

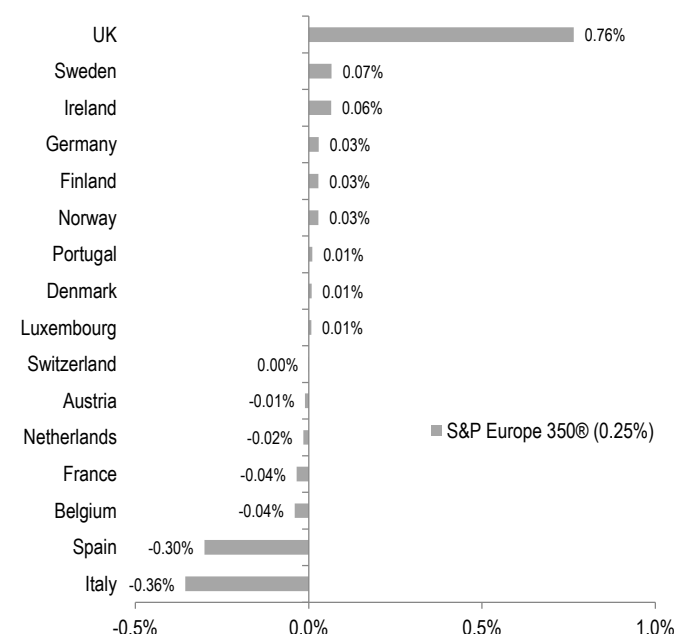
INDEX	1M	QTD	YTD
<b>Europe Equity</b>			
S&P Europe 350® (1,545)	0.25%	5.02%	0.62%
S&P United Kingdom (GBP)	2.73%	9.67%	1.58%
S&P Euro (350 Eurozone)	-1.24%	4.02%	1.16%
S&P Europe MidCap BMI*	1.14%	5.93%	2.41%
S&P Europe SmallCap BMI*	2.31%	6.08%	2.79%
<b>S&amp;P Europe 350 Sectors</b>			
S&P Europe 350 Information Technology	6.26%	11.51%	9.59%
S&P Europe 350 Materials	4.59%	9.52%	4.48%
S&P Europe 350 Energy	3.19%	16.40%	12.19%
S&P Europe 350 Health Care	3.01%	5.11%	0.06%
S&P Europe 350 Industrials	2.75%	6.03%	1.73%
S&P Europe 350 Consumer Staples	1.10%	3.44%	-3.80%
S&P Europe 350 Consumer Discretionary	0.86%	7.61%	6.27%
S&P Europe 350 Real Estate	0.04%	4.97%	1.22%
S&P Europe 350 Utilities	-2.20%	3.22%	1.07%
S&P Europe 350 Financials	-6.28%	-2.18%	-5.83%
S&P Europe 350 Telecommunication Services	-7.82%	-0.90%	-8.79%
<b>S&amp;P Europe 350 Equity Strategy</b>			
S&P Europe 350 Dividend Aristocrats®	4.53%	9.44%	0.88%
S&P Europe 350 Quality	2.04%	5.92%	3.07%
S&P Europe 350 Momentum	1.37%	7.44%	4.05%
S&P Europe 350 Buyback	1.11%	4.71%	0.68%
S&P Europe 350 Equal Weight	1.03%	5.62%	2.44%
S&P Europe 350 Low Volatility	0.76%	5.17%	2.27%
S&P Europe 350 Risk Control 15%	-0.31%	4.74%	-1.98%
S&P Europe 350 Enhanced Value	-3.48%	1.70%	1.58%
<b>Other Equity Strategy</b>			
S&P Euro High Yield Dividend Aristocrats	0.42%	5.88%	1.87%
S&P Europe Dividend Opportunities *	0.22%	4.28%	-2.15%
S&P Dynamic Asset Exchange Europe*	-0.26%	1.77%	-0.44%
DJ Brookfield Europe Infrastructure*	-0.55%	4.95%	-1.18%

