Bloomberg US Domestic Equal Weight Index Methodology

June 2024

Bloomberg

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Introduction

The Bloomberg US Domestic Equal Weight Indices are equal-dollar weighted equity benchmarks consisting of the most highly capitalized US companies. The indices are calculated in Price, Total and Net Return variants.

Section 1: Overview

Name	Bloomberg US Domestic Equal Weight Indices
Base date	03/26/2007
Inception Date	See Appendix B
Rebalance	Quarterly
Reconstitution	Semi-Annually
Publication	Weekdays
Currency	USD
Index Tickers	See Appendix B

Section 2: Eligibility

Equity Universe

In order to be eligible for the Bloomberg US Domestic Equal Weight Indices, a security must be in the Bloomberg US Aggregate Equity Index (AGGE) which represents approximately 99% of the US market by capitalization. Refer to the Bloomberg US Domestic Equity Indices Methodology for further information.

Section 3: Selection

Each Bloomberg US Domestic Equal Weight Index will select the same securities as the parent index. For example, the top 200 securities ranked by free float market capitalization (B200 Index) will constitute the membership of the Bloomberg US 200 Equal Weight Index. Please refer to Appendix B Tickers, Parent Universe & Inception Dates for further information.

Section 4: Weighting

The Index is equal weighted. Each Index Members are all assigned an equal weight at the Company level. The weights are reset quarterly and are determined as follow:

$$Equal\ Weight\ \% = \frac{100\%}{n_t}$$

Where:

n Number of Company Index Member at t

NOTE: If a Company has multiple securities, the Company's equal weight is split among its securities proportionally to their respective free-float market capitalization.

Section 5: Maintenance

Index Rebalance and Reconstitution

The Index is reconstituted semiannually in March and September. The Index is rebalanced quarterly in March, June, September and December, respectively.

Selection Date

The Index Eligibility Process and Index Construction Process is applied using data as of the last Wednesday in January, April, July and October, respectively.

Index Announcement Date

An Index reconstitution announcement date shall be the last Wednesday in February and August. An Index rebalance announcement date shall be last Wednesday in February, May, August, and November, respectively.

Index Effective Date

The Index reconstitutions go effective at the close of trading on second Wednesday of March and September. The Index rebalances go effective after the close of trading on the second Wednesday in March, June, September and December, respectively.

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Selection Date	Last Wednesday	X			X			X			X		
Announcement Date	Last Wednesday		X			X			X			X	
Effective Date	Second Wednesday			X			X			X			X

Index Calculation

Refer to the Bloomberg US Domestic Equity Indices Methodology for index calculation details.

Deletion Policy

Index securities are not deleted outside Index Rebalance and Reconstitution window except in the case of a delisting.

Addition Policy

Excluding Fast Track IPOs and Spun-off securities, Index securities are not added outside of the Index reconstitution.

Replacement Policy

Index securities are not replaced outside of the Index reconstitution.

Corporate Actions

Refer to Bloomberg US Domestic Indices Non-Market Cap Corporate Action Methodology for the treatment of corporate actions.

Section 6: Risks and limitations

Risks

The following is a summary of certain risks associated with the Index but is not meant to be an exhaustive list of all risks associated with the Index. Although the Index is designed to be representative of the markets it is measuring, it may not be representative of every use case. There is also inherent, though transparent, judgment in its construction, as outlined in this Methodology. The Index is designed for general applicability and not to address the individual circumstances and needs of users. BISL does not advise about the usefulness of the Index to a particular circumstance; users are therefore encouraged to seek their own counsel for such matters. This Methodology is subject to change, which may impact its usefulness to users. Although efforts will be made to alert users of any change, every individual user may not be aware of them. Such changes may also significantly impact the usefulness of the Index. BISL may also decide to cease publication of this Index. BISL maintains internal policies regarding user transitions, but no guarantee is given that an adequate alternative is available generally or for a particular use case. Markets for stocks, as with all markets, can be volatile. As the Index is designed to measure this market, it could be materially impacted by market movements, thus significantly affecting the use or usefulness of the Index for some or all users. Also, certain equity markets are less liquid than others – even the most liquid markets may suffer periods of illiquidity. Illiquidity can have an impact on the quality or amount of data available to BISL for calculation and may cause the Index to produce unpredictable results.

Limitations of the index

Though the Index is designed to be representative of the markets it measures or otherwise aligns with its stated objective, it may not be representative in every case or achieve its stated objective in all instances. It is designed and calculated strictly to follow the rules of this Methodology, and any Index level or other output is limited in its usefulness to such design and calculation.

Markets can be volatile, including those market interests that the Index measures or upon which the Index is dependent to achieve its stated objective. For example, illiquidity can have an impact on the quality or amount of data available to the administrator for calculation and may cause the Index to produce unpredictable or unanticipated results.

In addition, market trends and changes to market structure may render the objective of the Index unachievable or to become impractical to replicate by investors.

In particular, the Index measures global equity markets. As with all equity investing, the Index is exposed to market risk. The value of equities fluctuate with the changes in economic forecasts, interest rate policies established by central banks and perceived geo-political risk. The Index does not take into account the cost of replication and as a result a tracking portfolio's returns will underperform the Index with all else equal. As the Index is designed to measure those markets, it could be materially impacted by market movements, thus significantly impacting the use or usefulness of the fixings for some or all users.

