# Why Does the S&P 500® Matter to Australia?

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The S&P 500 is widely regarded as the most well-known and most frequently used benchmark of U.S. large-cap equities. The index includes 500 leading companies and covers more than 80% of investable market capitalization in the U.S. equity market. At the end of 2024, more than USD 20 trillion around the world was indexed or benchmarked to the large-cap U.S. equity barometer.[1] Exchange-traded products based on the S&P 500 have been listed in various markets across the globe, but what creates the international appetite for U.S. equities, especially The 500®?

In this paper, we will:

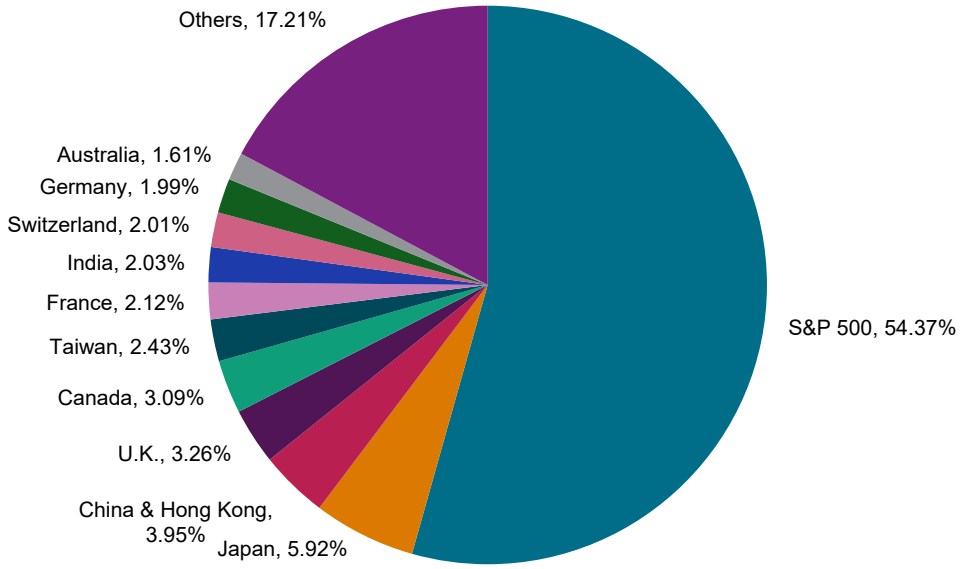
- Outline the global significance of large-cap U.S. equities;
- Demonstrate the S&P 500's distinct characteristics compared to the leading large-cap equity benchmark in Australia;
- Examine how incorporating large-cap U.S. equities could have helped improve the performance of hypothetical domestic Australian compositions, historically; and
- Highlight the historical benefits of taking an indexed-based approach to large-cap U.S. equities.

[1] Each year, S&P Dow Jones Indices conducts a survey to estimate the total assets directly linked to its indices. For the complete report, please see the "S&P DJI Annual Survey of Indexed Assets 2024."

# Significance of the S&P 500 in the Global Equity Market

The S&P 500 represents a significant part of global equity market capitalization, with index members representing more than 54% of the float-adjusted market cap of the S&P Global BMI as of Dec. 31, 2025. This was more than 33 times larger than Australia's weight in the global equity opportunity set (see Exhibit 1). The scale of the large-cap U.S. equity segment also means that, among the 100 largest stocks in the S&P Global BMI, 74 were S&P 500 members.

