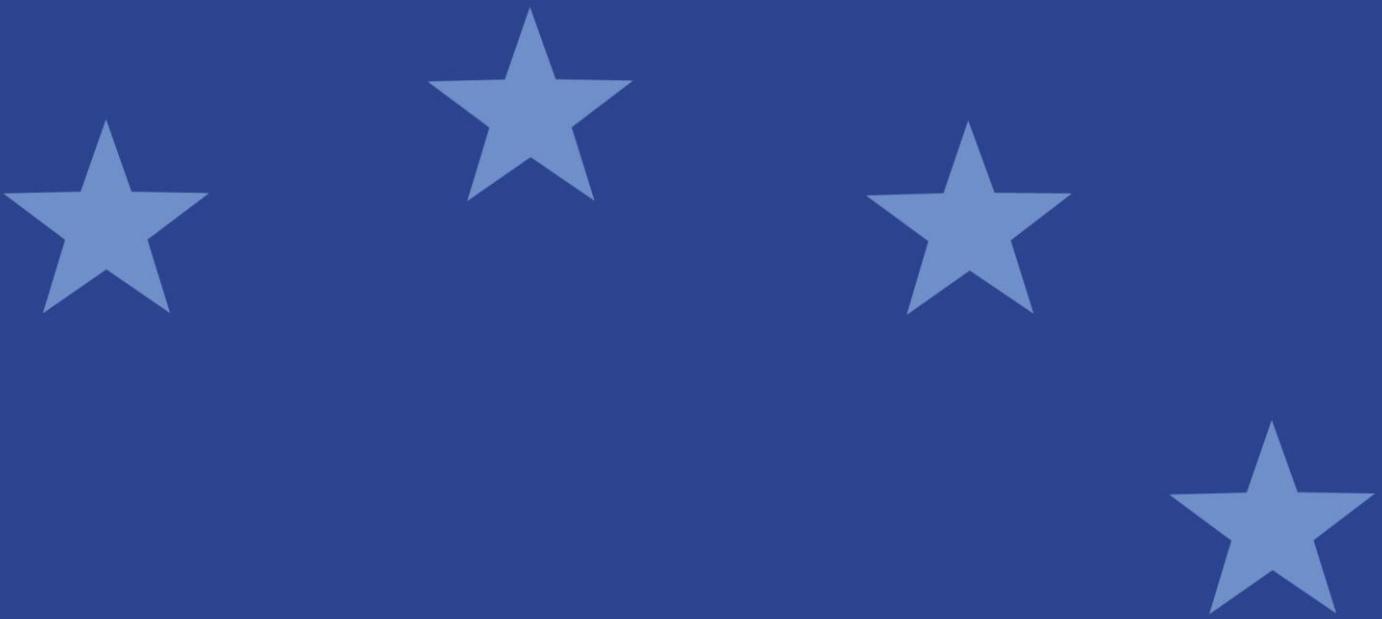




European Securities and
Markets Authority

Consultation Paper

Amendment to Commission Implementing Regulation (EU) 2016/1646



Responding to this paper

ESMA invites comments on all matters in this paper and in particular on the specific questions summarised in Annex 1. Comments are most helpful if they:

1. respond to the question stated;
2. indicate the specific question to which the comment relates;
3. contain a clear rationale; and
4. describe any alternatives ESMA should consider.

ESMA will consider all comments received by **5 July 2019**.

All contributions should be submitted online at www.esma.europa.eu under the heading 'Your input - Consultations'.

Publication of responses

All contributions received will be published following the close of the consultation, unless you request otherwise. Please clearly and prominently indicate in your submission any part you do not wish to be publicly disclosed. A standard confidentiality statement in an email message will not be treated as a request for non-disclosure. A confidential response may be requested from us in accordance with ESMA's rules on access to documents. We may consult you if we receive such a request. Any decision we make not to disclose the response is reviewable by ESMA's Board of Appeal and the European Ombudsman.

Data protection

Information on data protection can be found at www.esma.europa.eu under the heading [Legal Notice](#).

Who should read this paper

All interested stakeholders are invited to respond to this consultation paper. This consultation paper is primarily of interest to trading venues and indices providers but responses are also sought from any other market participant which might be impacted by the proposals contained in this document including investment firms, trade associations and industry bodies, as well as institutional and retail investors.

