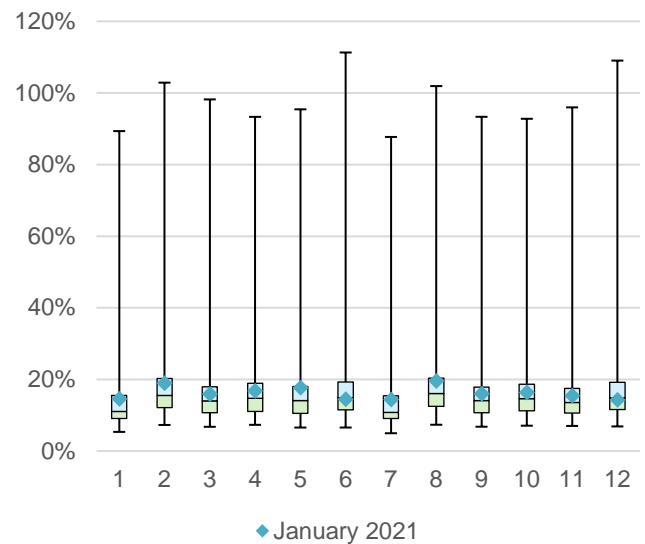
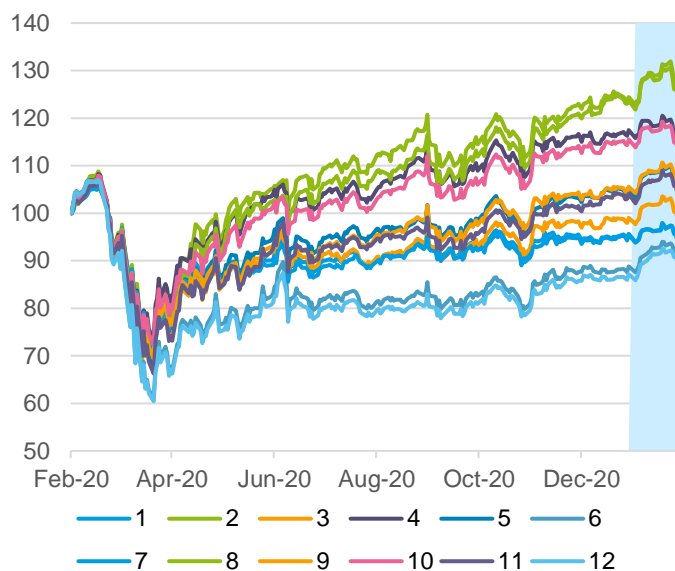


Figure 35: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 36: Monthly annualized volatility analysis, EUR Gross Return. Apr. 2012 – Jan. 2021. Source: Qontigo.

## ESG-X Factor Indices – Regional: Asia/Pacific

### Key Points

Within the responsibly-screened universe in Asia/Pacific, the Multi-Factor and Quality indices came out last. Within the universe of the STOXX Japan 600, it was Momentum that trailed all styles during the month.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. STOXX Asia/Pacific 600 ESG-X Ax Low Risk	1.1	1.1	-12.3	0.4	0.4	-4.6	12.4	12.4	17.9	11.5	11.5	18.6
2. STOXX Asia/Pacific 600 ESG-X Ax Momentum	-0.2	-0.2	23.0	-0.9	-0.9	33.9	18.1	18.1	21.4	17.7	17.7	22.4
3. STOXX Asia/Pacific 600 ESG-X Ax Multi-Factor	-0.7	-0.7	-4.0	-1.4	-1.4	4.4	14.1	14.1	18.6	13.4	13.4	19.7
4. STOXX Asia/Pacific 600 ESG-X Ax Quality	-0.7	-0.7	10.0	-1.4	-1.4	19.6	13.1	13.1	19.8	12.7	12.7	20.6
5. STOXX Asia/Pacific 600 ESG-X Ax Size	0.2	0.2	6.6	-0.5	-0.5	16.9	13.0	13.0	22.6	12.3	12.3	23.8
6. STOXX Asia/Pacific 600 ESG-X Ax Value	0.8	0.8	-4.5	0.1	0.1	3.9	13.6	13.6	23.1	13.4	13.4	24.0
7. STOXX Japan 600 ESG-X Ax Low Risk	0.8	0.8	-5.5	0.0	0.0	3.6	15.0	15.0	19.0	13.3	13.3	19.3
8. STOXX Japan 600 ESG-X Ax Momentum	-1.7	-1.7	15.4	-2.4	-2.4	26.5	17.5	17.5	21.4	16.5	16.5	21.8
9. STOXX Japan 600 ESG-X Ax Multi-Factor	0.5	0.5	-2.6	-0.2	-0.2	6.8	15.7	15.7	20.7	13.8	13.8	21.5
10. STOXX Japan 600 ESG-X Ax Quality	0.7	0.7	12.1	0.0	0.0	22.9	15.4	15.4	21.9	13.7	13.7	22.4
11. STOXX Japan 600 ESG-X Ax Size	0.5	0.5	0.6	-0.2	-0.2	10.3	14.8	14.8	23.7	12.8	12.8	24.4
12. STOXX Japan 600 ESG-X Ax Value	1.5	1.5	-4.8	0.7	0.7	4.4	14.8	14.8	23.4	13.5	13.5	24.0

