Return Insights

Single Stock LITE vs. S&P 500 vs. MSCI World vs. RI Index

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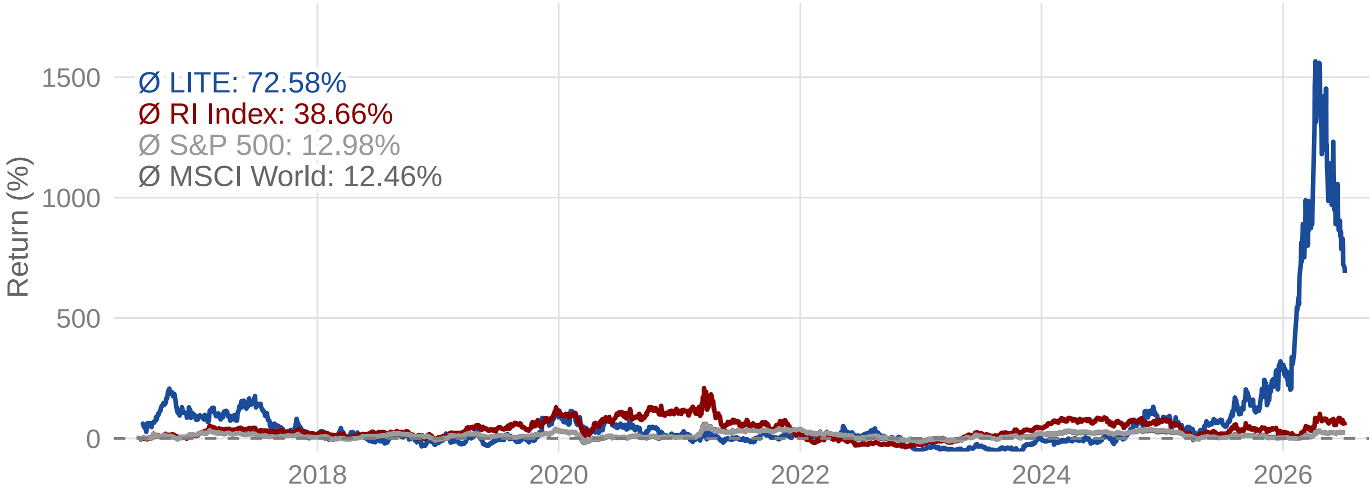
Analysis as of 07/08/2026

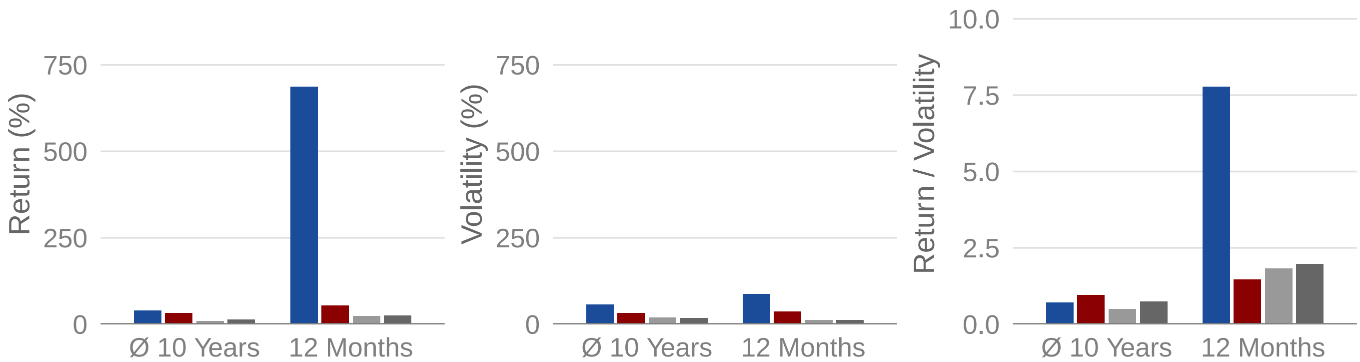
LITE RI Index S&P 500 MSCI World

Return of the most recent 12−month period, 07/07/2016 to 07/07/2026, EUR



Return since 07/07/2025, EUR

Annualized Metrics: 12 Months vs. 10 Years (All Assets)



What Do These Metrics Mean?

