

Global Sector Primer Series: Financials

Contributor

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Introduction

The Global Industry Classification Standard® (GICS®) assigns companies to a single classification at the sub-industry level according to their principal business activity using quantitative and qualitative factors, including revenues, earnings and market perception. The sector is the first level of the four-tiered, hierarchical industry classification system that includes 11 sectors, 24 industry groups, 69 industries and 158 sub-industries. The classification standard is in constant evolution to ensure that it reflects the current state of industries globally.

The Financials sector includes, but is not limited to:

- Companies with conventional banking operations;
- Insurance and reinsurance brokerage firms;
- Financial exchanges and providers of financial decision support tools and products, including rating agencies;
- Institutions that provide consumer finance services;
- Investment management and brokerage firms;
- Firms providing mortgage and mortgage-related services; and
- Companies with significantly diversified holdings across three or more sectors, none of which contribute a majority of profit or sales.

Exhibit 1: GICS Structure of the S&P Global 1200 Financials Sector

Sector	Industry Group	Industry	Sub-Industry	
Financials (40)	Banks (4010)	Banks (401010)	Diversified Banks (40101010)	
			Regional Banks (40101015)	
			Thriffs & Mortgage Finance (401020)	
	Diversified Financials (4020)	Diversified Financial Services (402010)	Thriffs & Mortgage Finance (401020)	Thriffs & Mortgage Finance (40102010)
				Other Diversified Financial Service (40201020)
				Multi-Sector Holdings (40201030)
				Specialized Finance (40201040)
				Consumer Finance (402020)
				Consumer Finance (40202010)
				Asset Management & Custody Banks (40203010)
				Investment Banking & Brokerage (40203020)
				Diversified Capital Markets (40203030)
				Financial Exchanges & Data (40203040)
	Insurance (4030)	Insurance (403010)	Mortgage Real Estate Investment Trusts (REITs) (402040)	Mortgage REITs (40204010)
				Insurance Brokers (40301010)
				Life & Health Insurance (40301020)
				Multi-line Insurance (40301030)
Property & Casualty Insurance (40301040)				
Reinsurance (40301050)				

Source: S&P Dow Jones Indices LLC, MSCI. Data as of April 29, 2022. Table is provided for illustrative purposes.

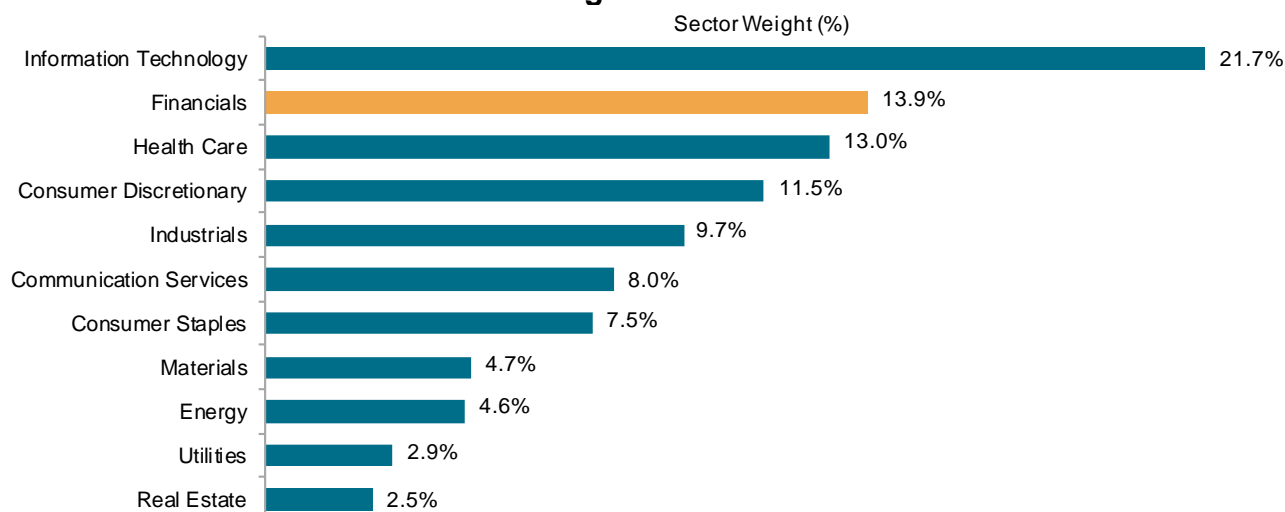
As outlined in Exhibit 1, the [S&P Global 1200 Financials](#) comprises 3 industry groups, 7 industries and 17 sub-industries, and includes all companies in the S&P Global 1200 that are classified as members of the GICS Financials sector.