Risk and return performance figures for STOXX ESG-X Factor (Regional) indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

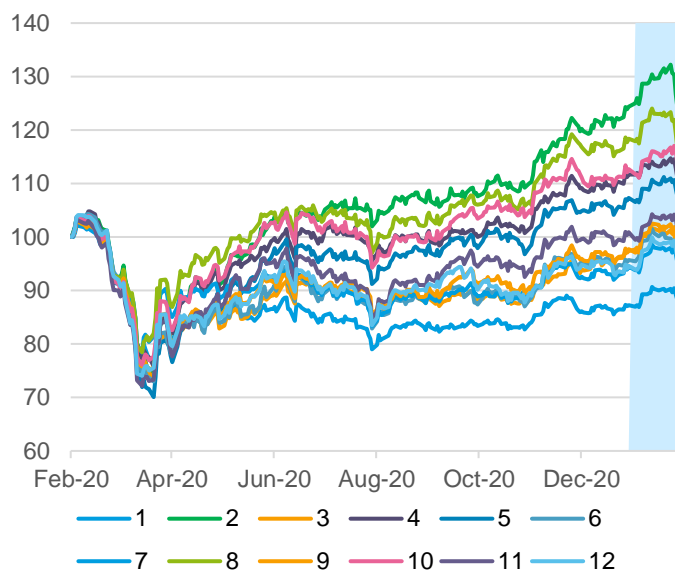


Figure 37: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

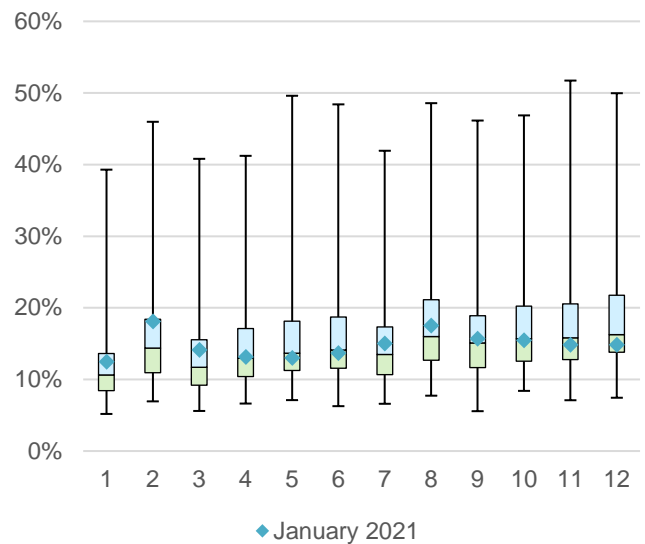


Figure 38: Monthly annualized volatility analysis, EUR Gross Return. Apr. 2012 – Jan. 2021. Source: Qontigo.

## Europe Factor Market Neutral Indices

### Key Points

All but one — Carry — of the seven [iSTOXX® Europe Factor Market Neutral Indices](#) had a positive return during January. The indices hold a short position in STOXX Europe 600 futures to help investors neutralize systematic risk.

Size was the best-performing strategy for a second consecutive month. The [iSTOXX® Europe Size Factor Market Neutral Index](#) jumped 3.3% on a net-return basis.