In addition, certain sub-indices may be designed to measure smaller subsets of the Index such as specific styles, size, and sector. Some of these sub-indices have very few qualifying constituents and may have none for a period of time. During such period, the sub-index will continue to be published at its last value, effectively reporting a 0% return, until new constituents qualify. If no constituents are expected to qualify (due to changes in market structure and other factors), the sub-index may be discontinued. In such an event, this discontinuation will be announced to index users.

Section 7: Benchmark oversight and governance

Benchmark governance, audit and review structure

Please refer to the "Governance Structure" section in BISL Benchmark Procedures Handbook available here.

Index and data reviews

Please refer to the Bloomberg "Benchmark and Methodology Launch and Changes" section in BISL Benchmark Procedures Handbook available here.

Cessation Policy

Please refer to the "Cessation Policy" section in BISL Benchmark Procedures Handbook available here.

Expert judgement & Discretion

Please refer to the "Expert Judgement and Discretion" section in BISL Benchmark Procedures Handbook available here.

Conflicts of interest

Please refer to the "Conflicts of Interest" section in BISL Benchmark Procedures Handbook available here.

Restatement policy

Please refer to the "Restatement Policy" section in BISL Benchmark Procedures Handbook available here.

Methodology Book Changes

Date	Update
October 2023	Index creation
March 2024	Addition policy clarification
June 2024	Expansion of document to include all US Domestic Equal Weight Indices Addition of Appendix B

Appendix A: ESG Disclosure

EXPLANATION OF HOW ESG FACTORS ARE REFLECTED IN THE KEY ELEMENTS OF THE BENCHMARK METHODOLOGY	
Item 1. Name of the benchmark administrator.	Bloomberg Index Services Limited ("BISL")
Item 2. Type of benchmark or family of benchmarks. *Choose the relevant underlying asset from the list provided in Annex II to Commission Delegated Regulation (EU)2020/1816.*	Equity
Item 3. Name of the benchmark or family of benchmarks.	Bloomberg US Domestic Equal Weight Index
Item 4. Does the benchmark methodology for the benchmark or family of benchmarks take into account ESG factors?	No
Item 5. Where the response to Item 4 is positive, please list below, for each family of benchmarks, those ESG factors that are taken into account in the benchmark methodology, taking into account the ESG factors listed in Annex II to Delegated Regulation (EU) 2020/1816. Please explain how those ESG factors are used for the selection, weighting or exclusion of underlying assets. The ESG factors shall be disclosed at an aggregated weighted average value at the level of the family of benchmarks.	
(a) List of environmental factors considered:	Not applicable
(b) List of social factors considered:	Not applicable
(c) List of governance factors considered	Not applicable
Item 6. Where the response to Item 4 is positive, please list below, for each benchmark, those ESG factors that are taken into account in the benchmark methodology, taking into account the ESG factors listed in Annex II to Delegated Regulation (EU) 2020/1816, depending on the relevant underlying asset concerned. Please explain how those ESG factors are used for the selection, weighting or exclusion of underlying assets. The ESG factors shall not be disclosed for each constituent of the benchmark, but shall be disclosed at an aggregated weighted average value of the benchmark. Alternatively, all of this information may be provided in the form of a hyperlink to a website of the benchmark administrator included in this explanation. The information on the website shall be easily available and accessible. Benchmark administrators shall ensure that information published on their website remains available for five years.	
(a) List of environmental factors considered:	As above
(b) List of social factors considered:	As above
(c) List of governance factors considered:	As above
Item 7. Data and standards used	
(a) Data input. (i)*Describe whether the data are reported, modelled or sourced internally or externally.* (ii)*Where the data are reported, modelled or sourced externally, please name the third party data provider.*	Not Applicable
(b) Verification and quality of data. *Describe how data are verified and how the quality of those data is ensured.*	Not Applicable
(c) Reference standards *Describe the international standards used in the benchmark methodology.*	N/A
Date on which information has been last updated and reason for the update:	June 2024, Family expansion

Appendix B: Tickers, Parent Universe & Inception Dates

Index Name	Inception Date	Price Return Ticker	Total Return Ticker	Net Return Ticker
Bloomberg US 200 Equal Weight Index	10/27/2023	B200EQ	B200EQT	B200EQN
Bloomberg US Large Cap Equal Weight Index	6/7/2024	B500EQ	B500EQT	B500EQN
Bloomberg US 1000 Equal Weight Index	6/14/2024	B1000EQ	B1000EQT	B1000EQN
Bloomberg US 3000 Equal Weight Index	6/7/2024	B3000EQ	B3000EQT	B3000EQN

Index Name	Parent Universe
Bloomberg US 200 Equal Weight Index	Bloomberg US 200 Index
Bloomberg US Large Cap Equal Weight Index	Bloomberg US Large Cap Index (B500)
Bloomberg US 1000 Equal Weight Index	Bloomberg US 1000 Index
Bloomberg US 3000 Equal Weight Index	Bloomberg US 3000 Index

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