Launched in September 1999, the [S&P Global 1200](#) is designed to efficiently track the global equity market. The index is float-adjusted market-capitalization weighted and focuses on the performance of large-cap stocks from major markets around the world. Capturing about 70% of global market capitalization, the S&P Global 1200 is constructed as a composite of seven country and regional headline indices, many of which are accepted leaders in their regions. These include the [S&P 500®](#) (U.S.), [S&P Europe 350®](#), [S&P TOPIX 150](#) (Japan), [S&P/TSX 60](#) (Canada), [S&P/ASX All Australian 50](#), [S&P Asia 50](#) and [S&P Latin America 40](#).

Composition of Parent Index

Financials is the second-largest GICS sector within the S&P Global 1200 by weight. As of April 29, 2022, the sector represented 13.9% of the S&P Global 1200 (see Exhibit 2), trailing Information Technology (21.7%) and with a weight similar to Health Care (13.0%). The sector's weight in the parent index has followed a steady decrease over the past years; in April 2006, it represented about 25% of the total index weight, compared with less than 14% in April 2022.

Exhibit 2: S&P Global 1200 Sector Weights



Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. Chart is provided for illustrative purposes.

Constituent Characteristics

The S&P Global 1200 Financials was composed of 195 companies with an aggregate float-adjusted market capitalization of USD 7.5 trillion as of April 29, 2022. The sector comprises some of the largest firms present in the S&P Global 1200; the two largest constituents in the sector—Berkshire Hathaway and JPMorgan Chase & Co.—were the 7th and 16th largest companies within the parent index, respectively. It is worth noting that the largest constituents primarily belong to the largest sub-industry (Diversified Banks). The existence of a number of constituents that are outliers in terms of market capitalization translates into a distance between average and median market capitalization. The index had an average index market capitalization of USD 38.3 billion, almost double the median index market capitalization (USD 21.2 billion). In total, the top 10 Financials holdings made up 28.8% of the index (see Exhibit 3). Additionally, the top 10 companies are each located in developed markets, although the sector is more regionally diverse than its parent index.

Exhibit 3: S&P Global 1200 Financials Sector Top 10 Constituent Weights

Constituent Name	Sub-Industry	Country	Weight in Index (%)		Market Cap* (USD Billion)	
			S&P Global 1200	S&P Global 1200 Financials		
1	Berkshire Hathaway	Multi-Sector Holdings	U.S.	1.10	7.93	591.22
2	JP Morgan Chase & Co.	Diversified Banks	U.S.	0.66	4.73	352.74
3	Bank of America Corp.	Diversified Banks	U.S.	0.47	3.40	253.63
4	Wells Fargo & Co.	Diversified Banks	U.S.	0.32	2.27	169.54
5	Royal Bank of Canada	Diversified Banks	Canada	0.27	1.92	143.47
6	S&P Global Inc.	Financial Exchanges & Data	U.S.	0.25	1.79	133.35
7	Toronto-Dominion Bank	Diversified Banks	Canada	0.25	1.77	131.74
8	HSBC Holdings Plc.	Diversified Banks	U.K.	0.24	1.74	129.86
9	Commonwealth Bank Australia	Diversified Banks	Australia	0.23	1.68	125.23
10	AIA Group Ltd	Life & Health Insurance	Hong Kong	0.22	1.61	119.86
Total				4.00	28.83	2,150.65