The [iSTOXX® Europe Value Factor Market Neutral Index](#), last year’s worst performer in the group, came up second in January after adding 1.1%.

The iSTOXX Europe Factor Market Neutral Indices are designed to offer exposure to pure factor investing, in isolation of the market risk.

### Risk and Return Characteristics

	(EUR) Return (%)			(EUR) Annualized volatility (%)		
	1M	YTD	1Y	1M	YTD	1Y
1. iSTOXX Europe Carry Factor Market Neutral	-0.3	-0.3	1.0	3.7	3.7	6.1
2. iSTOXX Europe Low Risk Factor Market Neutral	0.3	0.3	-5.7	4.2	4.2	4.9
3. iSTOXX Europe Momentum Factor Market Neutral	0.8	0.8	0.2	5.3	5.3	6.0
4. iSTOXX Europe Quality Factor Market Neutral	1.0	1.0	-1.8	3.6	3.6	5.6
5. iSTOXX Europe Size Factor Market Neutral	3.3	3.3	5.3	6.7	6.7	7.9
6. iSTOXX Europe Value Factor Market Neutral	1.1	1.1	-13.4	6.2	6.2	8.7
7. iSTOXX Europe Multi-Factor Market Neutral	0.5	0.5	-3.8	4.8	4.8	6.5

Risk and return performance figures for iSTOXX Europe Factor Market Neutral Indices, Net Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

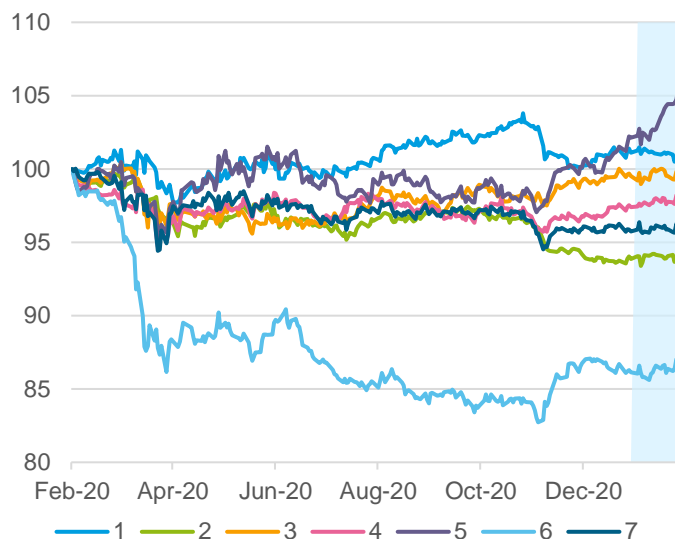


Figure 39: EUR Net Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

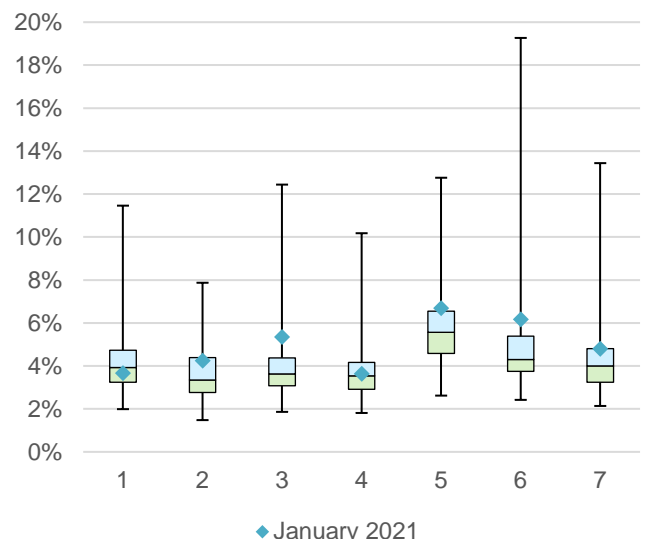


Figure 40: Monthly annualized volatility analysis, EUR Net Return. Aug. 2010 – Jan. 2021. Source: Qontigo.

## Premia Indices

### Key Points

All [EURO STOXX® Multi Premia® and Single Premium Indices](#) outperformed the benchmark [EURO STOXX® Index](#)'s 1.3% loss in January. The [EURO STOXX® Residual Momentum Premium Index](#) was the best-performing style in the month.