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Acronyms used

BCBS	Basel Committee on Banking Supervision
BR	Regulation (EU) 2016/1011 of the European Parliament and the Council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014
CA	Competent Authority
CP	Consultation Paper
CRD IV	Directive 2013/36/EU of the European Parliament and the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC
CRM	Credit Risk Mitigation Framework
CRR	Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012
ESMA	European Securities and Markets Authority
FCP	Funded Credit Protection
ITS	Implementing Technical Standard
LGD	Loss Given Default
MiFID I	Directive 2004/39 of the European Parliament and of the Council of 21 April 2004 on markets in financial instruments amending Council Directive 85/611/EC and 93/6/EEC and Directive 2000/12/EC of the European Parliament and of the Council and repealing Council Directive 93/22/EEC
MIFID II	Directive 2014/65/EU of the European Parliament and the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU
OFCP	Other Funded Credit Protection
OJ	Official Journal
PD	Probability of Default
UFCP	Unfunded Credit Protection

1 Executive Summary

Reasons for publication

Commission Implementing Regulation (EU) 2016/1646 (ITS 2016/1646) specifies the main indices and recognised exchanges pursuant to paragraph 8 of Article 197 of the Capital Requirements Regulation (EU) 575/2013 (CRR).

In this context, ESMA considers it necessary to introduce amendments to the ITS to ensure that the most updated list of main indices and recognised exchanges is incorporated in the legislative text. This consultation paper (CP) explains ESMA's proposal. Stakeholders are invited to provide feedback on this proposal. The input from stakeholders will help ESMA to finalise its proposed amendments to the ITS.

Contents

Section 2 introduces the purpose of the ITS on main indices and recognised exchanges in the context of the CRR requirements. Section 3 focuses on main indices. Section 3.2.1 details the current approach for the selection of main indices. Section 3.2.2 provides details of the alternative methodologies evaluated by ESMA for the selection of main indices. Section 3.2.3 provides the analysis of the indices that would qualify as main indices under all methodologies. Section 3.3 describes ESMA's proposal. Section 4 describes the approach to identify recognised exchanges and includes proposed amendments to Annex II of the ITS 2016/1646.

Next Steps

On the basis of the responses received to this CP, ESMA will finalise a draft ITS amending ITS 2016/1646 and submit a final report to the European Commission for endorsement.

2 Introduction

5. The CRR entered into force on 1 January 2014 with the aim to minimise the effects of credit institutions and investment firms ("institutions") failing, by ensuring that they hold enough financial resources to cover the risks associated with their business. An important element of this is prescribing the way in which organisations should treat the credit risk of assets for which they have taken collateral. The CRR's definition of when securities can be eligible as collateral refers to equities and convertible bonds that are constituents of a "main index" and to debt securities that are listed on a "recognised exchange".

6. Paragraph 8 of Article 197 of the CRR requires ESMA to specify "main index" and "recognised exchange", as follows:

"8. ESMA shall develop draft implementing technical standards to specify the following:

the main indices referred to in point (f) of paragraph 1 of this Article, in point (a) of Article 198(1), in Article 224(1) and (4), and in point (e) of Article 299(2);

the recognised exchanges referred to in point (a) of paragraph 4 of this Article, in point (a) of Article 198(1), in Article 224(1) and (4), in point (e) of Article 299(2), in point (k) of Article 400(2), in point (e) of Article 416(3), in point (c) of Article 428(1), and in point 12 of Annex III in accordance with the conditions laid down in point (72) of Article 4(1).

ESMA shall submit those draft implementing technical standards to the Commission by 31 December 2014."

7. On 19 December 2014 ESMA submitted the draft ITS with regard to main indices and recognised exchanges in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms to the European Commission. The European Commission, after having received ESMA's opinion¹ on the proposed amendments on 28 January 2016, adopted the draft ITS in the form of the Commission Implementing Regulation (EU) No. 2016/1646 (ITS) on 13 September 2016.

8. ITS 2016/1646 establishes the criteria to identify which are the main indices and recognised exchanges for the purposes of the CRR, which are listed in its Annexes. Given the legislative constraints that do not provide for any procedure to update the list of main indices and recognised exchanges other than amending the ITS, ESMA is now proposing to update the legislative text to take into account relevant amendments to the list of main indices and recognised exchanges since the publication of the ITS.