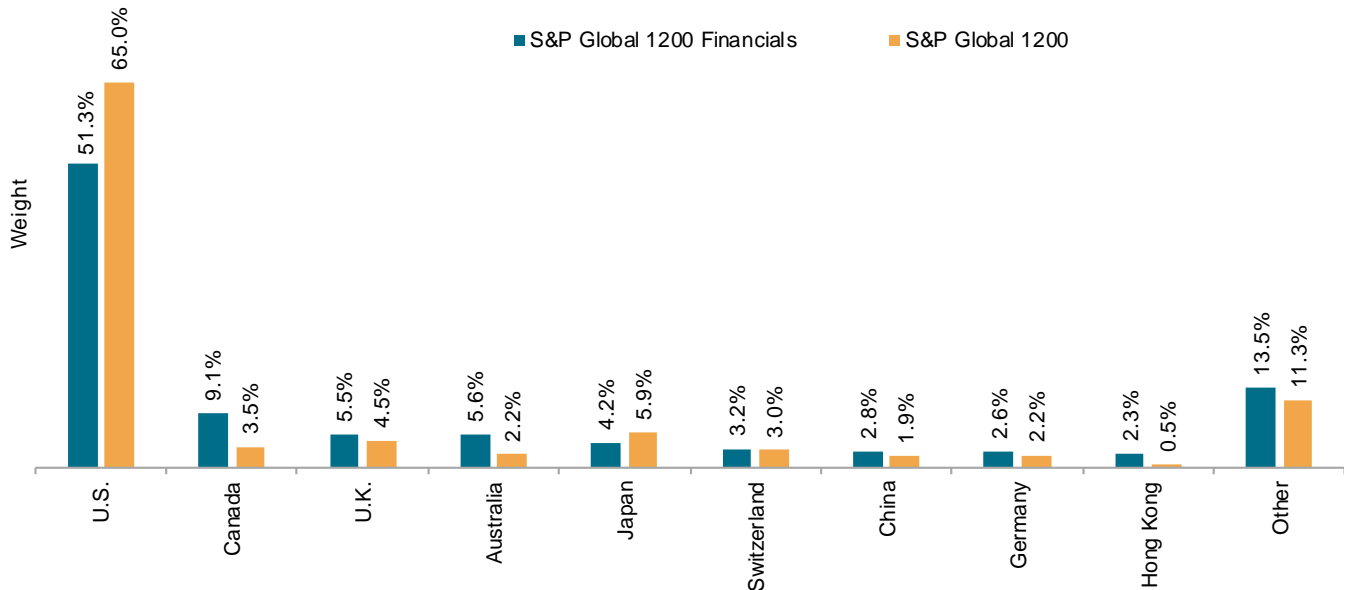
*Market cap is float adjusted.

Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. Table is provided for illustrative purposes.

Country & Sector Composition

Turning to country composition (see Exhibit 4), the sector has a higher diversity with respect to the domicile of its constituents compared with the S&P Global 1200. While 1 out of every 10 constituents in the Financials sector are domiciled in emerging markets, the proportion for the parent index is approximately 1 out of 20 constituents. The sector also exhibits a significantly lower share of U.S.-domiciled constituents compared with the S&P Global 1200 (see Exhibit 4).

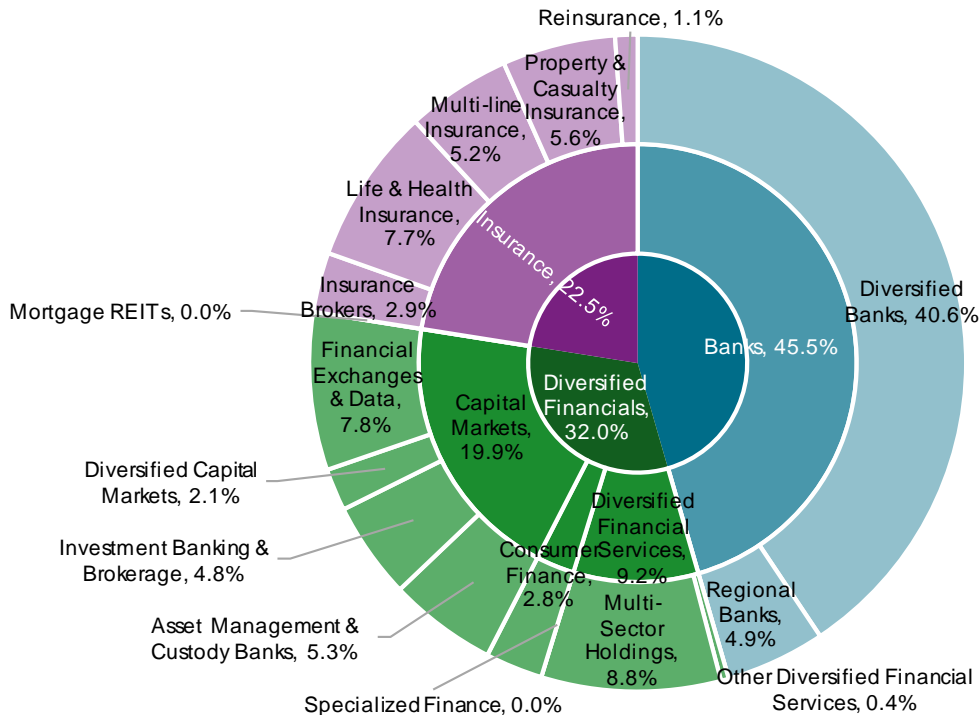
Exhibit 4: S&P Global 1200 Financials Country Weights



Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. Chart is provided for illustrative purposes.