The EURO STOXX Multi Premia and Single Premium Indices track seven distinctive sources of equity risk and returns on a broad and liquid universe of about 300 Eurozone stocks. They integrate the academic-research-based Multi Premia methodology developed by STOXX's partner Finreon.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)					
	EUR			USD			EUR			USD		
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y
1. EURO STOXX Low Risk Premium	-0.9	-0.9	-4.5	-1.6	-1.6	4.7	10.2	10.2	24.2	13.2	13.2	26.3
2. EURO STOXX Momentum Premium	0.9	0.9	5.2	0.2	0.2	15.3	14.0	14.0	29.4	17.3	17.3	31.5
3. EURO STOXX Quality Premium	0.3	0.3	7.1	-0.4	-0.4	17.4	10.0	10.0	26.1	12.7	12.7	28.1
4. EURO STOXX Residual Momentum Premium	1.3	1.3	0.5	0.6	0.6	10.2	14.3	14.3	28.9	17.4	17.4	30.9
5. EURO STOXX Reversal Premium	-0.6	-0.6	-0.6	-1.3	-1.3	9.0	16.7	16.7	34.8	18.8	18.8	36.5
6. EURO STOXX Size Premium	1.1	1.1	9.3	0.4	0.4	19.8	9.8	9.8	25.3	12.7	12.7	27.4
7. EURO STOXX Value Premium	-0.2	-0.2	-4.0	-0.9	-0.9	5.2	15.8	15.8	36.3	18.4	18.4	37.9
8. EURO STOXX Multi Premia	0.4	0.4	2.4	-0.3	-0.3	12.2	11.2	11.2	28.5	14.3	14.3	30.5

Risk and return performance figures for EURO STOXX Premia Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

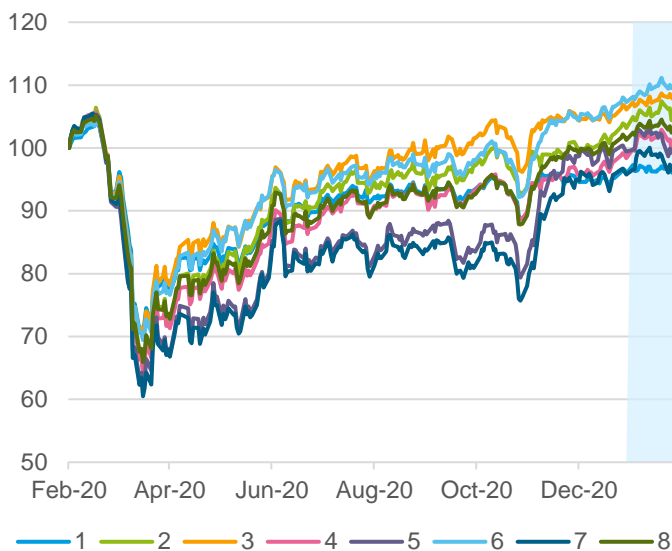


Figure 41: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

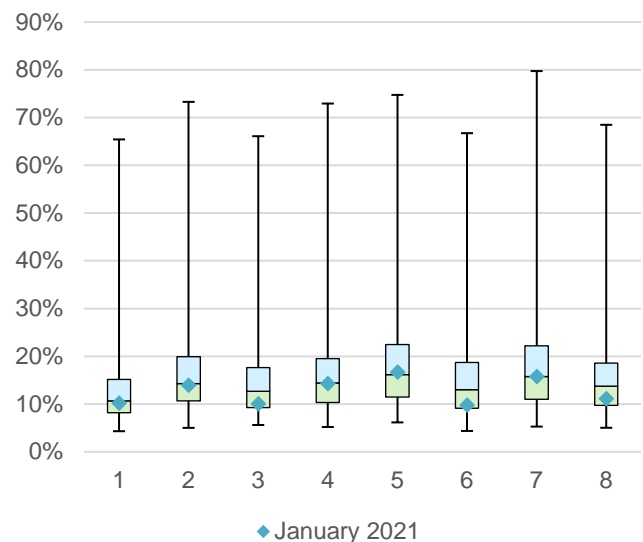


Figure 42: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2004 – Jan. 2021. Source: Qontigo.



