

Dow Jones North America Select Junior Gold Index Consultation

NEW YORK, AUGUST 3, 2018: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with members of the investment community on potential changes to the Dow Jones North America Select Junior Gold Index.

In an effort to increase the component count of the index while maintaining the “Junior” characteristic, and taking into consideration turnover impact, S&P DJI is seeking market feedback on the following proposed changes:

Proposed Change	Description
Market Capitalization Range	<p>S&P DJI is proposing to broaden the market capitalization range used for index eligibility. Under this proposal, both on a full and float-adjusted market cap basis, a company must fall within the bottom 20% by cumulative market cap range of the eligible GICS sub-industries (bottom 25% for current index constituents).</p> <p>Currently, both on a full and float-adjusted market cap basis, a company must fall within the 90% to 98% cumulative market cap range of the eligible GICS sub-industries (85% to 99% for current constituents).</p>
Minimum Market Capitalization Requirement	<p>S&P DJI is proposing to add a minimum market capitalization requirement. Under this proposal, stocks would be required to have a float-adjusted market cap of at least US\$ 100 million (US\$ 75 million for current constituents).</p>
Liquidity Screen	<p>S&P DJI is proposing to modify the index’s liquidity screen so that stocks would be required to have a three-month median daily value traded (“3M MDVT”) of at least US\$ 500,000.</p> <p>Currently, the index’s liquidity screen requires that stocks must have an average daily three-month float turnover of at least 0.2%.</p>

For more information on the index’s methodology, please refer to the Dow Jones North America Select Junior Indices Methodology available [here](#).

IMPACT ANALYSIS

The table below details the theoretical impact of the proposed changes using data as of July 23, 2018.

Methodology Changes	Additions	Deletions	Component Count	One-Way Turnover
None	1	4	5	45.58%
Market Capitalization Range and Minimum Market Capitalization	13	4	17	76.47%
Liquidity Screen and Minimum Market Capitalization	6	1	13	46.15%
Market Capitalization Range, Liquidity Screen, and Minimum Market Capitalization	17	1	24	62.50%

The tables below provide additional information used in determining the proposals described above using data as of July 23, 2018.

Market Capitalization Ranges Using Float Turnover	Additions	Deletions	Component Count
90% - 100% (Buffer 85% - 100%)	7	4	11
70% - 100% (Buffer 65% - 100%)	14	4	18
60% - 100% (Buffer 55% - 100%)	16	4	20
50% - 100% (Buffer 45% - 100%)	17	4	21

Market Capitalization Ranges Using 3M MDVT	Additions	Deletions	Component Count
90% - 100% (Buffer 85% - 100%)	10	1	17
70% - 100% (Buffer 65% - 100%)	22	1	29
60% - 100% (Buffer 55% - 100%)	24	1	31
50% - 100% (Buffer 45% - 100%)	25	1	32

Cumulative Market Cap Threshold	Approx. Float-Adjusted Market Cap (US\$)	Count Below Threshold
50%	10,400,000,000	40
60%	5,900,000,000	39
70%	4,600,000,000	38
80%	1,800,000,000	32
90%	1,300,000,000	28
98%	400,000,000	12
99%	300,000,000	8

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

1. Do you agree with the proposal to broaden the market capitalization range so that on both a full and float-adjusted market cap basis, a company must fall within the bottom 20% by cumulative market cap range of the eligible GICS sub-industries (bottom 25% for current constituents)?
2. Do you agree with the proposal to add a minimum float-adjusted market capitalization requirement of US\$ 100 million (US\$ 75 million for current constituents)?
3. Do you agree with the proposal to modify the liquidity screen so that stocks would be required to have a 3M MDVT of at least US\$ 500,000?
4. Do you have any other comments or feedback regarding the proposed changes outlined above?

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. S&P DJI will make responses to consultations freely available upon request.¹ If you do not want your response to be made available, you must clearly state that in your response. Please respond to this survey by **September 3, 2018**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI will consider the issues and may request clarifications from respondents as part of that review. Alternative options to the proposed questions after the deadline require that the consultation be re-opened to the public.

To participate in this consultation, please visit the online survey available [here](#).

¹ Individual and company names as well as contact details will be redacted.

CONSULTATION

For further information about this consultation, please contact S&P Dow Jones Indices at index_services@spglobal.com.

Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our website.

Thank you for taking the time to complete this survey.

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 become home to over 1,000,000 indices across the spectrum of asset classes that have helped 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.

FOR MORE INFORMATION:

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