**Exhibit 1: The S&P 500 Represents More than Half of Global Equity Market Index Weights**

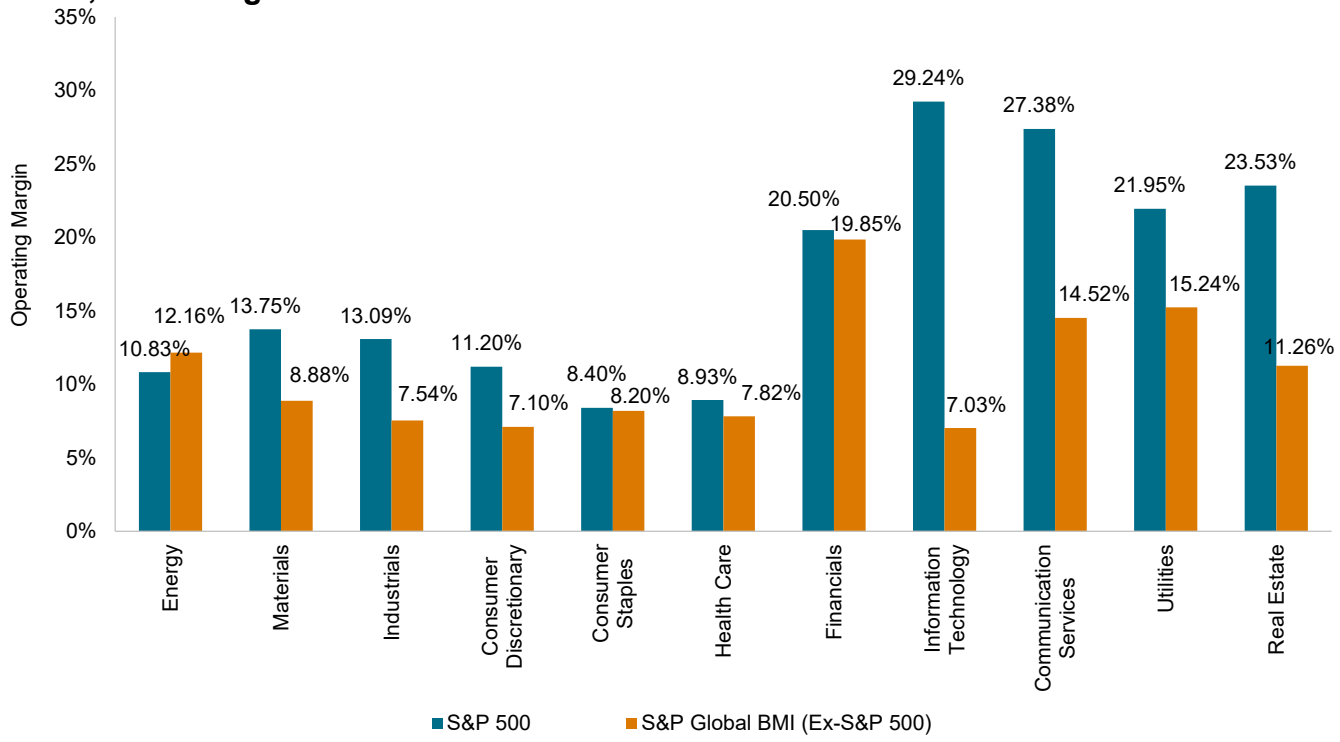



Source: S&P Dow Jones Indices LLC. Data as of Dec. 31, 2025. S&P Global BMI Index is used as the representative index of global equity markets. Chart is provided for illustrative purposes.

Similar majority representation of U.S. companies is observed across the 11 Global Industry Classification Standard (GICS®) sectors,[2] and we also observe that, in most sectors, S&P 500 companies had higher operating margins than their global sector peers. Differences in operating margins were particularly pronounced in Information Technology, Communication Services and Real Estate (see Exhibit 2).

[2] Preston, Hamish; Wang, Fei; Issifu, Sherifa, "TalkingPoints: An Overview of S&P 500 Sector Indices and 25 Years of GICS," S&P Dow Jones Indices, Nov. 27, 2024.

## Exhibit 2: S&P 500 Companies Had Higher Operating Margins than Their Global Sector Peers, on Average




Source: S&P Dow Jones Indices LLC, FactSet. Data as of Dec. 31, 2025. Figures based on company-reported operating income and revenue in the trailing 12-month period. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

One potential reason that S&P 500 companies had higher operating margins than their global peers is that many of the companies are global industry leaders. Exhibit 3 shows that 49 of the top 100 global brands—according to the Best Global Brands 2025—were S&P 500 companies or owned by S&P 500 companies.[3] These brands scored well in terms of the valuation-based competitive strength, the role the brand plays in purchase decisions and the financial performance of the branded products or services. Such brand strength may help to sell products and services at premium prices, while also helping the company in negotiations with suppliers.[4]

[3] For methodology and complete list of the 100 best global brands, please see https://interbrand.com/best-global-brands/global/.

[4] For more details, please see Frohlich, Thomas, "America's Most Profitable Products," 24/7 Wall St., June 9, 2014.

**Exhibit 3: Global Brands in the S&P 500**

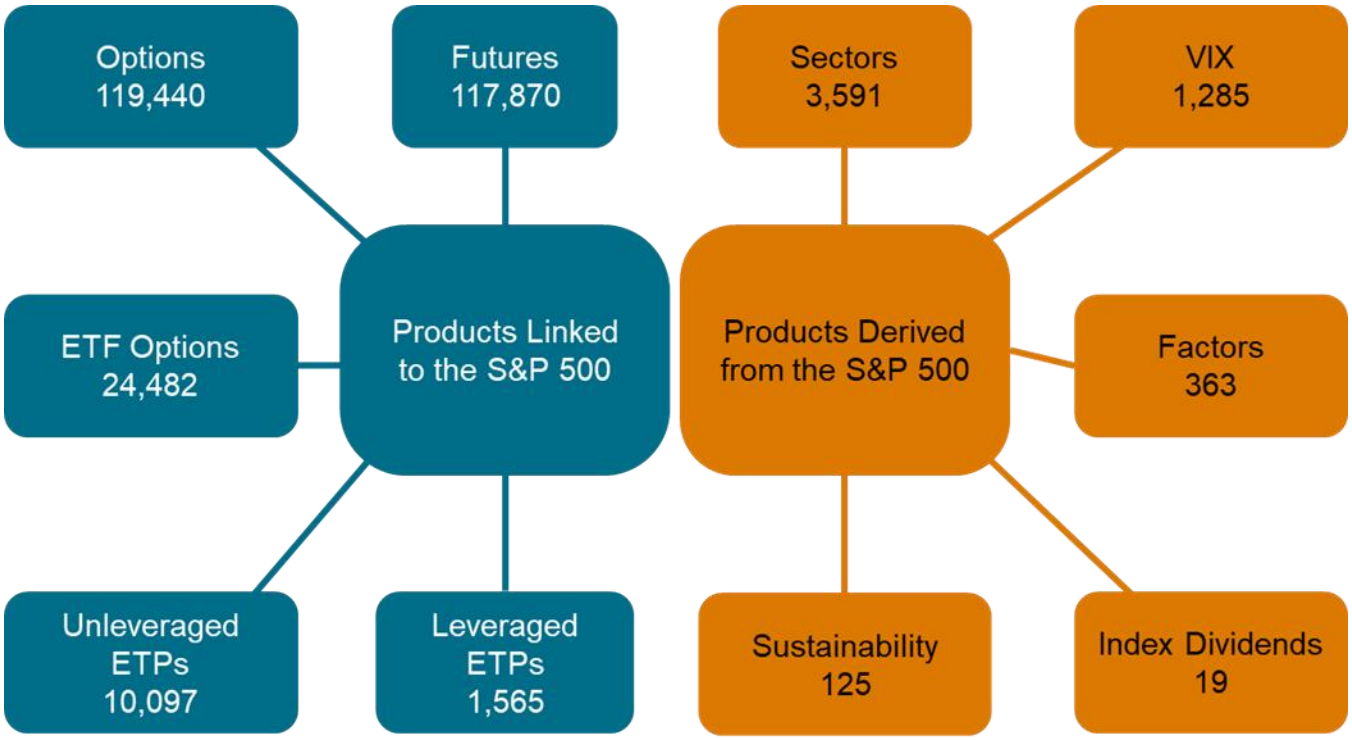
| Global Ranking | Brand | Company/Parent Company in the S&P 500 | Global Ranking | Brand | Company/Parent Company in the S&P 500 |
|---|---|---|---|---|---|
| 1 | Apple | Apple Inc. | 39 | Qualcomm | Qualcomm Inc. |
| 2 | Microsoft | Microsoft Corp | 40 | PayPal | PayPal Holdings Inc. |
| 3 | Amazon | Amazon.com Inc | 42 | Salesforce | Salesforce.com |
| 4 | Google | Alphabet Inc | 44 | GE Aerospace | General Electric Company |
| 7 | Coca-Cola | Coca-Cola Co | 45 | Airbnb | Airbnb Inc. |
| 8 | Instagram | Meta Platforms, Inc | 46 | UPS | UPS Inc. |
| 9 | McDonald’s | McDonald's Corp | 51 | Dell | Dell Inc. |
| 12 | Cisco | Cisco Systems Inc | 55 | Goldman Sachs | Goldman Sachs Group, Inc. |
| 13 | YouTube | Alphabet Inc | 60 | Pampers | Procter & Gamble |
| 15 | Nvidia | Nvidia Corp. | 61 | eBay | eBay Inc. |
| 16 | Oracle | Oracle Corp. | 62 | Citi | Citigroup Inc. |
| 17 | Disney | Walt Disney Co | 64 | Uber | Uber Technologies, Inc. |
| 19 | Facebook | Meta Platforms, Inc. | 67 | HP | Hewlett Packard Enterprise Co |
| 20 | Adobe | Adobe Inc. | 71 | Intel | Intel Corp |
| 22 | IBM | Intl Business Machines Corp | 75 | LinkedIn | Microsoft Corp |
| 23 | Nike | NIKE Inc. | 76 | Colgate | Colgate-Palmolive Co |
| 25 | Tesla | Tesla, Inc | 78 | Gillette | Procter & Gamble |
| 26 | J.P. Morgan | JP Morgan Chase & Co | 80 | Corona | Constellation Brands Inc. |
| 28 | Netflix | Netflix Inc. | 84 | Caterpillar | Caterpillar Inc. |
| 31 | BlackRock | BlackRock Inc. | 85 | Nasdaq | Nasdaq Inc. |
| 32 | Booking.com | Booking Holdings Inc. | 87 | 3M | 3M Co |
| 33 | Visa | Visa Inc. | 88 | John Deere | Deere & Company |
| 36 | Mastercard | Mastercard Inc. | 92 | FedEx | FedEx Corp |
| 37 | Accenture | Accenture plc | 94 | Tiffany & Co. | Tiffany & Co. |
| 38 | Pepsi | PepsiCo Inc. | | | |