# Minimum Variance Indices

## Key Points

Minimum variance strategies were weak performers in the month that ended as investors broadly snubbed low-risk stocks.

The STOXX® Minimum Variance Indices come in two versions. A constrained version has similar exposure to its market-capitalization-weighted benchmark but with lower risk. The unconstrained version, on the other hand, has more freedom to fulfill its [minimum variance mandate](#) within the same universe of stocks.

## Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. STOXX Europe 600 MV	-1.8	-1.8	-8.8	-2.5	-2.5	0.0	9.3	9.3	22.8	11.0	11.0	24.6	2.7
2. STOXX Europe 600 MV Unconstrained	-1.2	-1.2	-5.0	-1.8	-1.8	4.2	10.3	10.3	22.2	12.5	12.5	24.1	2.7
3. STOXX Global 1800 MV	-1.8	-1.8	-5.6	-2.5	-2.5	3.4	8.3	8.3	24.0	8.0	8.0	24.2	2.6
4. STOXX Global 1800 MV Unconstrained	-0.7	-0.7	-8.2	-1.4	-1.4	0.6	10.2	10.2	23.0	9.7	9.7	23.3	2.5
5. STOXX USA 900 MV	-2.1	-2.1	-10.3	-2.8	-2.8	-1.6	12.3	12.3	29.6	11.3	11.3	29.1	5.1
6. STOXX USA 900 MV Unconstrained	-1.5	-1.5	-16.7	-2.2	-2.2	-8.7	11.7	11.7	30.3	10.5	10.5	29.9	4.2

Risk and return performance figures for STOXX Minimum Variance Indices, Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

## Index and Volatility Performance

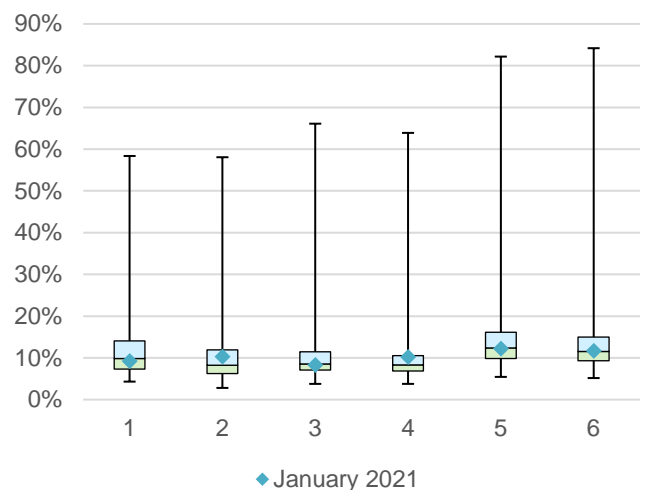
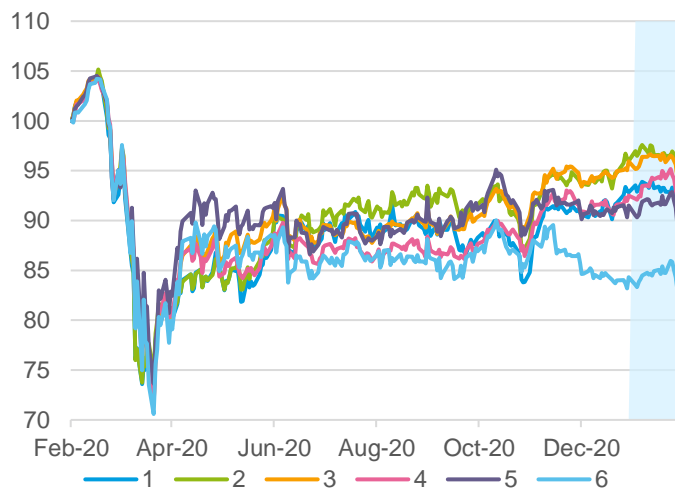


Figure 43: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 44: Monthly annualized volatility analysis, EUR Gross Return. Jan. 2004 – Jan. 2021. Source: Qontigo.