Overview: Comparing Three Investment Instruments and the RI Index

This infographic compares three different investment instruments and the RI Index to give you a comprehensive picture:

- **Blue:** A single stock.
- **Dark red:** RI Index, a rules-based equity index developed by Return Insights and constructed using the RI Indicator.
- **Light grey:** S&P 500, a broad U.S. stock market index. This serves as a benchmark for the U.S. market.
- **Dark grey:** MSCI World, a global stock market index. This shows the performance of global equity markets in developed economies.

By comparing these three investment instruments and the RI Index, you can see:

- How a single stock has performed relative to broad market indices.
- The historical development of the rules-based RI Index in relation to individual stocks and broad market indices.
- Whether the stock has outperformed or underperformed the U.S. market (S&P 500).
- How the U.S. market compares in a global context (MSCI World).

RI Index

The RI Indicator is a quantitative model developed by Return Insights that classifies stocks based on clearly defined statistical criteria. Using this classification, the rules-based RI Index is constructed and its composition is updated monthly according to the model logic. Equities that no longer meet the selection criteria are removed. When an equity is sold, the proceeds, together with the monthly contribution, are reinvested according to the prevailing index weights. The historical development shown for the RI Index is based on an analysis of the rules-based index methodology. The analysis incorporates transaction costs and execution assumptions. The RI Indicator and the RI Index are proprietary developments of Return Insights.

Return (Profit or Loss)

Return indicates how many percent you gained or lost with an investment on an annual basis.

- **Positive:** You made money. Example: A 10% return means €1,000 became €1,100.
- **Negative:** You lost money. Example: A -5% return means €1,000 became €950.

This analysis considers two time periods:

- **12 months:** The return over the past 12 months.
- **10 years:** The average annual return and the compound annual growth rate (CAGR) over the past 10 years.

Volatility (Degree of Fluctuation)

Volatility shows how strongly the price of an investment fluctuates. High volatility means large upward and downward movements — this is riskier but can also bring higher returns.

- **Low volatility:** The price changes only slightly. This feels safer.
- **High volatility:** The price swings strongly up and down. This can be stressful but also offers opportunities.

Again, two time periods are compared:

- **12 months:** The fluctuation intensity over the past 12 months.
- **10 years:** The average annual (annualized) volatility over 10 years.

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Explanation of the Metrics

Beginner's Guide to Stock Performance

Return Divided by Volatility (Efficiency Ratio)

This metric shows how much return you receive per unit of risk (fluctuation). A higher value means the investment is more efficient — more gain with less stress. The ratio is calculated for both time periods (12 months and 10 years) to enable comparison.

Practical Example

Imagine you compare two investments:

- **Investment A:** 8% return, 15% volatility, ratio = 0.53
- **Investment B:** 10% return, 25% volatility, ratio = 0.40

Although Investment B has a higher return, Investment A is more efficient because it achieves a similar return with lower fluctuations. For many investors, Investment A feels more comfortable because the price swings are smaller.

Time Period Comparison in This Analysis

For each of the three investment instruments and the RI Index, both time periods are shown side by side. This allows you to see how the past 12 months compare to the 10-year average.

Taxes

The returns shown in this infographic are presented before taxes. This means the actual return you receive after taxes may be lower, depending on your personal tax rate and the tax regulations in your country. It is important to keep this in mind when interpreting the figures, as the net return (after taxes) is often decisive for your actual gains or losses.

Summary

A good investment ideally has a high return, low volatility, and a high return-to-volatility ratio. In practice, you often have to balance return and risk. Comparing 12 months with 10 years helps you understand whether current performance is exceptional or part of the long-term trend. Comparing the individual stock with the benchmarks (S&P 500 and MSCI World) shows whether the stock is outperforming or underperforming the market. The RI Index illustrates the historical performance of a rules-based equity index, constructed using the RI Indicator, in comparison to individual stocks and broad market indices.