¹ https://www.esma.europa.eu/sites/default/files/library/2016-163 - opinion_on_crr_its_final.pdf

3 Main indices

3.1 Background information

9. On 14 September 2016, the final version of the ITS adopted by the European Commission was published in the Official Journal (OJ).
10. In the course of 2018 market participants asked for the update of the list of recognised exchanges and main indices included in the ITS. ESMA takes advantage of this update to consult on the methodology provided in the ITS to determine the list of main indices whose components can be used as collateral in the context of the CRR.
11. In the forthcoming sections ESMA is discussing the merits of:
 - a. maintaining the current methodology, i.e. the one in the final version of the ITS as published on the OJ and assess which indices would pass the tests (Option A);
 - b. proposing a new methodology to determine the list of main indices (Option B). While developing the new methodology ESMA has also considered to extend the approach provided in the Benchmark Regulation for the selection of the main indices but has discarded this as an option.

3.2 Methodologies to determine the list of main indices and related data analysis

3.2.1 The current methodology (Option A)

12. In the current version of the ITS equity indices whose components may be used as eligible collateral for the purpose of the CRR are those that pass one of the two tests below:
 - a. the absolute test, which requires that at least 90% of the index components should have a minimum free float of EUR 500,000,000, or in the absence of the information about the free float, a market capitalisation of at least EUR 1,000,000,000;
 - b. the relative test, which requires that:
 - i. the equity index should not include more than half of the total number of companies whose shares are traded on the market on which the index is based;

- ii. the average daily turnover (ADT) of each component is at least EUR 100,000; and
 - iii. two of the following three conditions are also met:
 1. the total market capitalisation of the index is at least 40% of the market capitalisation of all the companies whose shares are traded on that market;
 2. the total turnover of trading in the components of the index is at least 40% of total turnover of all equity trading on that market;
 3. the index serves as an underlying for derivatives products.
13. As far as convertible bond indices are concerned, they should be considered as main indices if the constituent bonds can be converted into equities and where at least 90% of those equities have a minimum free float of EUR 500,000,000, or in the absence of the information about the free float, a market capitalisation of at least EUR 1,000,000,000.
14. If more than one index meets the criteria to be eligible as a main index, only the broader one should be included in the list.
15. When assessing the indices under Option A, the relative approach could not be used for non-EEA countries since it was not possible to retrieve the full scope of equities trading of non-EEA markets

3.2.2 Assessment of the approach provided in the Benchmark Regulation and new methodology (Option B)

3.2.2.1 Benchmark Regulation approach

16. Following the Benchmark Regulation, an EU equity index may be categorised within the following types of benchmarks: critical benchmarks², significant benchmarks³ and non-significant benchmarks⁴. Significant and non-significant benchmarks, when satisfying some specific input data requirements, can also be classified as regulated data benchmarks⁵.

² As per Article 20(1) of the Benchmark Regulation, the main two criteria to define a critical benchmark are the occurrence of financial instruments or financial contracts having the benchmark as underlying for a total value of at least EUR 500 billion or alternatively the recognition of the benchmark as being critical in the relevant Member State.

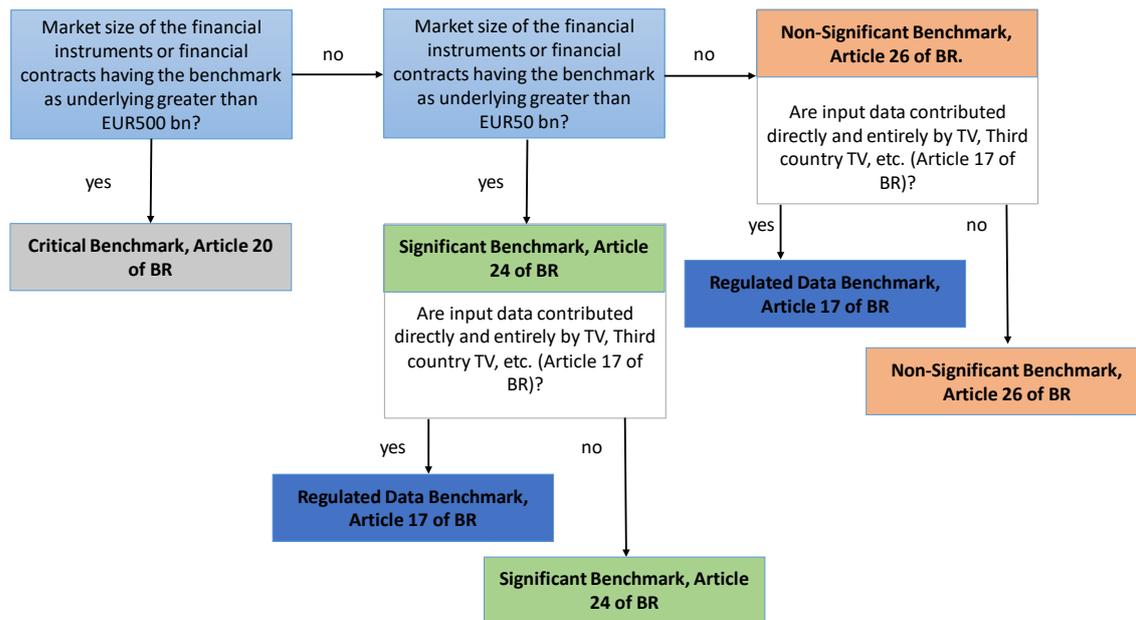
³ As per Article 24(1) of the Benchmark Regulation, the main two criteria are the occurrence of financial instruments or financial contracts having the benchmark as underlying for a total value of at least EUR 50 billion, the lack of (or presence of few) market substitutes and cessation of provision of the benchmark would have an adverse impact on markets.