## Dividend Indices

### Key Points

Most [dividend strategies](#) tracked by STOXX outperformed for a third month. The [STOXX® Global Maximum Dividend 40 Index](#), which selects the highest-dividend-yielding stocks, beat the STOXX Global 1800 Index by 1.3 percentage points during January.

The [STOXX® Global Select Dividend 100 Index](#), which tracks companies with sizeable dividends but also applies a quality filter such as a history of stable payments, topped the benchmark by 9 basis points.

Still, it was the [STOXX® Global Select 100 EUR Index](#) that did best, beating the benchmark by more than 1.7 percentage points in euros. The index blends increasing dividend yields with low volatility, and was a strong underperformer in recent months.

Dividend strategies were overall very weak performers in 2020.

### Risk and Return Characteristics

	Return (%)						Annualized volatility (%)						P/B
	EUR			USD			EUR			USD			
	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	1M	YTD	1Y	
1. STOXX Global Maximum Dividend 40 <sup>1</sup>	1.0	1.0	-6.7	0.3	0.3	2.3	14.2	14.2	33.3	14.5	14.5	34.8	1.9
2. STOXX Global Select Dividend 100	-0.2	-0.2	-7.3	-0.9	-0.9	1.6	13.8	13.8	31.0	14.6	14.6	32.2	1.0
3. STOXX Global Select 100 EUR	1.5	1.5	-18.5				9.3	9.3	25.2				1.0

Risk and return performance figures for STOXX Dividend Indices, Gross Return except when shown. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

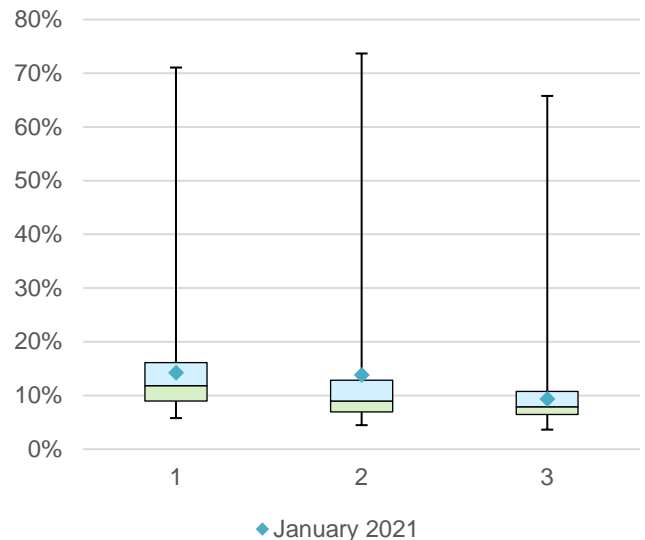
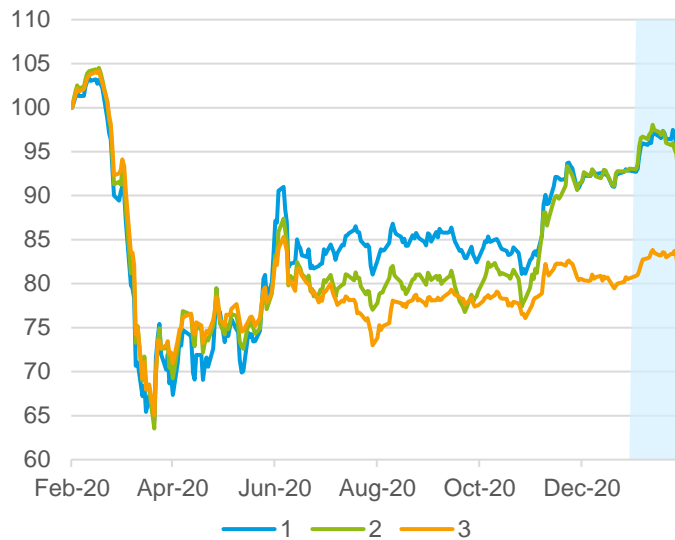


Figure 45: Annual price performance, EUR Net Return for 1; EUR Gross Return for 2 and 3. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 46: Monthly annualized volatility analysis. EUR Net Return for 1; EUR Gross Return for 2 and 3. Apr. 2012 – Jan. 2021. Source: Qontigo.

<sup>1</sup> EUR Net Return and USD Net Return used for STOXX Maximum Dividend 40.