Source: S&P Dow Jones Indices LLC, Interbrand. Data as of Sept. 30, 2025. Table is provided for illustrative purposes.

The S&P 500 is also notable for its significant liquidity. Exhibit 4 illustrates the trading ecosystem associated with the S&P 500, which encompasses different product types and related indices. We estimate that an aggregate economic value of USD 279 trillion was traded within this ecosystem in 2024. Numerous products within this network trade across 27 different markets worldwide, providing near-continuous availability of market pricing for the S&P 500’s fair value throughout the day. This robust trading ecosystem could benefit market

participants—from short-term traders to long-term passive investors—by promoting price transparency and market efficiency.[5]

**Exhibit 4: The S&P 500 Ecosystem – Aggregate Index Equivalent Trading Volume (IET) in Billions of U.S. Dollars**




Source: S&P Dow Jones Indices LLC, FIA, Bloomberg. Data for the 12-month period ending Dec. 31, 2024. Past performance is no guarantee of future results. Chart is provided for illustrative purposes. IET reflects the economic exposure to the index at the time of a transaction; it is determined by the instrument's short-term responsiveness to movements in the underlying index. See The Liquidity Landscape: Trading Linked to S&P DJI Indices in 2024 for the detailed methodology.

# Comparison of the S&P 500 and S&P/ASX 200

The S&P 500 and the S&P/ASX 200 are headline large-cap equity benchmarks in the U.S. and Australian markets, respectively. Both indices represent about 80% of the total market capitalization and comprise the largest and most-liquid stocks of their respective markets. However, they differ significantly due to the unique economic landscapes and financial market developments they reflect.

[5] Ganti, Anu R,; Edwards, Tim; Zilberman, Tim, "The Liquidity Landscape: Trading Linked to S&P DJI Indices in 2024" S&P Dow Jones Indices," Sept. 15, 2025.

The S&P/ASX 200 measures 200 largest domestic common stocks listed on the Australian Securities Exchange (ASX), while the S&P 500 tracks 500 leading large-cap U.S. companies. As of Dec. 31, 2025, the largest 10 S&P/ASX 200 members represented 46.68% of the index, while the 10 largest companies in the S&P 500 accounted for 40.73% of the index (see Exhibit 5).

**Exhibit 5: Largest 10 Index Members in the S&P 500 and S&P/ASX 200**

| S&P 500 Company | Weight (%) | S&P/ASX 200 Company | Weight (%) |
|---|---|---|---|
| Nvidia | 7.76 | Commonwealth Bank Australia | 10.15 |
| Apple | 6.87 | BHP Group | 8.72 |
| Microsoft | 6.15 | Westpac Banking | 4.99 |
| Alphabet A & C | 5.61 | National Australia Bank | 4.89 |
| Amazon.com | 3.84 | ANZ Group | 4.09 |
| Broadcom | 2.80 | Wesfarmers | 3.48 |
| Meta Platforms | 2.46 | CSL | 3.16 |
| Tesla | 2.16 | Macquarie Group | 2.72 |
| Berkshire Hathaway B | 1.58 | Goodman Group | 2.39 |
| JP Morgan Chase | 1.50 | Telstra Group | 2.08 |
| Total Weight of Top 10 Companies | 40.73 | Total Weight of Top 10 Companies | 46.68 |

Source: S&P Dow Jones Indices LLC. Data as of Dec. 31, 2025. Table is provided for illustrative purposes.

