

Description

The S&P 500® VIX Short-Term Futures Index utilizes prices of the next two near-term VIX® futures contracts to replicate a position that rolls the nearest month VIX futures to the next month on a daily basis in equal fractional amounts. This results in a constant one-month rolling long position in first and second month VIX futures contracts. Returns are expressed in Korean won.

Index Attributes

The S&P VIX Short-Term Futures Index is considered a useful tool for hedging against potential large and sudden drops in the equity market and, historically, has had a negative correlation to the S&P 500. The index simulates a hypothetical long exposure to VIX futures. VIX, which is only accessible through derivatives including futures and options, offers a way for risk managers and volatility traders to measure the 30-day expected volatility of the S&P 500. The S&P 500 VIX Short-Term Futures Index historically has reflected a significant roll cost due to rolling futures contracts.

Methodology Construction

The following methodology summary is provided for convenience purposes only. For complete details, please view the methodology document at <https://www.spglobal.com/spdji/en/documents/methodologies/methodology-sp-vix-futures-indices.pdf>.

- **Universe.** The S&P 500 VIX Short-Term Futures Index measures the return from a rolling long position in the near-term and next-term VIX futures contracts.
- **Return Components of Index.** The index has three components of return: VIX spot movements, futures roll yield-cost and collateral interest.
- **Rolling.** The index rolls continuously throughout each month from the near-term VIX futures contract into the next-term contract. On the business date after the current roll period ends, the next roll period begins.

Quick Facts

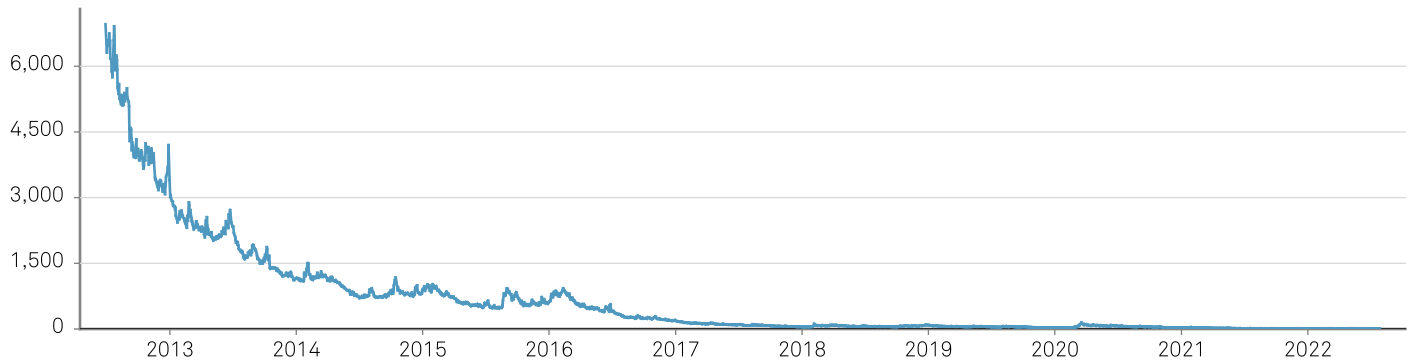
WEIGHTING METHOD	Roll weighted
REBALANCING FREQUENCY	No Rebalance
CALCULATION FREQUENCY	Real time
CALCULATION CURRENCIES	KRW
LAUNCH DATE	June 5, 2017
FIRST VALUE DATE	December 19, 2005
REGULATORY AUTHORIZATION	European Union

For more information, view the methodology document at <https://www.spglobal.com/spdji/en/documents/methodologies/methodology-sp-vix-futures-indices.pdf>.

All information for an index prior to its Launch Date is hypothetical back-tested, not actual performance, based on the index methodology in effect on the Launch Date. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results. This back-tested data may have been created using a "Backward Data Assumption". For more information on "Backward Data Assumption" and back-testing in general, please see the Performance Disclosure at the end of this material.

Historical Performance

Depending on index launch date, all charts below may include back-tested data.



