

FTSE Global Equity Index Series

Index review reference data cut-off
dates for 2023



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FTSE Global Equity Index Series review schedule 2023

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| | Semi-annual review March 2023 | Quarterly review June 2023 | Semi-annual review September 2023 | Quarterly review December 2023 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------------------------------|---------------------------------------|----------------------------------------|
| Index rebalance market capitalisation data cut-off^{1 & 2} | 30 December 2022 | N/A | 30 June 2023 | N/A |
| Liquidity testing period³ | 2 January 2022 to 30 December 2022 | N/A | 1 July 2022 to 30 June 2023 | N/A |
| IPO/spin-off review period⁴ | 12 August 2022 to 30 December 2022 | 4 October 2022 to 28 April 2023 | 1 February 2023 to 30 June 2023 | 4 April 2023 to 31 October 2023 |
| IPO/spin-off cut-off to meet three-month minimum trading requirement⁵ | 3 October 2022 | 31 January 2023 | 3 April 2023 | 31 July 2023 |
| IPO/spin-off market cap cut-off⁶ | 30 December 2022 | 28 April 2023 | 30 June 2023 | 31 October 2023 |
| ICB review cut-off date⁷ | 10 February 2023 | 28 April 2023 | 31 July 2023 | 31 October 2023 |
| Quarterly free float and share changes cut-off (only updates captured up to and including this date will be processed at the index review) ⁸ | 10 February 2023 | 28 April 2023 | 31 July 2023 | 31 October 2023 |
| Release of indicative review files and technical notices (detailing proposed index, free float and share in issue changes) | 17 February 2023 | 19 May 2023 | 18 August 2023 | 17 November 2023 |
| Query period (window for clients to query the data visible within the files) | 20 February 2023 to 3 March 2023 | 22 May 2023 to 2 June 2023 | 21 August 2023 to 1 September 2023 | 20 November 2023 to 1 December 2023 |
| Release of final index review files – incorporates any revisions to indicative file | 3 March 2023 | 2 June 2023 | 1 September 2023 | 1 December 2023 |
| Lockdown period (open of) | 6 March 2023 | 5 June 2023 | 4 September 2023 | 4 December 2023 |
| Review effective date (open of) ⁹ | 20 March 2023 | 19 June 2023 | 18 September 2023 | 18 December 2023 |

Note: dates may be subject to change. Clients will be notified of any changes.

FAQ

1. Data cut-off date for the semi-annual reviews in March and September

March review

Data cut-off will be the last business day in December.

September review

Data cut-off will be the last business day in June.

2. What happens in June and December?

Normal quarterly changes such as the following will be processed in June and December:

- Industry Classification Benchmark (ICB) updates
- Capping
- IPOs that failed to qualify as fast entrants
- The large/mid/small/micro status of companies resulting from a spin-off. Please note: any companies resulting from a spin-off below the exit threshold will be deleted.

Additionally in June 2023, all normal quarterly share and free float updates will be implemented **regardless of size** (i.e. the respective 1% and 3% buffers will not be applied). Please refer to the following FAQ document for further details:

[Shares and Free Float Maintenance FAQ.pdf](#)

In March, September and December 2023, all normal quarterly share and free float updates will be implemented subject to breaching the respective 1% and 3% buffers.

3. Liquidity testing period

A full 12-month liquidity test will be conducted in both the March and September semi-annual reviews.

Testing periods

| Review month | Liquidity testing period |
|--------------|--------------------------------------------------------------------------|
| March | First business day of January 2022 to last business day of December 2022 |
| September | First business day of July 2022 to last business day of June 2023 |

For illustration purposes: liquidity testing period for the March 2023 review will be from 2 January 2022 to 30 December 2022.

4. IPO/spin-off review period

As well as being reviewed at the March and September semi-annual reviews, IPOs from all regions (which failed to qualify as fast entrants) and the companies resulting from a spin-off will also be reviewed in June and December.

Note that spin-off companies that had been removed from the index due to not trading for 20 business days from the ex-date of the distribution but which subsequently begin trading will be treated as a new issue for the purposes of assessing eligibility and reviewed at the following index review.

Liquidity will be tested over the date ranges shown below.

| Review month | IPO period assessed |
|----------------|-----------------------------------|
| March 2023 | 12 August 2022 – 30 December 2022 |
| June 2023 | 4 October 2022 – 28 April 2023 |
| September 2023 | 1 February 2023 – 30 June 2023 |
| December 2023 | 4 April 2023 – 31 October 2023 |

For illustration purposes: for the March 2023 review, the cut-off date for index data is 30 December 2022. However, only those IPOs and spin-offs with three months' liquidity as at 30 December 2022 will be considered for index inclusion in March 2023. Therefore, to meet the minimum three-month trading requirement, an IPO or spin-off would need to have listed by 3 October 2022.

5. IPO/spin-off cut-off date to meet minimum three-month trading requirement

| Review month | Minimum IPO listing date |
|----------------|--------------------------|
| March 2023 | 3 October 2022 |
| June 2023 | 31 January 2023 |
| September 2023 | 3 April 2023 |
| December 2023 | 31 July 2023 |

6. Market capitalisation date used to determine IPO/spin-off eligibility in June and December

Index membership of eligible IPOs and the companies resulting from a spin-off will be determined by referencing the full company market capitalisation at close on 30 April* or 31 October* (as appropriate), against the entry levels for large, mid, small and micro as set in the March or September review (as appropriate), index adjusted to reflect the subsequent change in performance of the appropriate regional index. Please note the minimum market cap requirements for the investable inclusion and exclusion levels are USD 150 million and USD 30 million respectively.