⁴ Benchmarks which do not qualify as critical and do not qualify as significant (Article 3(27) of Benchmark Regulation.

⁵ Article 17 of the Benchmark Regulation.

17. Depending on its classification an index is subject to different legal provisions encompassing mainly governance and control by administrators, methodology to input data, code of conduct for the contributors. For example, non-significant benchmarks are subject to less stringent requirements than critical and significant benchmarks (Article 26(1) of the Benchmark Regulation).

Figure 1 - Classification, relevant for equity index, under the Benchmark Regulation



18. Third country benchmarks can be classified as significant or non-significant benchmarks according to the same criteria as EU benchmarks. A third country benchmark can be used in the Union (Article 29 of the Benchmark Regulation) only when included in the Third Country Benchmark Register, as per Article 36 of the Benchmark Regulation.

19. In summary, the classification of indices in the Benchmark Regulation is based on quantitative and qualitative criteria. The quantitative criterion aims to capture the market size of the derivatives having the benchmark as underlying whilst the qualitative one aims to capture, among other features, the relevance of a benchmark in an economy.

20. This approach fulfils the purpose of classifying indices based on the size of the derivative market in order to understand how comprehensive the legal requirements should be to achieve data quality, to set responsibilities for data providers and requirements linked to contribution of input data. In the Benchmark Regulation approach there is no reference to the liquidity of the index components, as what is measured is the relevance of the index.

21. By contrast, the methodology used for selecting the main indices whose components can be used as eligible collateral is based on tests aimed at capturing the liquidity of the index components. The intention of such methodology is to select shares that are sufficiently easy to be realisable. Indeed, the tests of the current methodology require a minimum level of market capitalisation or turnover of the components of the index in absolute terms or in relation to the market on which the index is based.
22. In light of all these considerations ESMA has reached the conclusion that the Benchmark Regulation approach serves a different purpose as the one of the CRR. On this basis, integrating the Benchmark Regulation approach or using it as a substitute for the current methodology of the selection of main indices does not seem adequate. In fact, such approach would not ensure that the underlying shares are sufficiently liquid to be used as collateral.

3.2.2.2 New methodology (Option B)

23. In order to select the main indices, ESMA is proposing to use a new methodology that can be homogeneously applied to EU and non-EU indices. Under this new methodology, an index would qualify as a main index if it passes one of the two tests described below:
- a. the first test aims at capturing those indices that are composed predominantly by medium and large cap stocks. This test requires that at least 90% of the components of the index have a minimum free float of 500,000,000 EUR or, in the absence of the information about the free float, a minimum market capitalisation of 1,000,000,000 EUR. This test is identical to the current absolute test and the indices passing such test qualify as main indices. No further checks are applied;
 - b. the second test is applied to those indices not passing the first one. This test aims at capturing those indices that are composed predominantly of small cap stocks which have a minimum level of liquidity measured by the ADT. This test is based on a two-step approach:
 - i. the first step requires that at least 80% of the components of the index must have a minimum free float of 25,000,000 EUR or, in the absence of the information about the free float, a minimum market capitalisation of 50,000,000 EUR. This can be considered an alternative absolute test;
 - ii. the second step requires that all components of the index must have a minimum ADT. Different levels of ADT are required on the basis of the market capitalisation of the share. In particular, all components with a market capitalisation:

1. smaller than EUR 10,000,000,000 should have a minimum ADT of EUR 500,000;
2. greater than or equal to EUR 10,000,000,000 should have a minimum ADT of EUR 1,000,000.

