

S&P Kensho New Economy Indices Consultation on IPO Treatment Results

NEW YORK, JULY 1, 2019: S&P Dow Jones Indices (“S&P DJI”) has conducted a consultation with members of the investment community on a potential change to the S&P Kensho New Economies Indices.

At each reconstitution and rebalancing, S&P DJI will add eligible initial public offerings (“IPOs”) to the indices based on the existing float-adjusted market capitalization and three-month average daily value traded thresholds. There will be no change to the method of screening or rebalancing rules with the exception of allowing S-1s and prospectuses, as applicable, for screening according to the Business Activity Focus section of the methodology. The table below summarizes the change.

		Methodology	
Change	Previous	Updated	
Business Activity Focus Subsector Indices	In order to identify eligible companies at each reconstitution, S&P DJI conducts an automated scan of the EDGAR database of annual company-issued filings, specifically: 10-Ks; 20-Fs; and 40-Fs. The scan searches the most recent filing for companies and identifies documents that discuss the search terms in: Item 1 (Business) or Item 7 (Management’s Discussion and Analysis) of its most recent Form 10-K, Item 4 (Information on the Company) of its most recent Form 20-F, or Form 40-F, Exhibit 99.1 or 99.2 of its most recent Form 40-F. The words within a search term may be separated by punctuation, such as a hyphen, but must otherwise be adjacent. Only the securities of those companies identified in this step qualify for inclusion in the universe of eligible securities. Securities that do not include in Item 1 (Business) or Item 7 (Management’s Discussion and Analysis) of its most recent Form 10-K, Item 4 (Information on the Company) of its most recent Form 20-F, or Form 40-F, Exhibit 99.1 or 99.2 of its most recent Form 40-F, as applicable, a reference to a product or service that is, as explicitly described therein, related to a search term and used in a manner that is within the scope of the index, are excluded from the index.	In order to identify eligible companies at each reconstitution, S&P DJI conducts an automated scan of the EDGAR database of annual company-issued filings, specifically: 10-Ks; 20-Fs; 40-Fs; S-1 filings; and prospectus. The scan searches the most recent filing for companies and identifies documents that discuss the search terms in: Item 1 (Business) or Item 7 (Management’s Discussion and Analysis) of its most recent Form 10-K, Item 4 (Information on the Company) of its most recent Form 20-F, Form 40-F, Exhibit 99.1 or 99.2 of its most recent Form 40-F, or business summary of its most recent prospectus and S-1 filings. The words within a search term may be separated by punctuation, such as a hyphen, but must otherwise be adjacent. Only the securities of those companies identified in this step qualify for inclusion in the universe of eligible securities. Securities that do not include in Item 1 (Business) or Item 7 (Management’s Discussion and Analysis) of its most recent Form 10-K, Item 4 (Information on the Company) of its most recent Form 20-F, or Form 40-F, Exhibit 99.1 or 99.2 of its most recent Form 40-F, or business summary of its most recent prospectus and S-1 filings. as applicable, a reference to a product or service that is, as explicitly described therein, related to a search term and used in a manner that is within the scope of the index, are excluded from the index.	

This change will become effective prior to the market open on **Friday, November 15, 2019**, in conjunction with the November rebalancing.

For more information about S&P Dow Jones Indices, please visit www.spdji.com.

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500[®] and the Dow Jones Industrial Average[®]. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.spdji.com.

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S&P Dow Jones Indices
index_services@spglobal.com