At the industry group level, the largest weight was Banks at 45.5% (see Exhibit 5). This industry group contains the largest industry (also called Banks) and sub-industry (Diversified Banks), with 45.5% and 40.6% of the total index weight, respectively.

Exhibit 5a: Industry Group, Industry and Sub-Industry Weights in the S&P Global 1200 Financials



Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. Chart is provided for illustrative purposes.

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Exhibit 5b: Industry Group, Industry and Sub-Industry Weights in the S&P Global 1200 Financials

GICS Level	Name	Index Weight (%)	Market Cap (USD Billions)
Sector	Financials	100	8,224.3
Industry Group	Banks	45.5	3,734.4
Industry	Banks	45.5	3,734.4
Sub-Industry	Diversified Banks	40.6	3,368.2
Sub-Industry	Regional Banks	4.9	366.2
Industry	Thriffs & Mortgage Finance	0.0	-
Sub-Industry	Thriffs & Mortgage Finance	0.0	-
Industry Group	Diversified Financials	32.0	2,706.2
Industry	Diversified Financial Services	9.2	834.3
Sub-Industry	Other Diversified Financial Services	0.4	30.0
Sub-Industry	Multi-Sector Holdings	8.8	804.3
Sub-Industry	Specialized Finance	0.0	-
Industry	Consumer Finance	2.8	235.8
Sub-Industry	Consumer Finance	2.8	235.8
Industry	Capital Markets	19.9	1,636.1
Sub-Industry	Asset Management & Custody Banks	5.3	452.3
Sub-Industry	Investment Banking & Brokerage	4.8	407.7
Sub-Industry	Diversified Capital Markets	2.1	159.0
Sub-Industry	Financial Exchanges & Data	7.8	617.1
Industry	Mortgage REITs	0.0	-
Sub-Industry	Mortgage REITs	0.0	-
Industry Group	Insurance	22.5	1,783.6
Industry	Insurance	22.5	1,783.6
Sub-Industry	Insurance Brokers	2.9	222.4
Sub-Industry	Life & Health Insurance	7.7	625.8
Sub-Industry	Multi-line Insurance	5.2	404.6
Sub-Industry	Property & Casualty Insurance	5.6	436.1
Sub-Industry	Reinsurance	1.1	94.9

Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. Table is provided for illustrative purposes.

Diversified Financials as an industry group comprised 32.0% of the total index weight. Its largest industry, Capital Markets, had a total index weight of 19.9%. Finally, the Insurance industry group had a single industry with a weight of 22.5%.

At the sub-industry level, Diversified Banks had a clear size advantage relative to its peers; with a weight of 40.6%, it was larger than the sum of the next six largest sub-industries.