■ S&P 500 VIX Short-Term Futures KRW TR

Performance

INDEX LEVEL	RETURNS			ANNUALIZED RETURNS				
	1 MO	3 MOS	YTD	1 YR	3 YRS	5 YRS	10 YRS	
Total Return	12.55	9.61%	18.14%	32.79%	-11.51%	-36.59%	-33.56%	-46.84%
Excess Return	10.51	9.47%	17.82%	32.33%	-11.83%	-36.95%	-34.27%	-47.18%

Calendar Year Performance

2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	
Total Return	-69.58%	6.36%	-66.63%	75.21%	-75.28%	-66.85%	-31.78%	-22.41%	-66.21%	-79.48%
Excess Return	-69.6%	5.95%	-67.32%	71.79%	-75.51%	-66.96%	-31.82%	-22.44%	-66.23%	-79.5%

Risk

	ANNUALIZED RISK			ANNUALIZED RISK-ADJUSTED RETURNS		
	3 YRS	5 YRS	10 YRS	3 YRS	5 YRS	10 YRS
Total Return	90.19%	82.21%	71.14%	-0.41	-0.41	-0.66
Excess Return	90.13%	82.12%	71.07%	-0.41	-0.42	-0.66

Risk is defined as standard deviation calculated based on total returns using monthly values.

Tickers

	TICKER	REUTERS
Excess Return	SPVXSTPK	N/A
Total Return	SPVXSTTK	N/A

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PERFORMANCE DISCLOSURE

Source: S&P Dow Jones Indices LLC.

The launch date of the S&P 500 VIX Short-Term Futures KRW TR was June 5, 2017.

S&P Dow Jones Indices (or S&P DJI) defines various dates to assist our clients in providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the index is set to a fixed value for calculation purposes. The Launch Date designates the date when the values of an index are first considered live: index values provided for any date or time period prior to the index's Launch Date are considered back-tested. S&P Dow Jones Indices defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company's public website or its data feed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed "Date of introduction") is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index's public release date. Please refer to the methodology for the Index for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations.

Information presented prior to an index's launch date is hypothetical back-tested performance, not actual performance, and is based on the index methodology in effect on the launch date applied retroactively. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. Also, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. And for the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

Typically, when S&P DJI creates back-tested index data, S&P DJI uses actual historical constituent-level data (e.g., historical price, market capitalization, and corporate action data) in its calculations. As ESG investing is still in early stages of development, certain datapoints used to calculate S&P DJI's ESG indices may not be available for the entire desired period of back-tested history. The same data availability issue could be true for other indices as well. In cases when actual data is not available for all relevant historical periods, S&P DJI may employ a process of using "Backward Data Assumption" (or pulling back) of ESG data for the calculation of back-tested historical performance. "Backward Data Assumption" is a process that applies the earliest actual live data point available for an index constituent company to all prior history of index performance. For example, Backward Data Assumption inherently assumes that companies currently not involved in a specific business activity (also known as "product involvement") were never involved historically and similarly also assumes that companies currently involved in a specific business activity were involved historically too. The Backward Data Assumption allows the hypothetical back-test to be extended over more historical years than would be feasible using only actual data. For more information on "Backward Data Assumption", please see <https://www.spglobal.com/spdji/en/documents/education/faq-spdji-esg-back-testing-backward-data-assumption-overview.pdf>. The methodology and factsheets of any index that employs backward assumption in the back-tested history will explicitly state so. The methodology will include an Appendix with a table setting forth the specific data points and relevant time period for which backward projected data was used.

Index returns shown do not represent the results of actual trading of investable assets/securities. S&P Dow Jones Indices maintains the index and calculates the index levels and performance shown or discussed but does not manage actual assets. Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the Index or investment funds that are intended to track the performance of the Index. The imposition of these fees and charges would cause actual and back-tested performance of the securities/fund to be lower than the Index performance shown. As a simple example, if an index returned 10% on a US \$100,000 investment for a 12-month period (or US \$10,000) and an actual asset-based fee of 1.5% was imposed at the end of the period on the investment plus accrued interest (or US \$1,650), the net return would be 8.35% (or US \$8,350) for the year. Over a three-year period, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.10%, a total fee of US \$5,375, and a cumulative net return of 27.2% (or US \$27,200).

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