## Volatility Indices

### Key Points

European Equity volatility ticked higher during January, as measured by the [EURO STOXX 50® Volatility \(VSTOXX\) Index](#), [VDAX-New® Index](#) and [EURO STOXX 50® Volatility of Volatility Index \(V-VSTOXX\)](#).

The VSTOXX and VDAX measure the implied volatility of EURO STOXX 50 Index and DAX Index options, respectively, across their entire expiration curve. The V-VSTOXX measures the implied volatility of options on VSTOXX futures, hence reflecting expectations regarding the volatility of volatility. All three are higher than a year ago but significantly lower than their March 2020 peaks.

The three measures showed a high negative correlation to the underlying stock market in January.

### Risk and Return Characteristics

	Index Level			Correlation	
	T	T-1M	T-12M	1M	1Y
1. VSTOXX	29.0	23.4	17.2	-0.9	-0.7
2. V-VSTOXX	127.7	103.8	95.0	-0.9	-0.6
3. VDAX	30.0	24.7	17.6	-0.9	-0.8

Index levels for STOXX and DAX Volatility Indices. Correlation for VSTOXX and V-VSTOXX compared with EURO STOXX 50 Price Return and VDAX relative to DAX Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

### Index and Volatility Performance

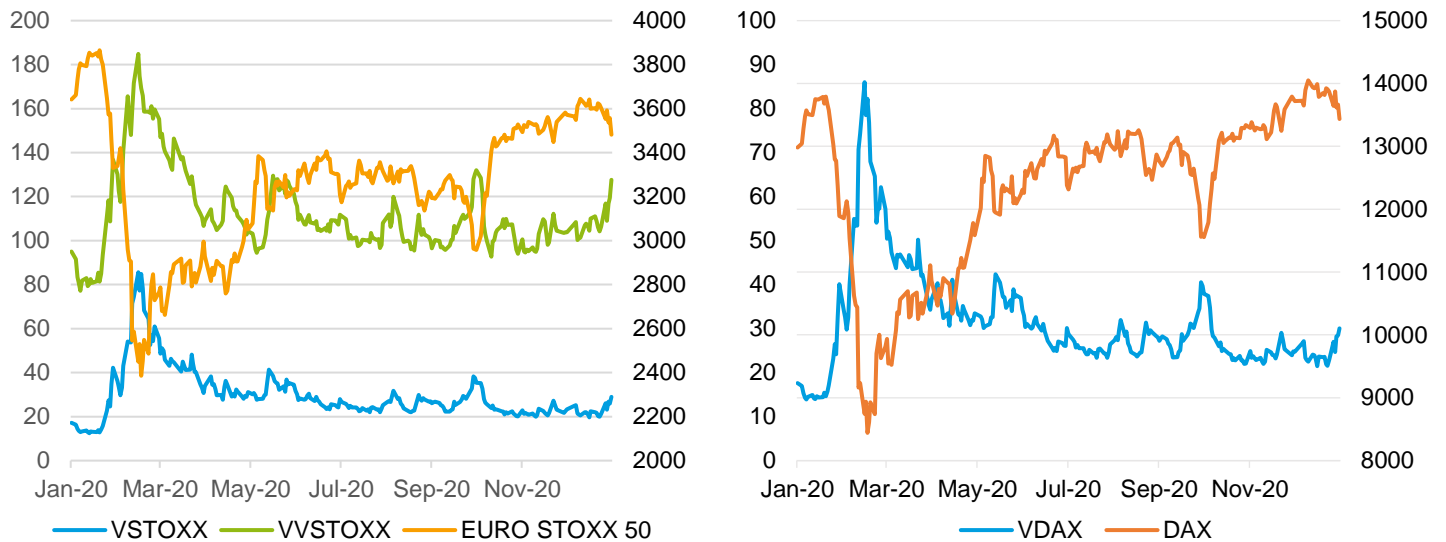


Figure 47: EURO STOXX 50 Price Index. Feb. 2020 – Jan. 2021. Source: Qontigo.

Figure 48: DAX Gross Index. Feb. 2020 – Jan. 2021. Source: Qontigo.

# Volatility Strategy Indices

## Key Points

Most STOXX volatility strategy indices gained in January.