If both steps i and ii are passed, the index qualifies as a main index.

24. As a last step, whenever more than one index meets the criteria to be eligible as a main index and one index includes all components of another index, only the broader one should be included in the list.

3.2.3 Data analysis of the methodologies considered (Options A and B)

25. In the current ITS there are 56 main equity indices whose components are eligible to be used as collateral. However, out of these 56 indices, ESMA could not retrieve the composition of the MSCI AC Europe & Middle East which as a consequence could not be assessed. Furthermore, ESMA had to substitute 3 indices, namely the OMX Copenhagen 20 by the OMX Copenhagen 25, the FTSE JSE Top 40 by the FTSE/JSE Capped Top 40 and the S&P NZX 15 Index by the S&P/NZX 10.
26. The OMX Copenhagen 25 index was assessed instead of the OMX Copenhagen 20 since it is now considered to be the main index in Denmark. The non-assessment of the OMX Copenhagen 20 index has no impact since OMX Copenhagen 25 qualifies as main index under both options and all components of OMX Copenhagen 20 are included in the OMX Copenhagen 25 index.
27. Furthermore, the assessment of the FTSE/JSE Capped Top 40 instead of the FTSE JSE Top 40 would not have material effects on the collaterals that can be used since their composition is the same.
28. Last but not least, the substitution of the S&P NZX 15 Index by the S&P/NZX 10 would change and reduce the collaterals that could be used. This substitution is due to the fact that the S&P NZX 15 Index is closed since June 2018.
29. In summary, ESMA has:
 - a. re-assessed 53 of the 56 equity indices included in the ITS;
 - b. assessed the S&P/NZX 10 and the OMX Copenhagen 25 indices instead of the S&P NZX 15 and the OMX Copenhagen 20 indices respectively;
 - c. assessed 125 additional equity indices.
30. In the following tables the results of all options described above are presented, more details are provided in Annex V.

Table 1 – Number of indices passing the tests under the different options

STATISTICS	CURRENT METHODOLOGY OPTION A		NEW METHODOLOGY - OPTION B	
	Total	EEA countries	Total	EEA countries
Indices in the ITS				
Indices in the ITS (same indices)				
Indices passing the ABSOLUTE test/test 1 under OPTION A/B	39	9	39	9
Indices not passing the ABSOLUTE test but passing the RELATIVE test under OPTION A	4	4		
Indices not passing test 1 under OPTION B (=ABSOLUTE test under OPTION A) but passing test 2 under OPTION B			4	3
Indices in the ITS (index changed)				
Indices passing the ABSOLUTE test/test 1 under OPTION A/B	3	1	3	1
Indices not passing the ABSOLUTE test but passing the RELATIVE test under OPTION A	-	-		
Indices not passing test 1 under OPTION B (=ABSOLUTE test under OPTION A) but passing test 2 under OPTION B			-	-
Total number of indices passing the tests	46	14	46	13
Percentage of indices passing the tests (out of 56 for total and out of 19 for EEA countries)	82%	74%	82%	68%
Indices not in the ITS				
Indices passing the ABSOLUTE test/test 1 under OPTION A/B	31	7	31	7
Indices not passing the ABSOLUTE test but passing the RELATIVE test under OPTION A	3	3		
Indices not passing test 1 under OPTION B (=ABSOLUTE test under OPTION A) but passing test 2 under OPTION B			4	-
Total number of indices passing the tests (a)	34	10	35	7
Total number of indices assessed (b)	125	44	125	44
Percentage of indices passing the tests = (a)/(b)	27%	23%	28%	16%
Unique indices passing the tests	CURRENTLY IN THE ITS		CURRENT METHODOLOGY OPTION A	NEW METHODOLOGY - OPTION B
Indices not in the ITS	Total	EEA countries	Total	EEA countries
Final number of indices passing the tests without duplicates (c)	56	19	51	17
Total number of indices assessed (b)	125	44	125	44
Percentage of indices passing the tests without duplicates = (c)/(b)	45%	43%	41%	39%
			40%	32%

31. The first table above provides the total number of indices and the number of EEA-countries indices passing the tests. The results are split between the indices currently included/not included in the ITS. The results of the indices in the ITS are also split between the 52 indices that are the same as those in the ITS (indices in the ITS (same index)) and those 3 that have been substituted, namely OMX Copenhagen

20 substituted by OMX Copenhagen 25, FTSE JSE Top 40 substituted by FTSE/JSE Capped Top 40 and S&P NZX 15 Index substituted by S&P/NZX 10 (indices in the ITS (index changed)).

