

# EVEN 30™ Index Factsheet

Quarter 4, 2019



## Overview

Over the last 12 years, financial markets have been highly volatile. The EVEN 30™ Index has been designed specifically for structured products and index tracking funds as a lower risk alternative to the FTSE 100 Index in order to deliver more stable performance.

The EVEN 30™ Index tracks the performance of the 30 least volatile stocks from the 100 largest companies listed on the London Stock Exchange. When markets are particularly volatile, the EVEN 30™ Index will partially disinvest from its 30 constituent stocks to ensure that risk remains low (see overleaf for details on the Volatility Control).

The EVEN 30™ Index has been designed to outperform the FTSE 100 Index over the medium to long term, whilst significantly reducing downside risk.

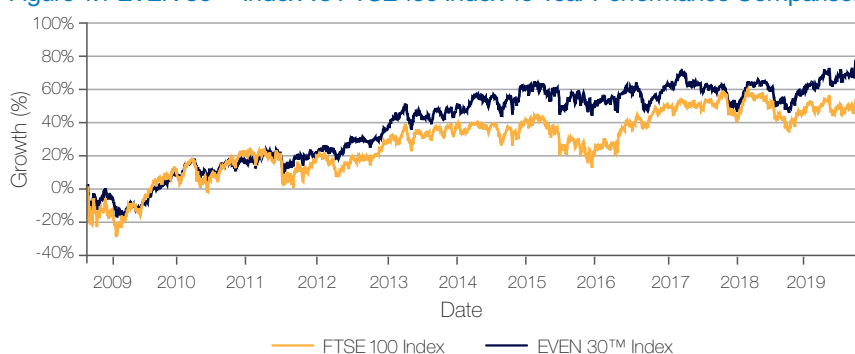
## Performance Comparison

Performance (%)	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
EVEN 30™ Index	2.52%	4.82%	18.15%	13.46%	14.54%	61.40%
FTSE 100 Index	1.81%	1.57%	12.10%	5.59%	14.87%	39.34%

Source: Bloomberg, as at end December 2019.

Past performance is not a guide to future performance.

Figure 1.1 EVEN 30™ Index vs FTSE 100 Index 10 Year Performance Comparison



Source: Bloomberg, as at end December 2019.

Past performance is not a guide to future performance.

## Stock Selection

On the 14th of each month, the Calculation Agent determines the 30 least volatile stocks from the 100 largest companies listed on the London Stock Exchange. This is done using bespoke volatility analysis over various historical periods. The 30 stocks are verified by the Index Sponsor and the EVEN 30™ Index is re-balanced with the new stocks two business days later.

The EVEN 30™ Index has been calculated live on a daily basis since 16 September 2010. For more information, see overleaf for details on how to obtain the EVEN 30™ Index Calculation Rules.

## EVEN 30™ Index Constituents – Rebalanced 18 December 2019

Stock Name	Sector	Stock Name	Sector
1 Diageo plc	Consumer Non-Durables	16 Experian PLC	Commercial Services
2 SEGRO plc	Finance	17 Rightmove plc	Technology Services
3 HSBC Holdings Plc	Finance	18 Aviva plc	Finance
4 Unilever PLC	Consumer Non-Durables	19 Bunzl plc	Distribution Services
5 GlaxoSmithKline plc	Health Technology	20 Royal Dutch Shell Plc Class B	Energy Minerals
6 National Grid plc	Utilities	21 Smith & Nephew plc	Health Technology
7 Admiral Group plc	Finance	22 InterContinental Hotels Group PLC	Consumer Services
8 Compass Group PLC	Consumer Services	23 Informa Plc	Consumer Services
9 Royal Dutch Shell Plc Class A	Energy Minerals	24 SSE plc	Utilities
10 RELX PLC	Commercial Services	25 British Land Company PLC	Finance
11 Croda International Plc	Process Industries	26 BAE Systems plc	Electronic Technology
12 WM Morrison Supermarkets	Consumer Staples	27 Smiths Group Plc	Producer Manufacturing
13 Phoenix Group Holdings plc	Finance	28 BP p.l.c.	Energy Minerals
14 RSA Insurance Group plc	Finance	29 Legal & General Group Plc	Finance
15 Land Securities Group PLC	Finance	30 Meggitt Plc	Industrials