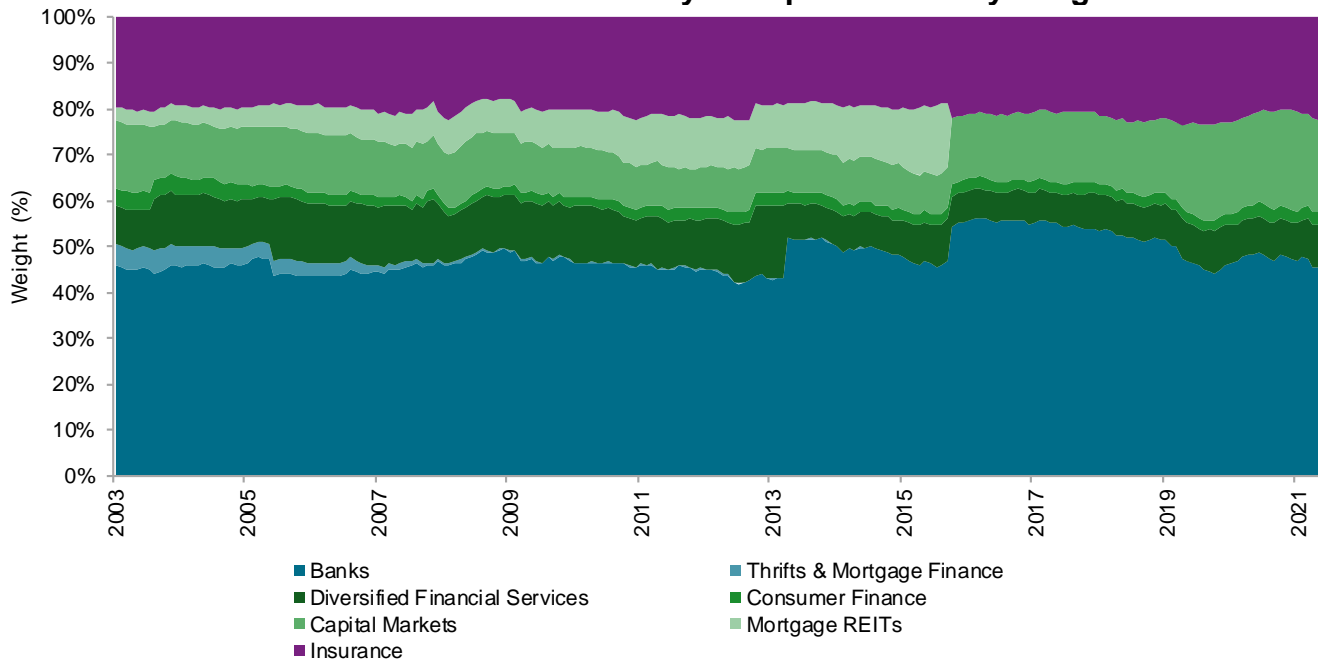
Composition Evolution

The composition of the Financials sector has changed markedly over time, being affected by changes in the GICS framework implemented in 2004, 2006, 2008, 2014 and 2016. However, the most comprehensive change was the carve-out of Real Estate securities, formerly included as an industry group within Financials. Before the creation of its own GICS sector, Real Estate was the smallest industry group within the Financials sector; it had a total weight of 14% and accounted for 27.4% of all constituents included in the index (see Exhibit 6). However, Real Estate grew steadily leading up to the 2016 change in both number of constituents and total index weight, doubling the latter in the six years before its move to a separate sector.

S&P Dow Jones Indices and MSCI launched a consultation in October 2021 to receive market feedback concerning changes in GICS structure that would affect the Financials sector. The resulting changes, which will be implemented in March 2023, are the following:

- Transaction and payment processing companies will be reclassified to a newly created sub-industry called Transaction and Payment Processing Services;
- Thrifts and savings banks will be incorporated into an expanded Regional Banks classification; and
- The Thrifts & Mortgage Finance sub-industry will be discontinued under the Banks Industry Group and a new Commercial & Residential Mortgage Finance sub-industry will be created under the Diversified Financials industry group (to be renamed Financial Services).

To better understand the impact of these historical structural changes to the GICS system, Exhibit 6 presents an industry group and industry breakdown, with colors defining industry groups and shades representing different industries within each group. The dotted lines indicate changes in GICS definitions.

Exhibit 6: S&P Global 1200 Financials Industry Group and Industry Weights

Note: Mortgage REITs contains previous Real Estate categories included in the Financials sector prior to 2016 changes for illustrative purposes only. The industry has had no constituents since.

Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. Vertical dotted lines indicate implementation of new GICS definitions that modified a constituting element of the sector. Chart is provided for illustrative purposes.