INDEX	1M	QTD	YTD
<b>World Equities (USD)</b>			
S&P Emerging BMI*	-3.53%	-4.32%	-2.90%
Dow Jones Industrial Average®*	2.46%	2.81%	0.79%
S&P Global 1200*	0.76%	1.85%	0.92%
S&P Developed BMI*	1.15%	2.33%	1.31%
S&P 500®*	3.09%	3.49%	2.70%
<b>Europe Fixed Income</b>			
	<b>Yield</b>		
S&P Eurozone 7-10 Year IG Corporate Bond*	1.48%	-0.73%	-0.62%
S&P Eurozone IG Corporate Bond*	0.84%	-0.31%	-0.20%
S&P Eurozone Sovereign Bond*	0.85%	-1.74%	-2.01%
S&P Eurozone Sovereign Inflation-Linked Bond*	-0.22%	-2.95%	-2.90%
S&P Italy Sovereign Bond*	2.43%	-7.06%	-6.97%
S&P U.K. Gilt Bond (GBP)*	1.23%	1.34%	0.34%
S&P Spain Sovereign Bond*	1.01%	-2.13%	-2.80%
S&P France Sovereign Bond*	0.30%	0.32%	-0.05%
S&P Germany Sovereign Bond*	-0.07%	1.16%	0.80%
S&P Switzerland Sovereign Bond*	-0.12%	1.10%	0.81%
S&P U.K. Gilt Inflation-Linked Bond (GBP)*	-1.69%	1.65%	-0.98%
<b>Environmental, Social &amp; Governance</b>			
S&P Europe 350 FFF Carbon Efficient*	0.70%	5.23%	0.92%
S&P Europe 350 Carbon Efficient*	1.11%	6.34%	1.91%
S&P Europe 350 Carbon Efficient Select*	0.95%	5.98%	2.16%
DJ Sustainability™ Eurozone Ex+*	-5.58%	-1.93%	-2.48%
DJ Sustainability™ Europe Developed Diversified *	-3.85%	-1.11%	-2.71%
DJ Sustainability™ Europe Developed Diversified Select*	-3.88%	-1.08%	-3.08%
S&P Green Bond*	-1.78%	-3.02%	-2.14%
S&P Green Bond Select*	-2.36%	-3.88%	-3.11%
<b>Economic Indicators</b>			
CBOE Volatility Index / VIX® (14.94)*	-6.21%	-25.19%	35.33%
Dow Jones Commodity Index (DJCI)*	1.24%	4.19%	4.94%
S&P GSCI*	1.92%	7.05%	9.39%
Vstox® Index (17.65)	28.64%	1.20%	30.55%

**Summary**

- It was a month of two halves for the S&P Europe 350. It started May on the front foot courtesy of a more co-operative tone between the U.S. and China, and indications that Italy would finally have a government. But a re-emergence of trade tensions, and a substantial increase in Italian and Spanish political risk, later weighed on the European equity benchmark. Overall, it managed to eke out a 0.25% monthly gain.
- As uncertainty rose, quality-oriented S&P Europe 350 equity strategies came to the fore this month; Dividend Aristocrats and Quality led the way. Enhanced Value brought up the rear as it fell 3.48%.
- Elsewhere, the majority of S&P Europe 350 sectors rose this month. Tech led the way, as it did globally. Second-placed Materials benefited from a rise in commodity prices; its 4.59% monthly total return coincided with a 1.92% increase in the S&P GSCI. Financials was a notable laggard; the sector dropped 6.28% as several banks came under pressure.
- The emergence of a “risk-off” environment towards month-end contributed to gains in most of our fixed income indices. Unsurprisingly, perhaps, Italian and Spanish sovereign bond indices provided the exceptions amid questions over the future of Spanish Prime Minister Mariano Rajoy and the potential for imminent Italian elections. The two countries also contributed most negatively to the S&P Europe 350.
- Although implied equity volatility spiked on both sides of the Atlantic over the last few days, news that League and Five Star had rekindled discussions to form a coalition government calmed markets. Vstox fell today, before closing at 17.65. Similarly, VIX closed last night at 14.94, down since our last report.

**S&P Europe 350 Country Contributions**  
May 2018



Source: S&P Dow Jones Indices LLC and/or its affiliates. Data as of May 31, 2018 except \* as of May 30. Index performance based on total return. Returns for indices containing more than one currency area are in Euros, otherwise local currency. \*DJ Sustainability™ Eurozone Ex+™ is the DJ Sustainability™ Eurozone Ex-Alcohol, Tobacco, Gambling, Armaments & Firearms, and Adult Entertainment Index. \*FFF means Fossil Fuel Free. Charts and graphs are provided for illustrative purposes. Past performance is no guarantee of future results. For more information, please visit our website at [www.spdji.com](http://www.spdji.com)

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