32. More specifically, the first row provides the number of indices passing the absolute test under Option A and test 1 under Option B which are identical. The second row indicates the number of indices that do not pass the absolute test but pass the relative test under Option A. The third row indicates the number of indices that do not pass the first test but pass the second test under Option B.
33. It is evident that, as far as the indices in the ITS are concerned, 46 of the 56 indices still qualify as main indices under both the current methodology (Option A) and the new methodology (Option B). As far as the indices not in the ITS are concerned, 34 indices could qualify as main indices under Option A, out of which 10 would be EEA-country indices and 35 could qualify as main indices under Option B, out of which 7 would be EEA-country indices.
34. Under both options, whenever more than one index meets the criteria to be eligible as a main index, only the broader one should be included in the ITS. Consequently, in order to define the final list of indices to be included in the ITS the following approach was undertaken:
 - a. firstly, all indices in the current ITS passing the test would remain in the ITS in order to avoid market disruptions in the substitution of the components that can be used as collateral;
 - b. secondly, whenever an index not in the ITS could qualify as main index, such index would not be included as long as its composition is not covered by the indices already in the ITS passing the test.
35. The second part of the table provides the final number of indices that would be included in the ITS under each option. The results in terms of number of indices is similar for Options A and B.

Table 2 – List of indices assessed under the different options

Indices passing the tests						CURRENTLY IN THE ITS	CURRENT METHODOLOGY - OPTION A	NEW METHODOLOGY - OPTION B
Index name of the index assessed	Index name in ITS	Num of components	Country/Area	Continent	EEA country	In the current list of indices in the ITS	In the updated list of indices	In the updated list of indices
ADX General		61	UAE	Asia	NOT EEA			
AEX	AEX	25	The Netherlands	Europe	The Netherlands	Same index Included	Included	Included
AEX All-Share		127	The Netherlands	Europe	The Netherlands			
All Ordinaries		484	Australia	Oceania	NOT EEA			
Al-Quds Index		15	State of Palestine	Asia	NOT EEA			
ASE Index		97	Jordan	Asia	NOT EEA			
Athex All Share		139	Greece	Europe	Greece			
ATX Prime	ATX Prime	36	Austria	Europe	Austria	Same index Included		
Austrian Traded Index		20	Austria	Europe	Austria		Included	Included
BCN Global 100		99	Spain	Europe	Spain			
BEL 20	BEL20	20	Belgium	Europe	Belgium	Name changed Included	Included	Included
BEL All Share		136	Belgium	Europe	Belgium			
BET		15	Romania	Europe	Romania			
BET-BK		25	Romania	Europe	Romania			
BGBX40		40	Bulgaria	Europe	Bulgaria			
BIST 100		100	Turkey	Asia	NOT EEA			
BIST 30		30	Turkey	Asia	NOT EEA			
Bolsa G		78	Argentina	South America	NOT EEA			
Botswana Gaborone Index		26	Botswana	Africa	NOT EEA			
BUMIX		18	Hungary	Europe	Hungary			
Burcap		21	Argentina	South America	NOT EEA			
BUX		15	Hungary	Europe	Hungary			
CAC 40		40	France	Europe	France			