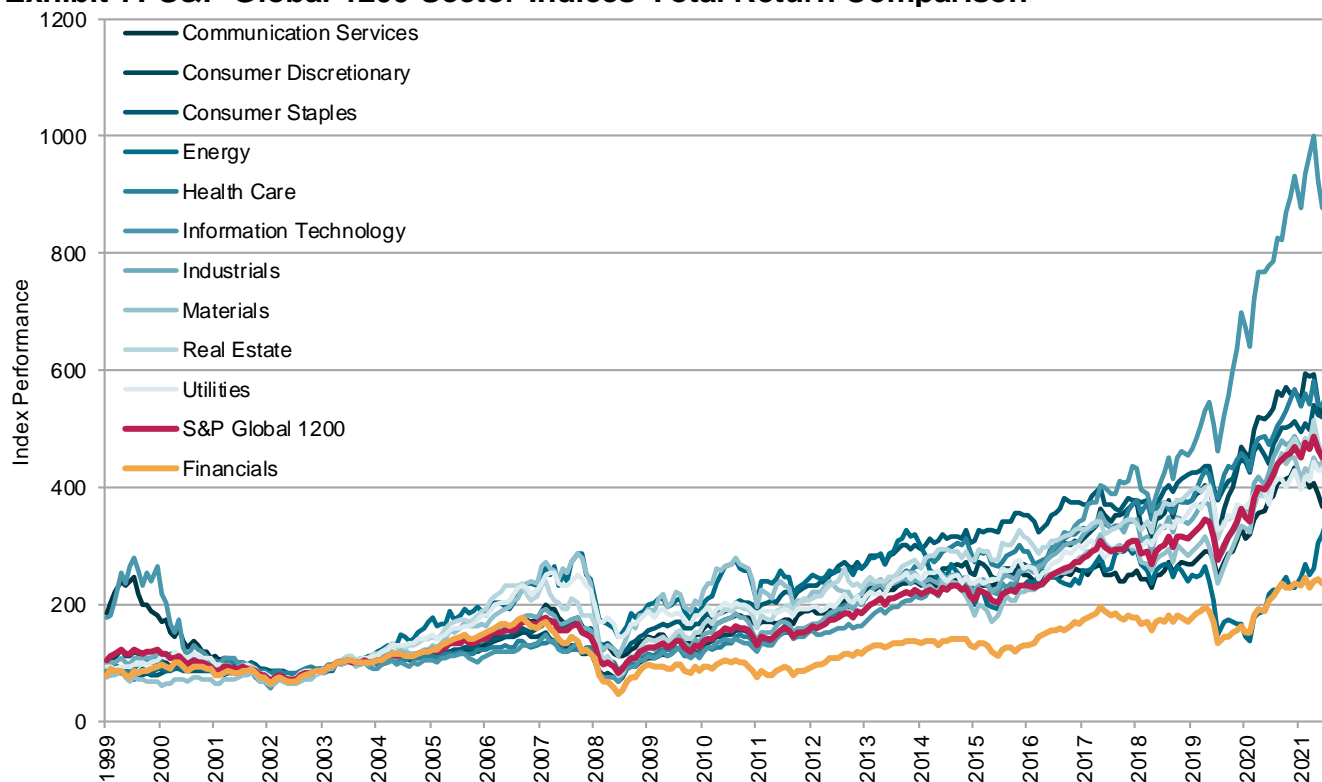
Weight distributions by industry group and industry have displayed relative stability over the past two decades. Banks (presented in blue) represented the largest industry group, with a long-term average monthly weight of 48.7% (51.6% excluding the Real Estate constituents that were carved out in 2016). A recent shift beginning in 2020 has moved index weight away from this industry group and into the second-largest industry group, Diversified Financials (presented in green).

Banks, like most industries in the Financials sector, has exhibited a stable index weight concentration. The largest industry in the period analyzed, it had a long-term average monthly weight of 47.7% (50.6% excluding the Real Estate constituents). Capital Markets represents an outlier industry, exhibiting an upward trend in index weight that preceded the COVID-19 pandemic; between 2019 and 2022, it increased its index weight by 35.6%.

Sector Performance

The Financials sector could be considered a laggard in terms of performance compared to its sector peers and parent index (see Exhibit 7). After experiencing a notable drawdown during the Global Financial Crisis in 2008, it has not been able to recover the growth trend exhibited in the previous years.

Exhibit 7: S&P Global 1200 Sector Indices Total Return Comparison



Note: Figures standardized such that Dec. 31, 2003= 100, given that the S&P Global 1200 Real Estate had its first value at that date. Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. The S&P Global 1200 Real Estate was launched Sept. 19, 2016. All data prior to index launch date is back-tested hypothetical data. 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.

The Financials sector exhibited subpar risk/return characteristics relative to its peers in the S&P Global 1200 (see Exhibit 8). Although the sector's returns have lagged other sectors and its parent index in most periods, 10-year returns were roughly in line with the broader S&P Global 1200. The sector had above-average volatility in most periods analyzed, especially in the longer term.

The combination of higher-than-average risk and moderate returns gave the Financials sector relatively low risk-adjusted returns, consistently below the characteristics displayed by its parent index.