Exhibit 6 shows that the float-adjusted market capitalization and average daily value traded (A DVT) figures for S&P 500 companies were much larger than those of the S&P/ASX 200. The magnitude of the difference highlights the scale of the large-cap U.S. equity segment compared to the Australian equity market. Indeed, the float-adjusted market cap of the S&P 500 was around 33 times that of the S&P/ASX 200 at the end of December 2025, while the three-month ADVT of S&P 500 companies was almost 100 times that of S&P/ASX 200 constituents.

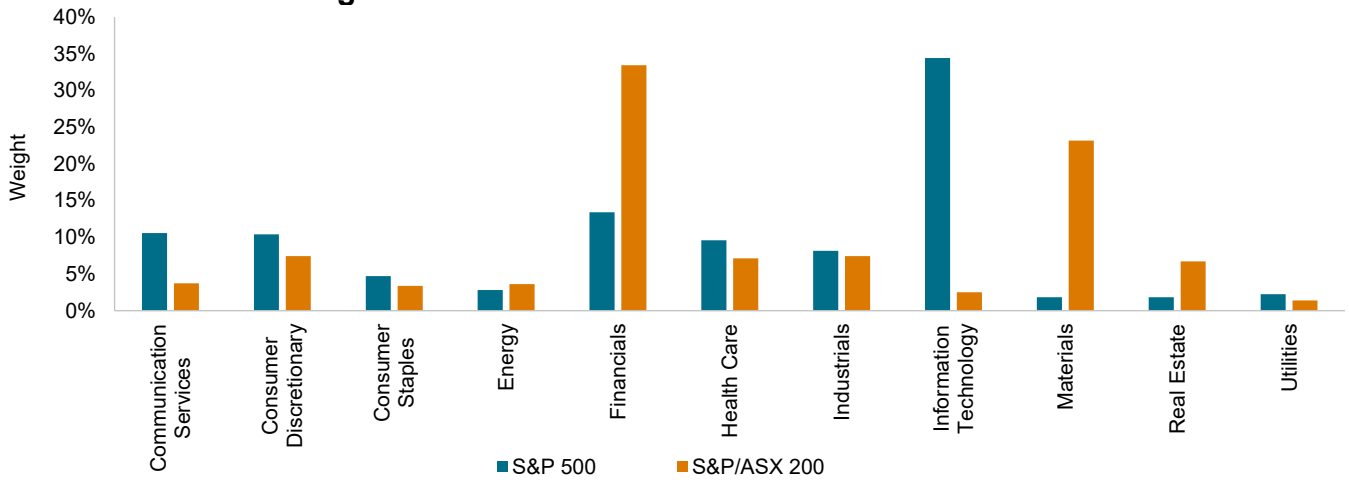
**Exhibit 6: S&P 500 and S&P/ASX 200 Size and Liquidity Statistics**

| Category | Constituent Float-Adjusted Market Cap (USD Billions) | | Constituent 3-Month Float-Adjusted ADVT (USD Millions) | |
|---|---|---|---|---|
| | S&P 500 | S&P/ASX 200 | S&P 500 | S&P/ASX 200 |
| Mean | 116.2 | 8.8 | 857.2 | 22.2 |
| Median | 37.6 | 2.8 | 346.2 | 10.7 |
| Largest | 4,532 | 179 | 36,603 | 221 |
| Sum of Constituents | 58,438 | 1,766 | 431,188 | 4,441 |

Source: S&P Dow Jones Indices LLC, FactSet. Data as of Dec. 31, 2025. Market cap is calculated as the share price multiplied by the number of shares at the security level. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

The S&P 500 and S&P/ASX 200 also differ in their sector weights. Exhibit 7 shows that the S&P/ASX 200 had greater weight in Financials and Materials compared to the U.S. equity benchmark, while The 500 had higher weight in Information Technology and Communication Services. This is also evident when a comparison is made to global equity markets. Hence, the S&P 500 could offer a complementary view for domestic sector biases and bring sector weights more in line with international representation.

**Exhibit 7a: Sector Weights of the S&P 500 and S&P/ASX 200**



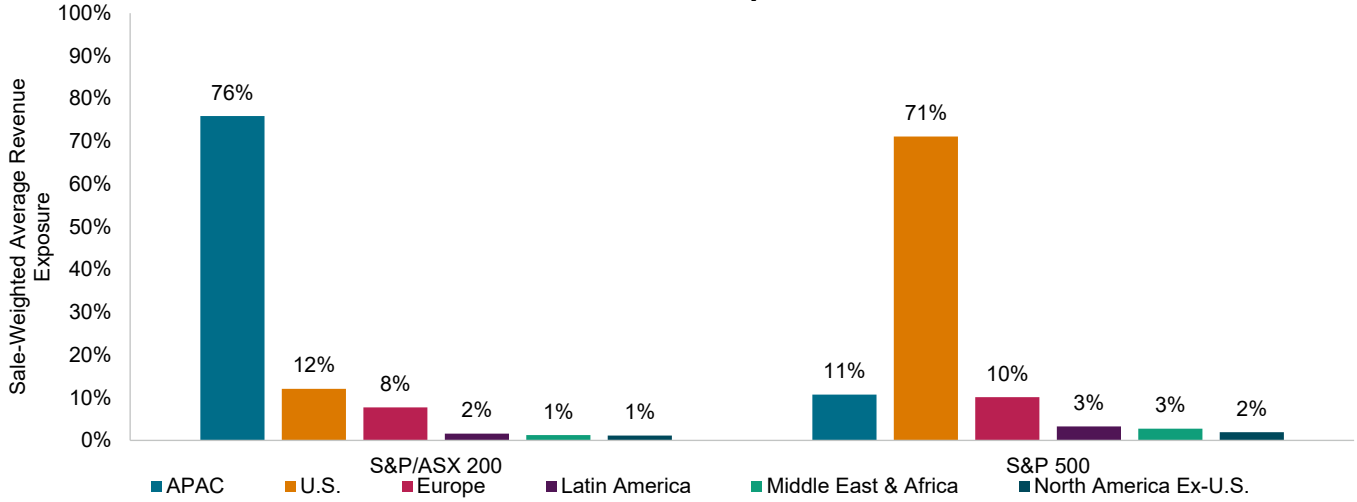

Source: S&P Dow Jones Indices LLC. Data as of Dec. 31, 2025. Chart is provided for illustrative purposes.

