

S&P/BMV FIBRAS Index Consultation Results

MEXICO CITY, FEBRUARY 13, 2019: S&P Dow Jones Indices (“S&P DJI”) has conducted a consultation with members of the investment community on potential changes to the S&P/BMV FIBRAS Index.

In order to enhance index diversification and investability, S&P DJI considered changes to the index universe, trading history requirement, and constituent weighting scheme.

Index Universe and Trading History. S&P DJI will not make any changes to the index universe and trading history requirement at this time. As such, the index universe will continue to consist of all stocks in the equity market listed on the BMV that are classified as Real Estate Investment Trusts (Fideicomiso de Inversión en Bienes Raíces or FIBRAS). In addition, the current trading history requirement whereby stocks must not have five or more non-trading days over the prior three-month period as of the rebalancing reference date will remain in effect.

Constituent Weighting. S&P DJI will modify the constituent weighting criteria in order to improve diversification and reduce the weights of less liquid securities. The table below summarizes the change.

Methodology	
Current	The index is weighted based on each stock’s value traded, subject to a single stock weight limit of 25%.
Updated	<p>The index is weighted by float-adjusted market capitalization, subject to the following constraints:</p> <ul style="list-style-type: none"> • No single stock’s weight can exceed 25%. • The aggregate weight of stocks with weights greater than 15% cannot exceed 60%. • The weight of any individual stock is restricted to a maximum liquidity weight calculated as each stock’s six-month MDVT¹ divided by the sum of the six-month MDVT for all stocks in the index, multiplied by three. Note that the capping algorithm redistributes the excess weight to the other stocks in proportion to their initial weights. Where the capping algorithm fails, the liquidity weight cap is relaxed by 0.5 in each iteration until a solution is found.

This change will become effective prior to the market open on Monday, June 24, 2019, in conjunction with the June semi-annual rebalancing.

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

¹ Median Daily Value Traded

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