Exhibit 8: Historic Performance of S&P Global 1200 Sector Indices

Index Name	1-Year	3-Year	5-Year	10-Year
Annualized Return (%)				
S&P Global 1200	-3.1	10.7	10.6	10.5
S&P Global 1200 Communication Services	-21.3	5.9	5.6	6.3
S&P Global 1200 Consumer Discretionary	-16.3	7.7	9.4	11.3
S&P Global 1200 Consumer Staples	8.3	9.1	7.6	9.0
S&P Global 1200 Energy	50.8	7.8	7.1	3.3
S&P Global 1200 Financials	-3.0	6.6	6.8	9.2
S&P Global 1200 Health Care	7.1	14.2	12.2	13.4
S&P Global 1200 Industrials	-8.4	7.1	7.6	9.8
S&P Global 1200 Information Technology	-3.4	21.0	21.0	17.9
S&P Global 1200 Materials	0.5	14.4	11.8	6.8
S&P Global 1200 Real Estate	5.8	8.0	8.3	8.9
S&P Global 1200 Utilities	4.8	9.3	9.6	8.7
Annualized Risk (%)				
S&P Global 1200	14.0	17.8	15.5	13.3
S&P Global 1200 Communication Services	16.4	17.9	16.2	14.0
S&P Global 1200 Consumer Discretionary	17.3	21.0	18.4	15.5
S&P Global 1200 Consumer Staples	11.3	13.0	12.1	11.2
S&P Global 1200 Energy	22.8	34.9	29.2	23.8
S&P Global 1200 Financials	15.9	23.3	20.2	17.4
S&P Global 1200 Health Care	16.0	15.1	13.9	12.8
S&P Global 1200 Industrials	15.2	21.0	18.6	15.3
S&P Global 1200 Information Technology	20.3	21.2	19.0	16.1
S&P Global 1200 Materials	16.4	21.3	18.3	17.5
S&P Global 1200 Real Estate	17.2	17.8	15.6	14.3
S&P Global 1200 Utilities	15.8	15.7	13.7	12.6
Annualized Risk-Adjusted Return				
S&P Global 1200	-0.2	0.6	0.7	0.8
S&P Global 1200 Communication Services	-1.3	0.3	0.3	0.5
S&P Global 1200 Consumer Discretionary	-0.9	0.4	0.5	0.7
S&P Global 1200 Consumer Staples	0.7	0.7	0.6	0.8
S&P Global 1200 Energy	2.2	0.2	0.2	0.1
S&P Global 1200 Financials	-0.2	0.3	0.3	0.5
S&P Global 1200 Health Care	0.4	0.9	0.9	1.0
S&P Global 1200 Industrials	-0.6	0.3	0.4	0.6
S&P Global 1200 Information Technology	-0.2	1.0	1.1	1.1
S&P Global 1200 Materials	0.0	0.7	0.6	0.4
S&P Global 1200 Real Estate	0.3	0.5	0.5	0.6
S&P Global 1200 Utilities	0.3	0.6	0.7	0.7

Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. The S&P Global 1200 Real Estate was launched Sept. 19, 2016. All data prior to index launch date is back-tested hypothetical data. 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.

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Underlying Industry Performance

Two primary trends among its constituents have notably affected the returns exhibited by the Financials sector: underwhelming performance by the largest groups and relative outperformance by members of the Diversified Financials industry group (see Exhibit 9).

The Banks industry group has underperformed relative to other industry groups, notably Diversified Financials, which has exhibited the best performance out of the three. At the industry level, Banks, by far the largest element in the group, has dragged down returns of the sector—consistently underperforming its peers, most notably Diversified Financial Services. Finally, the relatively low returns displayed by the largest sub-industry, Diversified Banks, stand in contrast to most other sub-industries that have fared better, including Multi-Sector Holdings and Financial Exchanges & Data, the second- and third-largest sub-industries, respectively.

Exhibit 9: Historic Performance of S&P Global 1200 Financial GICS Sub-Industries

GICS Level	Index Name	Annualized Return (%)			
		1-Year	3-Year	5-Year	10-Year
Sector	Financials	-3.0	6.6	6.8	9.2
Industry Group	Banks	-5.4	3.1	3.7	6.5
Industry	Banks	-5.4	3.1	3.7	6.5
Sub-Industry	Diversified Banks	-5.0	2.6	3.3	6.1
Sub-Industry	Regional Banks	-8.9	8.0	7.9	11.4
Industry	Thriffs & Mortgage Finance	-	-	-	-
Sub-Industry	Thriffs & Mortgage Finance	-	-	-	-
Industry Group	Diversified Financials	-1.8	12.5	11.4	12.3
Industry	Diversified Financial Services	12.9	13.9	12.6	15.0
Sub-Industry	Other Diversified Financial Services	12.3	11.3	3.5	7.0
Sub-Industry	Multi-Sector Holdings	12.9	14.0	13.6	13.5
Sub-Industry	Specialized Finance	-	-	-	-
Industry	Consumer Finance	0.8	13.4	14.1	11.5
Sub-Industry	Consumer Finance	0.8	13.4	14.1	11.5
Industry	Capital Markets	-7.6	12.0	10.7	10.7
Sub-Industry	Asset Management & Custody Banks	-14.9	7.3	7.3	10.1
Sub-Industry	Investment Banking & Brokerage	-4.9	17.5	11.4	14.8
Sub-Industry	Diversified Capital Markets	1.1	8.3	2.1	0.8
Sub-Industry	Financial Exchanges & Data	-6.1	13.3	17.4	-
Industry	Mortgage REITs	-	-	-	-
Sub-Industry	Mortgage REITs	-	-	-	-

Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. The S&P Global 1200 Real Estate was launched Sept. 19, 2016. All data prior to index launch date is back-tested hypothetical data. 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 9: Historic Performance of S&P Global 1200 Financial GICS Sub-Industries (cont.)