The family includes the [EURO STOXX 50® Investable Volatility Index](#), which measures forward implied volatility in the Eurozone equity market, and the [VSTOXX® Short-Term Futures](#) and [VSTOXX® Mid-Term Futures](#) indices, which track the return from a rolling long position in Eurex VSTOXX futures contracts.

The [Dynamic VSTOXX® Index](#), meanwhile, combines the VSTOXX Short-Term Futures Index and the VSTOXX Mid-Term Futures Index to exploit the superior performance of short-term futures when the volatility forward curve is in backwardation and of mid-term futures when the volatility forward curve is in contango. The [EURO STOXX 50® Volatility-Balanced Index](#) combines investments in the EURO STOXX 50 and in the VSTOXX Short-Term Futures Index.

## Risk and Return Characteristics

	(EUR) Return (%)			(EUR) Annualized volatility (%)		
	1M	YTD	1Y	1M	YTD	1Y
1. EURO STOXX 50 Investable Volatility	22.4	22.4	152.1	45.0	45.0	98.5
2. VSTOXX Short-Term Futures	15.8	15.8	112.7	73.4	73.4	100.5
3. VSTOXX Mid-Term Futures	13.4	13.4	104.0	32.5	32.5	52.0
4. Dynamic VSTOXX index	4.1	4.1	40.8	6.1	6.1	50.0
5. EURO STOXX 50 Volatility Balanced	-1.9	-1.9	57.5	13.0	13.0	22.5

Risk and return performance figures for STOXX Volatility Strategy Indices, EUR Gross Return. Data as of Jan. 29, 2021. Source: Qontigo.

## Index and Volatility Performance

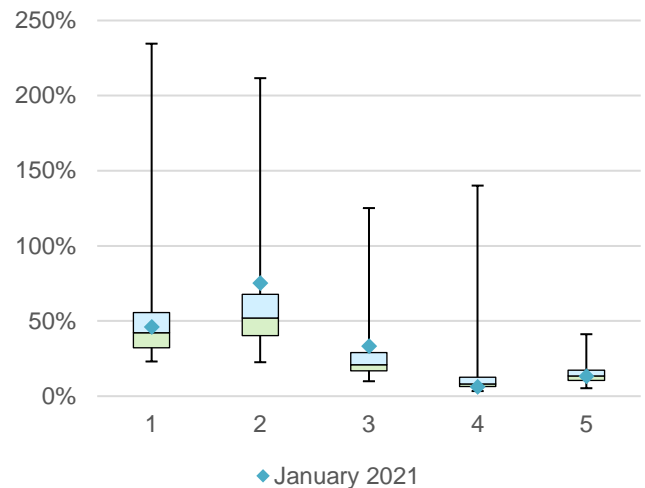
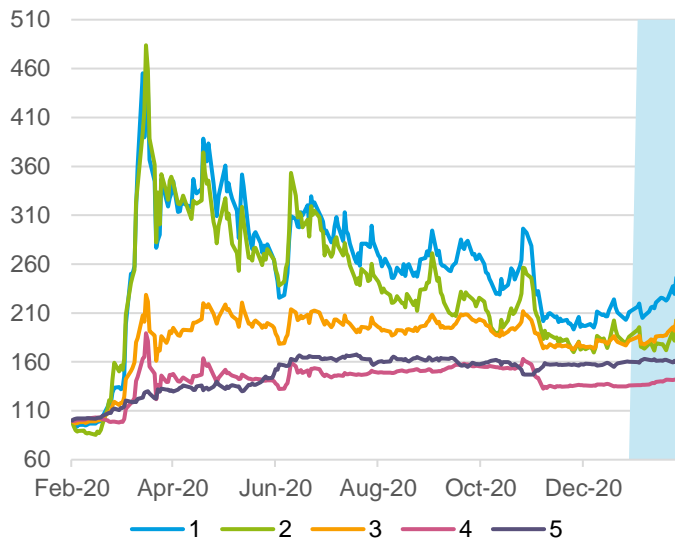


Figure 49: EUR Gross Return Index Performance. Feb. 2020 – Jan. 2021. Shaded area: Jan. 2021. Source: Qontigo.

Figure 50: Monthly annualized volatility analysis, EUR Gross Return. Jun. 2010 – Jan. 2021. Source: Qontigo.

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