Indices passing the tests						CURRENTLY IN THE ITS	CURRENT METHODOLOGY - OPTION A	NEW METHODOLOGY - OPTION B
Index name of the index assessed	Index name in ITS	Num of components	Country/Area	Continent	EEA country	In the current list of indices in the ITS	In the updated list of indices	In the updated list of indices
CAC All-Tradable		315	France	Europe	France			
CAC Mid 60		60	France	Europe	France			
CAC Next 20		20	France	Europe	France			
CAC Small		195	France	Europe	France			
CDAX		427	Germany	Europe	Germany			
CETOP20	CETOP20 Index	25	Central Europe	Europe	NOT EEA	Name changed Included	Included	Included
CNX 100	CNX 100 Index	101	India	Asia	NOT EEA	Name changed Included	Included	Included
COLCAP		25	Colombia	South America	NOT EEA			
COLEQTY		40	Colombia	South America	NOT EEA			
CROBEX		23	Croatia	Europe	Croatia			
CSE All-Share		285	Sri Lanka	Asia	NOT EEA			
CSE General Index		52	Cyprus	Asia	Cyprus			
CSI 300 Index	Shanghai Shenzhen CSI 300	300	China	Asia	NOT EEA	Name changed Included	Included	Included
DAX		30	Germany	Europe	Germany			
DFM General		37	UAE	Asia	NOT EEA			
Dow Jones CASE Egypt Titans 20		19	Egypt	Africa	NOT EEA			
EGX 30		30	Egypt	Africa	NOT EEA			Included
Euronext 100		100	Europe	Europe	NOT EEA			
FTSE 100		101	UK	Europe	UK			
FTSE 350	FTSE 350	351	UK	Europe	UK	Same index Included	Included	Included
FTSE All World Developed		2173	Developed countries	Developed countries	NOT EEA			
FTSE All World Europe	FTSE Europe Index	675	Europe	Europe	NOT EEA	Name changed Included	Included	Included
FTSE All-World Index	FTSE All World Index	3195	Global	Global	NOT EEA	Name changed Included	Included	Included

Indices passing the tests						CURRENTLY IN THE ITS	CURRENT METHODOLOGY - OPTION A	NEW METHODOLOGY - OPTION B
Index name of the index assessed	Index name in ITS	Num of components	Country/Area	Continent	EEA country	In the current list of indices in the ITS	In the updated list of indices	In the updated list of indices
FTSE Bursa Malaysia KLCI	FTSE Bursa Malaysia KLCI Index	30	Malaysia	Asia	NOT EEA	Name changed Included	Included	Included
FTSE Eurotop 100		107	Europe	Europe	NOT EEA			
FTSE Italia All-Share Index		223	Italy	Europe	Italy			
FTSE MIB	FTSE MIB	40	Italy	Europe	Italy	Same index Included	Included	Included
FTSE Nasdaq Dubai UAE 20 Index	FTSE Nasdaq Dubai UAE 20 Index	20	UAE	Asia	NOT EEA	Same index Included	Included	Included
FTSE NSX Overall Index		29	Namibia	Africa	NOT EEA			
FTSE RAFI Emerging Index	FTSE RAFI Emerging Markets	357	Emerging markets	Emerging markets	NOT EEA	Name changed Included	Included	Included
FTSE Straits Times Index	FTSE Straits Times Index	30	Singapore	Asia	NOT EEA	Same index Included	Included	Included
FTSE/Athex Large Cap	FT ASE Large Cap	25	Greece	Europe	Greece	Name changed Included		
FTSE/CySE 20		17	Cyprus	Asia	Cyprus			
FTSE/JSE All Share		164	South Africa	Africa	NOT EEA			
FTSE/JSE Capped Top 40	FTSE JSE Top 40	42	South Africa	Africa	NOT EEA	Index changed Included	Included	Included
FTSE/JSE Industrial 25	INDI 25 Index	25	South Africa	Africa	NOT EEA	Name changed Included	Included	Included
Hang Seng Composite Index	Hang Seng Composite Index	492	Hong Kong	Asia	NOT EEA	Same index Included		
Hang Seng Index	Hang Seng	50	Hong Kong	Asia	NOT EEA	Name changed Included	Included	Included
Hang Seng Mainland 100 Index	Hang Seng Mainland 100 Index (China)	100	Hong Kong	Asia	NOT EEA	Name changed Included	Included	Included
HDAX	HDAX	102	Germany	Europe	Germany	Same index Included	Included	Included
HNX		378	Vietnam	Asia	NOT EEA			
HNX 30		30	Vietnam	Asia	NOT EEA			
IBEX 35	IBEX35	35	Spain	Europe	Spain	Name changed Included	Included	Included
IBOVESPA	IBOVESPA	65	Brazil	South America	NOT EEA	Same index Included	Included	Included
IBrX-50		50	Brazil	South America	NOT EEA			
IDX Composite		626	Indonesia	Asia	NOT EEA			