GICS Level	Index Name	Annualized Return (%)			
		1-Year	3-Year	5-Year	10-Year
Industry Group	Insurance	0.6	7.1	8.6	11.2
Industry	Insurance	0.6	7.1	8.6	11.2
Sub-Industry	Insurance Brokers	12.7	19.0	19.3	19.0
Sub-Industry	Life & Health Insurance	-10.4	2.1	5.4	9.0
Sub-Industry	Multi-line Insurance	4.5	8.3	8.0	11.1
Sub-Industry	Property & Casualty Insurance	11.8	9.6	10.6	13.0
Sub-Industry	Reinsurance	11.8	9.6	10.6	13.0

Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. The S&P Global 1200 Real Estate was launched Sept. 19, 2016. All data prior to index launch date is back-tested hypothetical data. 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.

Correlation

Financials is a sector that is traditionally considered cyclical, which means that its performance is positively correlated to the broader market and economy. Exhibit 10 summarizes the 10-year linear correlation between Financials' monthly returns and the returns of other sectors and regional equity indices.

Exhibit 10: Historical Correlation of the S&P Global 1200 Financials to Other Sectors and Broad Indices

S&P Global 1200 Sector	Correlation	Index	Correlation
S&P Global 1200	0.90	S&P Global BMI Financials	1.00
S&P Global 1200 Industrials	0.89	S&P Global BMI	0.90
S&P Global 1200 Consumer Discretionary	0.80	S&P Developed BMI	0.89
S&P Global 1200 Materials	0.79	S&P Developed Ex-U.S. BMI	0.89
S&P Global 1200 Energy	0.75	S&P Global Ex-U.S. BMI	0.89
S&P Global 1200 Communication Services	0.69	S&P Europe 350	0.87
S&P Global 1200 Information Technology	0.69	S&P 500	0.84
S&P Global 1200 Health Care	0.63	S&P/TSX 60	0.83
S&P Global 1200 Real Estate	0.63	S&P/ASX All Australian 50	0.77
S&P Global 1200 Consumer Staples	0.58	S&P Emerging BMI	0.75
S&P Global 1200 Utilities	0.42	S&P/TOPIX 150	0.75
		S&P Latin America 40	0.66
		S&P Asia 50	0.66

Source: S&P Dow Jones Indices LLC. Data as of April 29, 2022. The S&P Global 1200 Real Estate was launched Sept. 19, 2016. All data prior to index launch date is back-tested hypothetical data. 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.

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The sector displayed a relatively high correlation to the headline index, as well as other sectors traditionally regarded as cyclical: Industrials, Consumer Discretionary and Materials. A high correlation to broad market indices was present, such as the S&P Global BMI and S&P Developed BMI. It exhibited a comparatively lower correlation to sectors traditionally considered defensive, such as Utilities and Consumer Staples. In terms of broad indices, it was least correlated to the S&P Asia 50 and the S&P Latin America 40.

Conclusion

The S&P Global 1200 Financials sector has experienced significant changes throughout the years as the GICS structure has evolved. Mostly notably, Real Estate was carved out of the Financials sector in 2016 to create a new GICS sector. The sector has shrunk in index weight over the past decade, reflecting both definitional changes and a broader market trend as Financials underperformed the broader market. Still, it remained the second-largest sector in the S&P Global 1200, accounting for 13.9% of total index weight as of April 29, 2022. Its constituents are largely concentrated in the U.S. and other developed markets, although it is more geographically diverse than the S&P Global 1200. Banks represented the largest industry group and industry throughout the period analyzed. Diversified Banks represented by far the largest sub-industry. The greatest 10-year returns as of April 28, 2022, belonged to Diversified Financials (industry group; up 12.3%), Diversified Financial Services (industry; up 15.0%) and Insurance Brokers (sub-industry; up 19.0%).

The sector's performance has lagged relative to other sectors, driven by the underperformance of its largest industry group, Banks. In addition, the risk of the sector, as measured by standard deviation of returns, has historically been higher than most other sectors, leading to a risk/return profile that has trailed the broader S&P Global 1200 over both the short and long term.

Performance Disclosure/Back-Tested Data

The S&P Global 1200 Real Estate was launched September 19, 2016. 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, can not 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.

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