# MSCI USA Quality Index (USD)

The **MSCI USA Quality Index** is based on the MSCI USA Index, its parent index, which includes large and mid cap stocks in the US equity market. The index aims to capture the performance of quality growth stocks by identifying stocks with high quality scores based on three main fundamental variables: high return on equity (ROE), stable year-over-year earnings growth and low financial leverage. The MSCI Quality Indexes complement existing MSCI Factor Indexes and can provide an effective diversification role in a portfolio of factor strategies.

For a complete description of the index methodology, please see Index methodology - MSCI.

## CUMULATIVE INDEX PERFORMANCE — NET RETURNS (USD) (DEC 2009 – DEC 2024)



— MSCI USA Quality
— MSCI USA

778.49
646.15

## ANNUAL PERFORMANCE (%)

| Year | MSCI USA Quality | MSCI USA |
|------|------------------|----------|
| 2024 | 23.61 | 24.58 |
| 2023 | 35.70 | 26.49 |
| 2022 | -22.97 | -19.85 |
| 2021 | 27.14 | 26.45 |
| 2020 | 22.33 | 20.73 |
| 2019 | 38.44 | 30.88 |
| 2018 | -3.12 | -5.04 |
| 2017 | 25.31 | 21.19 |
| 2016 | 7.35 | 10.89 |
| 2015 | 6.47 | 0.69 |
| 2014 | 11.25 | 12.69 |
| 2013 | 32.76 | 31.79 |
| 2012 | 13.26 | 15.33 |
| 2011 | 7.72 | 1.36 |

## INDEX PERFORMANCE — NET RETURNS (%) (DEC 31, 2024)

| | 1 Mo | 3 Mo | 1 Yr | YTD | 3 Yr | 5 Yr | 10 Yr | Since Jun 30, 1994 |
|---|------|------|------|-----|------|------|-------|--------------------|
| | | | | | ANNUALIZED | | | |
| **MSCI USA Quality** | -3.18 | -0.70 | 23.61 | 23.61 | 8.92 | 14.98 | 14.46 | 12.45 |
| **MSCI USA** | -2.58 | 2.69 | 24.58 | 24.58 | 8.10 | 14.03 | 12.48 | 10.35 |

## FUNDAMENTALS (DEC 31, 2024)

| | Div Yld (%) | P/E | P/E Fwd | P/BV |
|---|-------------|-----|---------|------|
| MSCI USA Quality | 1.12 | 27.26 | 23.72 | 9.80 |
| MSCI USA | 1.27 | 27.84 | 21.91 | 5.13 |

## INDEX RISK AND RETURN CHARACTERISTICS (JUN 01, 1994 – DEC 31, 2024)

| | Beta | Tracking Error (%) | Turnover (%) [1] | ANNUALIZED STD DEV (%) [2] | | | SHARPE RATIO [2,3] | | | | MAXIMUM DRAWDOWN | |
|---|------|----|----|------|------|------|------|------|------|------|------|------|
| | | | | 3 Yr | 5 Yr | 10 Yr | 3 Yr | 5 Yr | 10 Yr | Since Jun 01, 1994 | (%) | Period YYYY-MM-DD |
| **MSCI USA Quality** | 0.93 | 3.90 | 29.91 | 18.41 | 18.34 | 15.53 | 0.35 | 0.72 | 0.84 | 0.69 | 44.55 | 2007-10-10—2009-03-09 |
| **MSCI USA** | 1.00 | 0.00 | 2.06 | 17.64 | 18.54 | 15.57 | 0.31 | 0.67 | 0.72 | 0.55 | 55.36 | 2007-10-09—2009-03-09 |

[1] Last 12 months   [2] Based on monthly net returns data   [3] Based on NY FED Overnight SOFR from Sep 1 2021 & on ICE LIBOR 1M prior that date
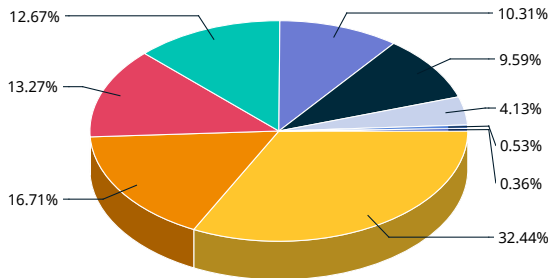
## MSCI

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## INDEX CHARACTERISTICS

| | MSCI USA Quality | MSCI USA |
|---|---|---|
| **Number of Constituents** | 125 | 589 |
| **Weight (%)** | | |
| **Largest** | 5.72 | 7.37 |
| **Smallest** | 0.04 | 0.01 |
| **Average** | 0.80 | 0.17 |
| **Median** | 0.29 | 0.06 |

## TOP 10 CONSTITUENTS

| | Index Wt. (%) | Parent Index Wt. (%) | Sector |
|---|---|---|---|
| APPLE | 5.72 | 7.37 | Info Tech |
| META PLATFORMS A | 5.19 | 2.48 | Comm Srvcs |
| MICROSOFT CORP | 5.10 | 5.76 | Info Tech |
| LILLY (ELI) & COMPANY | 4.89 | 1.21 | Health Care |
| NVIDIA | 4.72 | 6.38 | Info Tech |
| VISA A | 4.24 | 1.02 | Financials |
| MASTERCARD A | 3.90 | 0.84 | Financials |
| UNITEDHEALTH GROUP | 3.24 | 0.90 | Health Care |
| COSTCO WHOLESALE CORP | 2.96 | 0.79 | Cons Staples |
| ALPHABET A | 2.92 | 2.15 | Comm Srvcs |
| Total | 42.88 | 28.91 | |

## SECTOR WEIGHTS



- Information Technology 32.44%
- Health Care 16.71%
- Communication Services 13.27%
- Financials 12.67%
- Industrials 10.31%
- Consumer Staples 9.59%
- Consumer Discretionary 4.13%
- Materials 0.53%
- Energy 0.36%

The MSCI USA Quality Index was launched on Dec 18, 2012. Data prior to the launch date is back-tested test (i.e. calculations of how the index might have performed over that time period had the index existed). There are frequently material differences between back-tested performance and actual results. Past performance -- whether actual or back-tested -- is no indication or guarantee of future performance.

## ABOUT MSCI

MSCI is a leading provider of critical decision support tools and services for the global investment community. With over 45 years of expertise in research, data and technology, we power better investment decisions by enabling clients to understand and analyze key drivers of risk and return and confidently build more effective portfolios. We create industry-leading research-enhanced solutions that clients use to gain insight into and improve transparency across the investment process. To learn more, please visit www.msci.com.