**Exhibit 7b: S&P 500 and S&P/ASX 200 Sector Weights Relative to S&P Global BMI**


Source: S&P Dow Jones Indices LLC. Data as of Dec. 31, 2025. Chart is provided for illustrative purposes. S&P Global BMI Index is used as the representative index of global equity markets.

Incorporating U.S. equities could also help diversify geographic revenue exposures compared to those provided by Australian equities. For example, Exhibit 8 shows the sales-weighted average revenue exposure of the S&P 500 and S&P/ASX 200 at the end of December 2025. On average, S&P 500 companies obtained 71% of their revenues from the U.S., compared to 12% for S&P/ASX 200 companies. In contrast, S&P 500 companies had more revenue exposure to regions outside APAC.

**Exhibit 8: S&P 500 and S&P/ASX 200 Revenue Exposures**

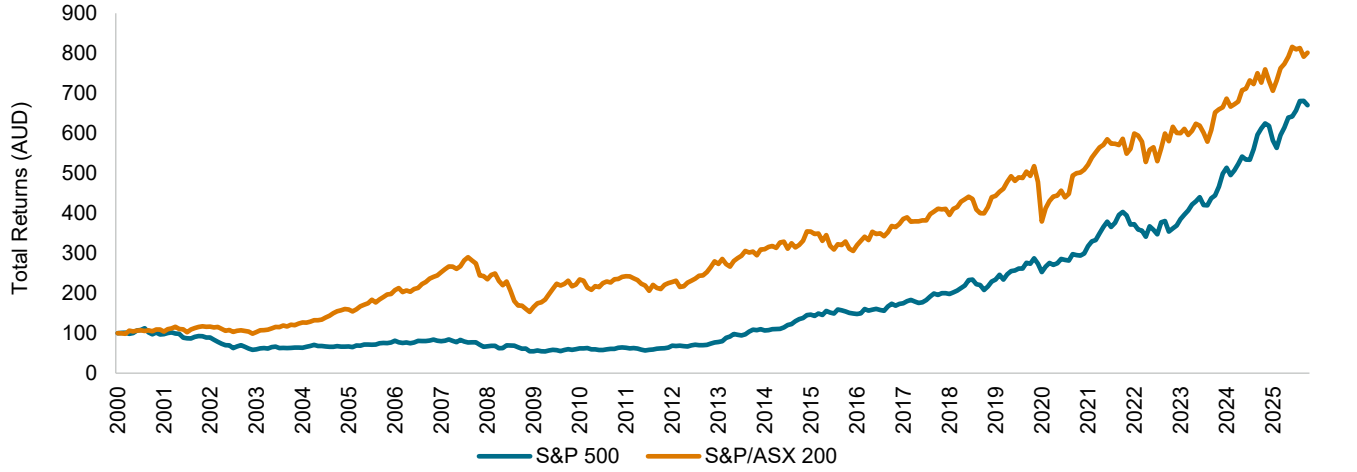



Source: S&P Dow Jones Indices LLC, FactSet, FactSet Revere. Data as of Dec. 31, 2025. Figures are based on companies' foreign sales figures reported for fiscal year 2024. Past performance is no guarantee of future results. Chart is provided for illustrative purposes.

# Index Risk and Performance Characteristics

Exhibit 9 compares the cumulative total return for the S&P 500 and S&P/ASX 200, denominated in Australian dollars (AUD). Exhibits 10 and 11 provide more information on the risk/performance profiles. After underperforming the S&P/ASX 200 between March 2000 and the end of 2005, the AUD-denominated S&P 500 outperformed across almost all horizons. The S&P 500 also had lower or comparable volatility to the S&P/ASX 200, resulting in the S&P 500 typically posting higher risk-adjusted performance figures.