## Features

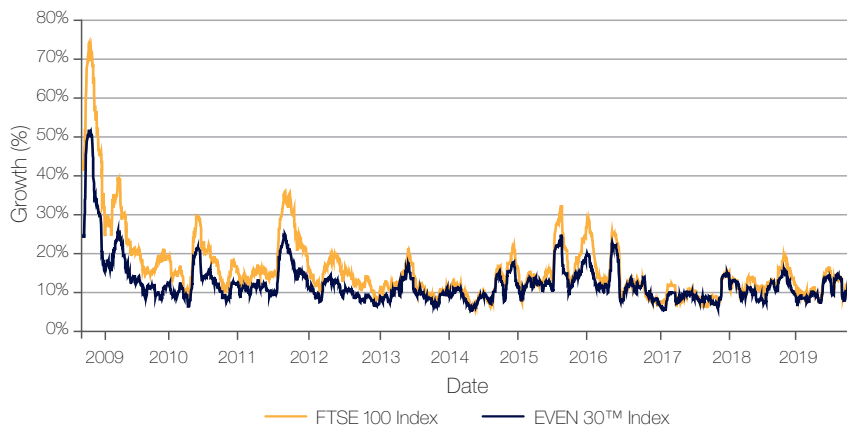
- Designed specifically for structured products and index tracking funds.
- Lower risk alternative to the FTSE 100 Index with more stable performance.
- A Volatility Control designed to keep volatility below that of the FTSE 100 Index.
- Calculated in accordance with a clear and transparent set of publicly available rules.
- Stocks are equally weighted to prevent distortion from large stocks. Calculation is based on the performance of stock prices, excluding dividends.
- Eight years of live track record.

## How is the EVEN 30™ Index lower risk than the FTSE 100 Index?

There are two ways in which the EVEN 30™ Index is designed to be lower risk than the FTSE 100 Index:

- The EVEN 30™ Index tracks the performance of the 30 least volatile stocks from the 100 largest companies listed on the London Stock Exchange.
- If the volatility of the EVEN 30™ Index remains high relative to the FTSE 100 Index, the EVEN 30™ Index applies a specially developed Volatility Control which proportionally reduces its exposure to the 30 stocks until volatility is below acceptable levels.

Figure 1.2 30 Day Historic Volatility Comparison



Source: Bloomberg, as at end December 2019.

Past performance is not a guide to future performance.

## What is the Volatility Control and what does it mean for the EVEN 30™ Index?

The purpose of the EVEN 30™ Index Volatility Control is to limit the volatility of the index when markets in general are highly volatile. When the volatility of the EVEN 30™ Index is too high, the Volatility Control reduces exposure to the 30 stocks until the volatility of the index falls below an acceptable level. The Volatility Control also allows the exposure to the 30 stocks to increase (up to a maximum of 100%) provided that the volatility of the EVEN 30™ Index does not increase above an acceptable level.

The Volatility Control has been designed to optimise the performance of the EVEN 30™ Index. In general, there is a negative correlation between volatility and market returns which means that when market volatility is particularly high, markets are more likely to be falling, and conversely, when markets are rising it is more likely to be during a lower volatility period. This is both intuitive and strongly supported by historic data.

## What does the EVEN 30™ Index mean for structured products?

The EVEN 30™ Index has been designed to offer a superior balance of risk and reward when compared to equity indices such as the FTSE 100 Index. The equal weighting of stocks in the EVEN 30™ can help outperformance in rising markets when compared to capitalisation-weighted indices such as the FTSE 100 Index. The volatility control mechanism of the EVEN 30™ Index means that it should outperform the FTSE 100 Index in falling markets and generally result in a more stable return over the medium to long term.

As a result of the low volatility of the EVEN 30™ Index, products can be offered with greater growth participation than FTSE 100 Index linked equivalents.

The levels of the EVEN 30™ Index are published daily on Bloomberg (Ticker: EVEN30 <Index>) and at [www.investec.com/en\\_gb/intermediary-investment/structured-products/the-even-30-index.html](http://www.investec.com/en_gb/intermediary-investment/structured-products/the-even-30-index.html)

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## Key Information

Index Base Date	16/01/1998
Index Base Level	1000
Index Live Date	16/09/2010
Currency	GBP
Constituent Stocks	30
Stock Weighting	Equal
Calculation Type	Price Return
Calculation Frequency	Daily Close
Rebalancing Frequency	Monthly
Bloomberg Ticker	EVEN30 <Index>
Calculation Agent	Finvex Group
Index Sponsor	Investec

Calculation Rules available at:  
[www.investec.com/en\\_gb/intermediary-investment/structured-products/the-even-30-index.html](http://www.investec.com/en_gb/intermediary-investment/structured-products/the-even-30-index.html)

