

## Dow Jones Emerging Markets Consumer Titans 30 Index Consultation Results

**NEW YORK, FEBRUARY 27, 2019:** S&P Dow Jones Indices (“S&P DJI”) has conducted a consultation with members of the investment community on potential changes to the Dow Jones Emerging Markets Consumer Titans 30.

In order to more effectively and comprehensively capture the emerging market consumer theme while limiting geographic and single stock concentration, S&P DJI will modify the index’s eligibility and construction criteria as detailed in the table below.

Changes	Methodology	
	Current	Updated
Index Universe	The index universe is defined as all constituents of the Dow Jones Emerging Markets Consumer Goods Titans 30 and Dow Jones Emerging Markets Consumer Services Titans 30.	The index universe is defined as all constituents of the S&P Emerging BMI <sup>1</sup> that are classified in the GICS <sup>2</sup> Consumer Discretionary (25), Consumer Staples (30), and Communication Services (50) sectors.
Geographic Revenue Exposure Requirement	--	Companies must derive at least 75% of their revenue from emerging markets (60% for current constituent companies).
Selection Universe	Stocks in the index universe having more than 10 non-trading days over the past quarter are excluded. In addition, stocks that make up the index universe must have a six-month median daily value traded of at least US\$ 5 million (US\$ 3 million for current constituents).	Stocks in the index universe having more than 10 non-trading days over the past quarter are excluded. In addition, stocks that make up the index universe must have a six-month median daily value traded of at least US\$ 3 million (US\$ 2 million for current constituents).
Constituent Selection Criteria	Constituent selection is as follows: <ol style="list-style-type: none"> <li>1. Companies in the selection universe are ranked by combined float-adjusted market capitalization.</li> <li>2. Companies are then selected top-down until the target count of 10 companies per industry (30 companies in total) is reached subject to the following buffers: <ol style="list-style-type: none"> <li>a. Any non-constituent company ranked among the top 20 replaces the lowest ranked constituent.</li> <li>b. Any constituent company not among the top 40 companies is replaced by the highest ranked non-constituent.</li> </ol> </li> </ol>	Constituent selection is as follows: <ol style="list-style-type: none"> <li>1. Companies in the selection universe are ranked by combined float-adjusted market capitalization, revenue, and net profit. A final rank is calculated by weighting the float-adjusted market capitalization rank at 60%, the revenue rank at 20%, and the net profit rank at 20%.</li> <li>2. Companies are then selected top-down until the target count of 20 companies per GICS sector (60 companies total) is reached subject to the following buffers: <ol style="list-style-type: none"> <li>a. Any non-constituent company ranked among the top 10 in each sector replaces the lowest ranked constituent.</li> <li>b. Any constituent company not among the top 25 in each sector is replaced by the highest ranked non-constituent.</li> </ol> </li> </ol>

<sup>1</sup> Note that the S&P Emerging BMI includes companies domiciled in Taiwan, which are excluded from the current index universe. For more information on the S&P Emerging BMI, please refer to the *S&P Global BMI, S&P/IFCI Methodology* available [here](#).

<sup>2</sup> For information on the Global Industry Classification Standard (“GICS<sup>SM</sup>”), please refer to the *GICS Methodology* available [here](#).

Changes	Methodology	
	Current	Updated
Constituent Weighting	<p>The index is weighted by float adjusted market capitalization, subject to the following restrictions:</p> <ol style="list-style-type: none"> <li>1. The weight of any individual company is restricted to 10%.</li> <li>2. The aggregate weight of individual companies with weights of 4.5% or more is restricted to 45% of the index.</li> </ol>	<p>The index is weighted by float adjusted market capitalization, subject to the following restrictions:</p> <ol style="list-style-type: none"> <li>1. The weight of any individual company is restricted to 5%.</li> <li>2. The aggregate weight of individual companies with weights of 4.5% or more is restricted to 45% of the index.</li> <li>3. The weight of each country must be within 75% and 125% of the weight in the initial index universe (i.e. the S&amp;P Emerging BMI).</li> </ol>

These changes will become effective prior to the market open on Monday, March 18, 2019, in conjunction with a one-time index rebalancing. Following this one-time rebalancing, the next index composition review will be delayed and will not occur until September 2020.

For more information about S&P DJI, please visit [www.spdji.com](http://www.spdji.com).

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