**Exhibit 9: Performance of S&P 500 and S&P/ASX 200 in AUD**



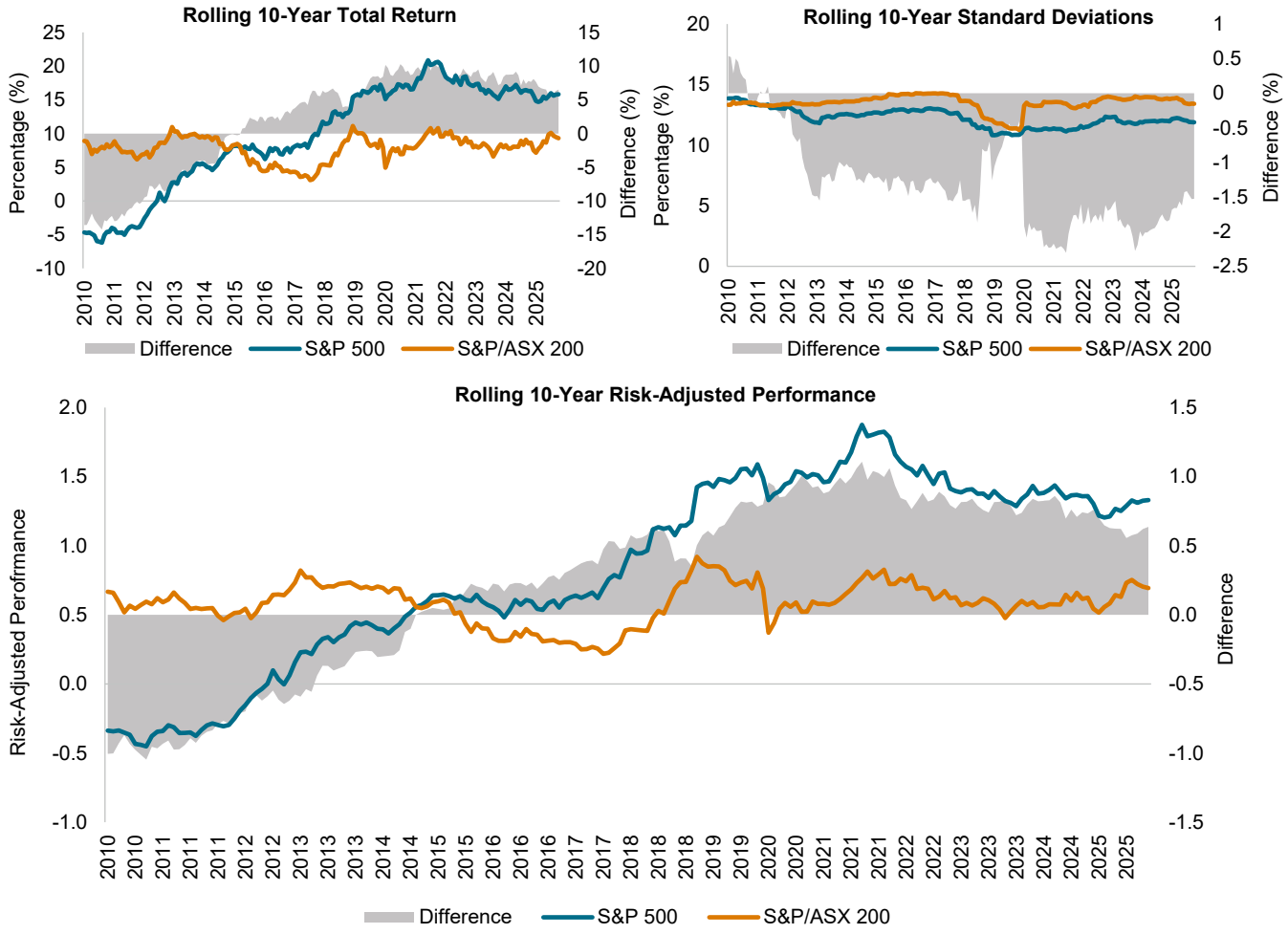

Source: S&P Dow Jones Indices LLC. Data from March 31, 2000, to Dec. 31, 2025. Indices were rebased to 100 on March 31, 2000. The S&P/ASX 200 was launched April 3, 2000. All data prior to index launch date is back-tested hypothetical data. Index performance based on monthly total return in AUD. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

## Exhibit 10: Risk/Performance Profile of the S&P 500 and S&P/ASX 200

| Period | S&P 500 | S&P/ASX 200 | Difference |
|---|---|---|---|
| **Annualized Performance (%)** | | | |
| 3-Year | 23.70 | 11.39 | 12.31 |
| 5-Year | 17.81 | 9.89 | 7.92 |
| 10-Year | 15.82 | 9.31 | 6.52 |
| 15-Year | 17.38 | 8.52 | 8.86 |
| 20-Year | 11.53 | 7.46 | 4.07 |
| Since March 31, 2000 | 7.67 | 8.42 | -0.75 |
| **Annualized Volatility (%)** | | | |
| 3-Year | 10.39 | 10.39 | 0.00 |
| 5-Year | 12.33 | 11.87 | 0.46 |
| 10-Year | 11.94 | 13.47 | -1.53 |
| 15-Year | 11.69 | 13.02 | -1.33 |
| 20-Year | 12.49 | 13.81 | -1.32 |
| Since March 31, 2000 | 12.83 | 13.14 | -0.31 |
| **Annualized Risk-Adjusted Performance** | | | |
| 3-Year | 2.28 | 1.10 | 1.19 |
| 5-Year | 1.44 | 0.83 | 0.61 |
| 10-Year | 1.33 | 0.69 | 0.63 |
| 15-Year | 1.49 | 0.65 | 0.83 |
| 20-Year | 0.92 | 0.54 | 0.38 |
| Since March 31, 2000 | 0.60 | 0.64 | -0.04 |

Source: S&P Dow Jones Indices LLC. Data from March 31, 2000, to Dec. 31, 2025. Indices were rebased to 100 on March 31, 2000. The S&P/ASX 200 was launched April 3, 2000. All data prior to index launch date is back-tested hypothetical data. Index performance based on monthly total return in AUD. Past performance is no guarantee of future results. Table is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

## Exhibit 11: Rolling 10-Year Total Return, Standard Deviation and Risk-Adjusted Performance




Source: S&P Dow Jones Indices LLC. Data from March 31, 2000, to Dec. 31, 2025. Indices were rebased to 100 on March 31, 2000. The S&P/ASX 200 was launched April 3, 2000. All data prior to index launch date is back-tested hypothetical data. Index performance based on monthly total return in AUD. Past performance is no guarantee of future results. Charts are provided for illustrative purposes and reflect hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