*The previous trading day's data will be taken if any of the dates above are on a non-trading day.

7. ICB review cut-off date

Cut-off date: the cut-off dates for the receipt of data for consideration at periodic reviews will be on the second Friday of February and the last working day in April, July and October.

Implementation: periodic changes to the industry classification of a company will be implemented after the close on the third Friday of March, June, September and December.

Monthly announcements: on the first business day of each month an indicative list of pending periodic review changes will be announced.

Quarterly periodic review announcement: the confirmed periodic review changes will be announced on the Wednesday following the second Friday of February, May, August and November. Any revisions to those announcements may be made up until the Friday two weeks prior to the implementation date. Revisions after this date will only be considered under exceptional circumstances.

8. Quarterly free float and shares in issue changes

March 2023

The cut-off date for normal quarterly share and free float changes will be the Friday five weeks prior to effective date.

For illustration purposes: for the March 2023 semi-annual review, the cut-off date will be Friday 10 February 2023.

June 2023

The cut-off date for normal quarterly share and free float changes will be the last business day in April.

For illustration purposes: for the June 2023 quarterly review, the cut-off date will be Friday 28 April 2023.

Please note: in June 2023, all normal quarterly share and free float updates will be implemented **regardless of size** (i.e. the respective 1% and 3% buffers will not be applied). Please refer to the following FAQ document for further details:

[Shares and Free Float Maintenance FAQ.pdf](#)

September 2023

The cut-off date for normal quarterly share and free float changes will be the last business day in July.

For illustration purposes: for the September 2023 quarterly review, the cut-off date will be Monday 31 July 2023.

December 2023

The cut-off date for normal quarterly share and free float changes will be the last business day in October.

For illustration purposes: for the December 2023 quarterly review, the cut-off date will be Tuesday 31 October 2023.

Quarterly minimum foreign headroom changes

Minimum foreign headroom tests are conducted in conjunction with the March, June, September and December quarterly reviews.

For constituent securities, minimum foreign headroom is tested based on data as of the quarterly shares in issue and free float cut-off date in March, June, September and December.

For illustration purposes: for the September 2023 review, the quarterly shares in issue and free float cut-off date will be 31 July 2023.

For non-constituent securities, minimum foreign headroom is tested based on data as of the review cut-off date in March, June, September and December.

For illustration purposes: for the September 2023 review, the review cut-off date will be 30 June 2023 and for the December 2023 review, the review cut-off date will be 31 October 2023.

Please note:

- The headroom test will take into account any foreign ownership limit changes scheduled to take effect up to and including the review effective date, based on information as of the shares in issue and free float cut-off date.
- The China and India markets provide disclosures of securities that are close to or have reached permissible foreign ownership limits; therefore, any securities that are being removed from the North Bound Stock Connect Buy List (China) or being added to the Red Flag and/or Breach List (India) (based on data as of one day prior to the review announcement date) will not be eligible for index addition.

9. Rebalance effective date

The effective date will be from the open on Monday following the third Friday of March, June, September and December.

10. Impact of country reclassification changes

FTSE classifies countries included in its global indices into one of three categories: developed, advanced emerging and secondary emerging.

FTSE conducts an annual review of all countries currently included in its global indices and those countries being considered for inclusion, the results released in September of each year. A notice period of at least six months is provided before changing the classification of any country.

Below we illustrate the review process incorporating a country classification change.

The following should be read in conjunction with the FTSE Global Equity Index Series ground rules. Separate country change FAQs will also be available on the FTSE Russell website.

Review process – defining regional/index universe

Countries are grouped into the following regions for the purpose of the reviews:

- Asia Pacific ex China ex Japan
- China
- Japan
- Developed Europe
- Emerging Europe

- Middle East and Africa
- North America
- Latin America

The 100% regional universe includes all eligible companies assigned the nationality of countries that are classified as eligible for inclusion as of review effective date.

The top 98% of the regional universe forms the index universe.

Reviewing constituents for the indices

To reduce turnover, existing GEIS constituents will retain their current large/mid/small/micro-cap status and will be subject to the new regional buffer zones to determine their new index status within the allocated region. However, constituents of newly eligible countries will be treated as non-constituents.

Inclusion/exclusion percentage levels by investable market capitalisation

The percentage levels by investable market capitalisation for all regions will be determined based on the respective regional small cap index as of cut-off date. Please note the minimum market cap requirements for the investable inclusion and exclusion levels are USD 150 million and USD 30 million respectively.

For illustration purposes: for the March 2023 semi-annual review, the investable market capitalisation buffers will be calculated based on the Small Cap Index as of 30 December 2022.

Liquidity

For the purposes of liquidity, an existing FTSE GEIS All-Cap constituent will remain considered as a constituent following a country reclassification. As such, based on a constituent's median daily trading volume per month, it must turnover at least 0.04% of its shares in issue (after the application of any free float weightings) for at least eight of the 12 months prior to a full market review.

In the case of a country reclassification from FTSE Frontier to FTSE GEIS All-Cap, stocks will be considered as non-constituents. As such, based on a non-constituent's median daily trading volume per month, it must turnover at least 0.05% of its shares in issue (after the application of any free float weightings) for at least 10 of the 12 months prior to a full market review.

Further information

If you have any questions and would like to speak to a client services individual directly, please do not hesitate to contact us on the numbers below or via e-mail at info@ftserusell.com.

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