

# MSCI ACWI Index

The MSCI ACWI Index, MSCI's flagship global equity index, is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 26 emerging markets. As of December 2019, it covers more than 3,000 constituents across 11 sectors and approximately 85% of the free float-adjusted market capitalization in each market. The index is built using MSCI's Global Investable Market Index (GIMI) methodology, which is designed to take into account variations reflecting conditions across regions, marketcap sizes, sectors, style segments and combinations.

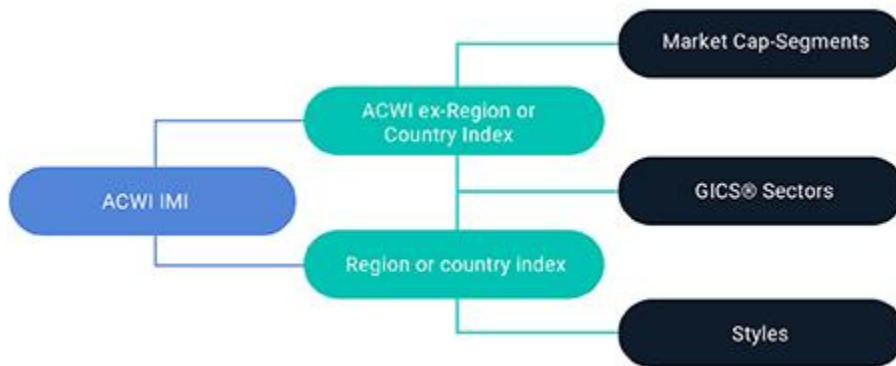
MSCI ACWI Index market allocation

MSCI ACWI INDEX					
MSCI WORLD INDEX			MSCI EMERGING MARKETS INDEX		
DEVELOPED MARKETS			EMERGING MARKETS		
Americas	Europe & Middle East	Pacific	Americas	Europe, Middle East & Africa	Asia
Canada United States	Austria Belgium Denmark Finland France Germany Ireland Israel Italy Netherlands Norway Portugal Spain Sweden Switzerland United Kingdom	Australia Hong Kong Japan New Zealand Singapore	Argentina Brazil Chile Colombia Mexico Peru	Czech Republic Egypt Greece Hungary Poland Qatar Russia Saudi Arabia South Africa Turkey United Arab Emirates	China India Indonesia Korea Malaysia Pakistan Philippines Taiwan Thailand

Historical research has shown that investment outcome success is predominately determined by the allocation decision process.<sup>1</sup>

- Investors are increasingly looking beyond their home market toward the full global equity opportunity set as the starting point for their investments
- Allocation decisions that start with the full opportunity set can be adjusted based on investor goals, expertise, philosophy and constraints
- Not considering the full opportunity set can introduce unintended bets and biases/risks, and can be an investment decision in itself

<sup>1</sup> G. Brinson, L. Randolph Hood and G. Beebower. (1986). "Determinants of Portfolio Performance." Financial Analysts Journal, July/August.



#### Our building block approach

MSCI ACWI Indexes offer a building block approach with a rules-based, consistent and transparent methodology.

Using MSCI ACWI as a framework to build portfolios helps to avoid unintended bets and risks.

Robust foundation allows investors to measure exposure to all sources of equity returns using a single global framework.