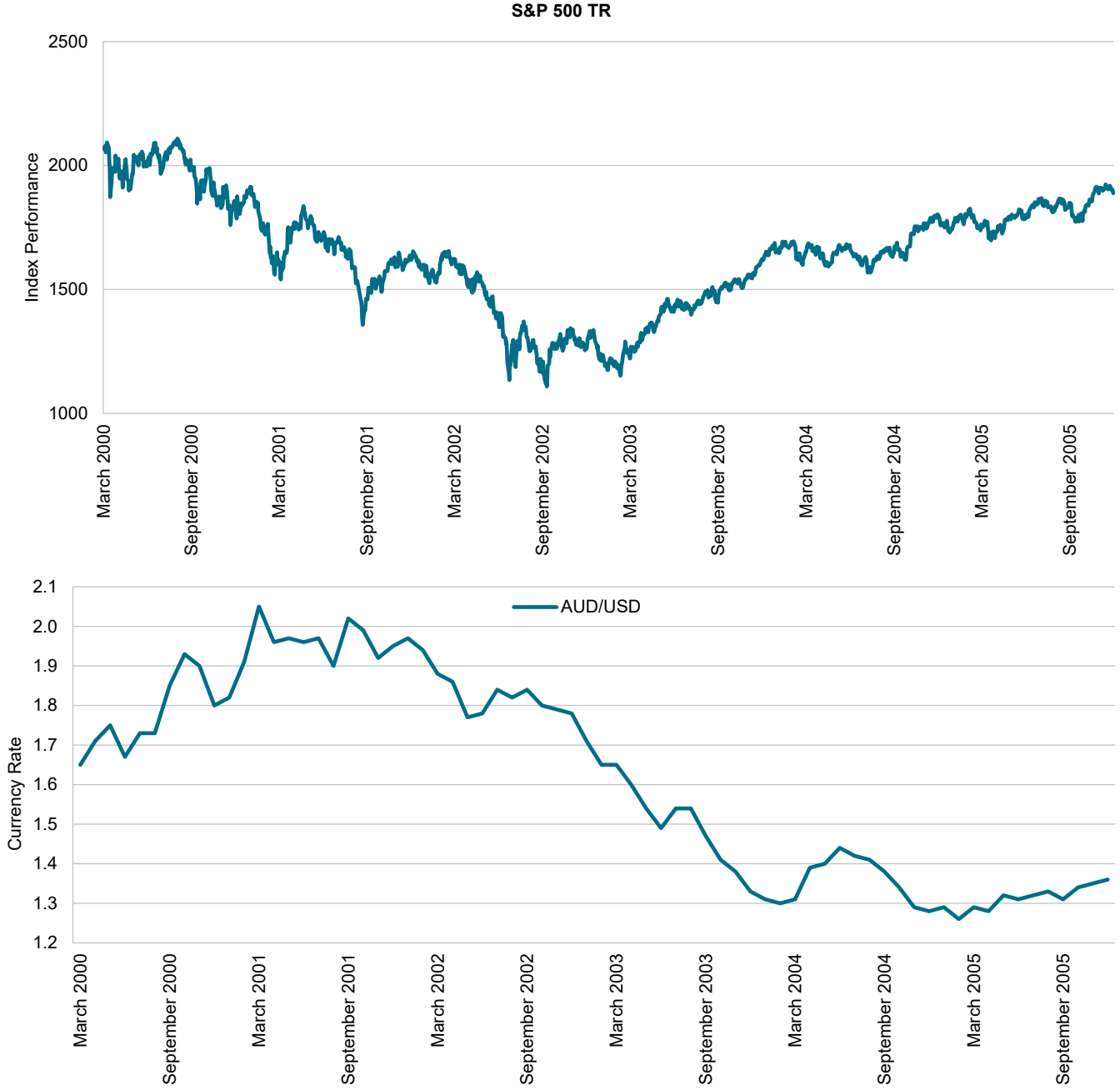
Exhibit 12 shows that the underperformance of the AUD-denominated S&P 500 observed from the inception of the S&P/ASX 200 until Dec. 30, 2005 was driven by two factors:

1. The bursting of the dot-com bubble, which led to the S&P 500 (USD) TR suffering a maximum drawdown of 47.4%; and

2. The appreciation of the Australian dollar against the U.S. dollar, resulting in the U.S. dollar losing as much as 38.5% against the Australian dollar.[6]

[6] When considering the impact of currency fluctuations, the AUD-hedged version of the S&P 500 may be a useful measurement. The (risk-adjusted) performance dynamics described herein are broadly similar when comparing AUD-hedged versions.

## Exhibit 12: Performance of S&P 500 USD TR and AUD/USD Currency Rate

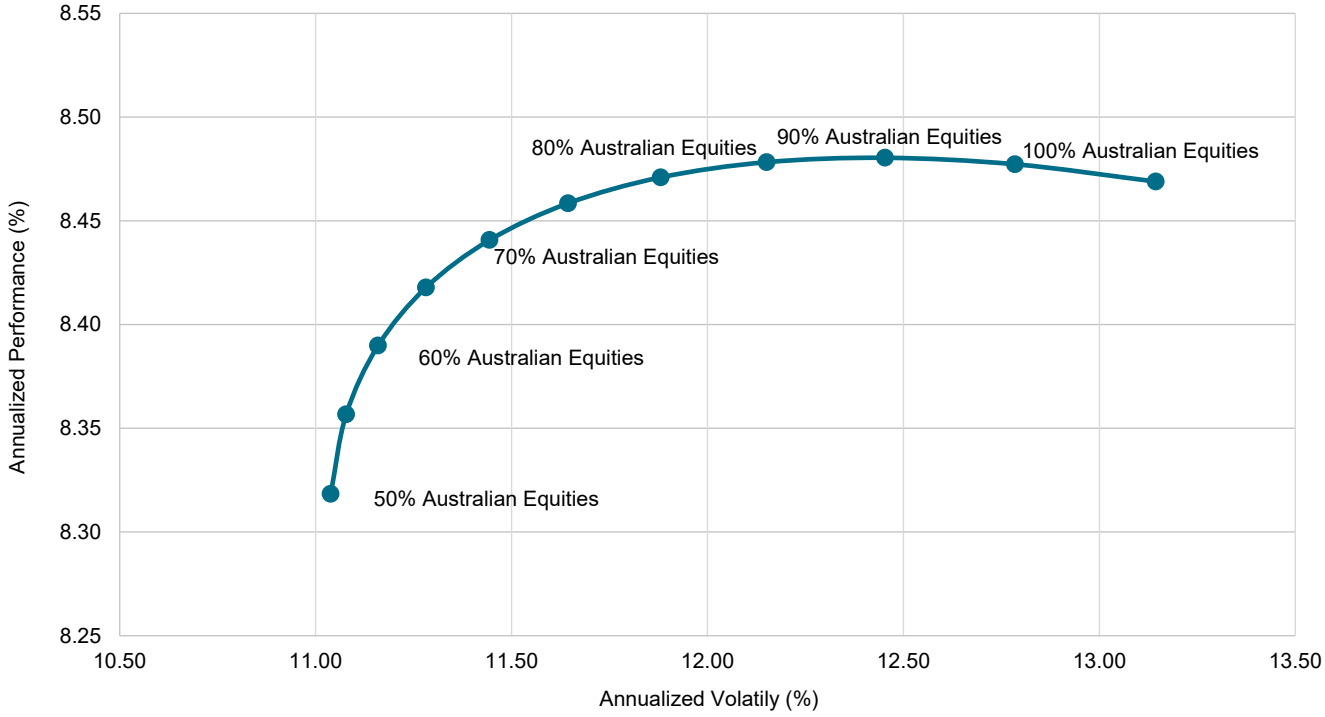



Source: S&P Dow Jones Indices LLC. Data from March 31, 2000, to Dec. 30, 2005. Past performance is no guarantee of future results. Charts are provided for illustrative purposes.

In order to illustrate the potential impact of incorporating U.S. equities into an Australian equity strategy, we now consider several hypothetical compositions. Each hypothetical composition combines the S&P 500 and S&P/ASX 200, and each hypothetical composition rebalances back to target weights at the end of each year. Target weights start with 50% in the S&P/ASX 200 and 50% in the S&P 500, then move in 5% increments until a weight of 100% in the S&P/ASX 200 is reached. Exhibit 13 shows the annualized performance and volatility for the

various hypothetical compositions. Overall, **incorporating U.S. equities could have helped to lower hypothetical volatility, and incorporating some U.S. equity weight could have increased hypothetical historical performance**.

**Exhibit 13: Risk/Performance Characteristics of Hypothetical Combinations of the S&P/ASX 200 and S&P 500**




All compositions shown are hypothetical.
Source: S&P Dow Jones Indices LLC. Data from March 31, 2000, to Dec. 31, 2025. Hypothetical compositions were rebased to 100 on March 31, 2000. The S&P/ASX 200 was launched April 3, 2000. All data prior to index launch date is back-tested hypothetical data. Index performance based on monthly total return in AUD. Past performance is no guarantee of future results. Chart is provided for illustrative purposes and reflects hypothetical historical performance. Please see the Performance Disclosure at the end of this document for more information regarding the inherent limitations associated with back-tested performance.

# Performance of the S&P 500 versus Active U.S. Large-Cap Funds

Investing in the U.S. equity market can be done via the use of active fund managers or index-linked products, which track the performance of the underlying index. Twice a year, S&P Dow Jones Indices publishes S&P Indices versus Active (SPIVA®) Scorecards, which track the number of actively managed funds that beat their comparable benchmarks across different time horizons and regions.

The SPIVA U.S. Scorecard Mid-Year 2025 showed that the S&P 500 outperformed more than 72.6% of active U.S. large-cap funds between June 2024 and June 2025. Performance of active U.S. large-cap funds looks even more unfavorable for longer investment periods, as

86.9% and 86.0% of them underperformed the S&P 500 over the 5- and 10-year periods, respectively. The gains of the S&P 500 also exceed the average performance of active U.S. large-cap funds on both an equal- and asset-weighted basis. This result showcases the success of a passive, index-based approach in the U.S. equity market historically.

Although the preceding analysis focuses on U.S. equity markets, the observed pattern is not unique to the U.S. SPIVA Scorecards around the world similarly indicate that a majority of actively managed funds in these markets typically underperform their respective benchmarks. Such underperformance has typically included non U.S.-domiciled active funds that attempt to outperform in large-cap U.S. equities.[7]

**Exhibit 12: Annualized Performance of Active U.S. Large-Cap Funds and the S&P 500; Percentage of Active U.S. Large-Cap Funds Outperformed by the S&P 500**

| Category | 1-Year (%) | 3-Year (%) | 5-Year (%) | 10-Year (%) |
|---|---|---|---|---|
| S&P 500 | 15.16 | 19.71 | 16.64 | 13.65 |
| Active U.S. Large-Cap Funds (Equal-Weighted Average) | 13.31 | 17.43 | 14.16 | 10.85 |
| Active U.S. Large-Cap Funds (Asset-Weighted Average) | 15.48 | 20.00 | 15.35 | 12.46 |
| Percentage of Active U.S. Large-Cap Funds Outperformed by the S&P 500 | 72.61 | 64.87 | 86.91 | 85.98 |

Source: S&P Dow Jones Indices LLC. Data as of June 30, 2025, as reported in the SPIVA U.S. Mid-Year 2025 Scorecard. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

# Conclusion

The S&P 500 and S&P/ASX 200 are considered primary indicators of overall market performance in the U.S. and Australian equity markets, respectively. The representation of S&P 500 companies in the global equity opportunity set means that market participants may risk overlooking a significant portion of the global equity market by not considering the large-cap U.S. equity segment.

The S&P 500's distinct sector and geographic revenue characteristics may offer diversification, and incorporating The 500 could have helped improve the risk-adjusted performance of hypothetical compositions focused on Australian equities, based on historical back-tested analysis. Furthermore, based on the results of the SPIVA Scorecards, an index-based approach to U.S. equities has historically outperformed active funds over the short and long term.

[7] For the complete analysis on Europe and Asia-Pacific active funds versus their respective S&P Dow Jones Indices benchmark returns, please see the SPIVA Europe Mid-Year 2025 Scorecard and SPIVA Asia Ex-Japan Mid-Year 2025 Scorecard.

# Performance Disclosure/Back-Tested Data

The S&P/ASX 200 was launched April 3, 2000. All information presented prior to an index's Launch Date is hypothetical (back-tested), not actual performance, and is based on the index methodology in effect on the index launch date. 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. In addition, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. For the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered; the back-test history is based on the index constituents that meet the custody element as of the Launch Date. Complete index methodology details are available at www.spglobal.com/spdji. 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.

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. Back-tested performance is for use with institutions only; not for use with retail investors.

S&P Dow Jones Indices 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.

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 historical instances in the 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 refer to the FAQ. 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).

# General Disclaimer