Indices passing the tests						CURRENTLY IN THE ITS		CURRENT METHODOLOGY OPTION A	NEW METHODOLOGY - OPTION B
Index name of the index assessed	Index name in ITS	Num of components	Country/Area	Continent	EEA country	In the current list of indices in the ITS		In the updated list of indices	In the updated list of indices
ISEQ 20	ISEQ 20	20	Ireland	Europe	Ireland	Same index	Included	Included	Included
ISEQ Overall		46	Ireland	Europe	Ireland				
Jakarta LQ45		44	Indonesia	Asia	NOT EEA				
KASE Index		7	Kazakhstan	Asia	NOT EEA				
KOSPI		781	South Korea	Asia	NOT EEA				
KOSPI 100	KOSPI 100	100	South Korea	Asia	NOT EEA	Same index	Included	Included	Included
KRX 100		100	South Korea	Asia	NOT EEA				
LJSE Composite		41	Slovenia	Europe	Slovenia				
LuxX		9	Luxembourg	Europe	Luxembourg				
Madrid General		130	Spain	Europe	Spain				
MOEX		291	Russia	Europe	NOT EEA				
Moroccan All Shares Index		74	Morocco	Africa	NOT EEA				
MSCI ACWI Index	MSCI ACWI	2756	Global	Global	NOT EEA	Name changed	Included	Included	Included
MSCI EM 50	MSCI Emerging Markets 50	50	Emerging markets	Emerging markets	NOT EEA	Name changed	Included	Included	Included
MSCI EMERGING MARKETS INDEX		1124	Emerging markets	Emerging markets	NOT EEA				
MSCI India Index		78	India	Asia	NOT EEA				
MSCI Indonesia Index		28	Indonesia	Asia	NOT EEA				
MSCI North America IMI Index		2732	USA	North America	NOT EEA				
MSCI Philippines Index		23	Philippines	Asia	NOT EEA				
MSCI Russia Index	MSCI Russia Index	23	Russia	Europe	NOT EEA	Same index	Included	Included	Included
MSCI South Africa Index		49	South Africa	Africa	NOT EEA				
MSCI Taiwan Index		103	Taiwan	Asia	NOT EEA				
MSCI USA IMI Index		2429	USA	North America	NOT EEA				



Indices passing the tests						CURRENTLY IN THE ITS	CURRENT METHODOLOGY OPTION A	NEW METHODOLOGY - OPTION B
Index name of the index assessed	Index name in ITS	Num of components	Country/Area	Continent	EEA country	In the current list of indices in the ITS	In the updated list of indices	In the updated list of indices
MSE Index		23	Malta	Europe	Malta			
MSM 30		30	Oman	Asia	NOT EEA			
Nasdaq Composite		2631	USA	North America	NOT EEA			
NASDAQ-100	NASDAQ100	103	USA	North America	NOT EEA	Name changed Included	Included	Included
Nikkei 300	Nikkei 300	300	Japan	Asia	NOT EEA	Same index Included	Included	Included
NYSE ARCA China Index	NYSE ARCA China Index	27	China	Asia	NOT EEA	Same index Included		Included
OBX	OBX	25	Norway	Europe	Norway	Same index Included	Included	Included
OMX Copenhagen		135	Denmark	Europe	Denmark			
OMX Copenhagen 25	OMX Copenhagen 20	25	Denmark	Europe	Denmark	Index changed Included	Included	Included
OMX Helsinki		139	Finland	Europe	Finland			
OMX Helsinki 25	OMXH25	25	Finland	Europe	Finland	Name changed Included	Included	Included
OMX Iceland All-Share PI		18	Iceland	Europe	Iceland			
OMX Nordic 40		40	Europe Nordic	Europe	NOT EEA			
OMX Nordic All Share		640	Europe Nordic	Europe	NOT EEA			
OMX Riga		18	Latvia	Europe	Latvia			
OMX Stockholm		362	Sweden	Europe	Sweden			
OMX Tallinn		16	Estonia	Europe	Estonia			
OMX Vilnius		20	Lithuania	Europe	Lithuania			
OMXS30		30	Sweden	Europe	Sweden			
OMXS60	OMXS60	60	Sweden	Europe	Sweden	Same index Included	Included	Included
OMXSB	OMXSB	96	Sweden	Europe	Sweden	Same index Included	Included	
OSEBX		63	Norway	Europe	Norway		Included	
PSEi Composite		30	Philippines	Asia	NOT EEA			
PSI-20	PSI 20	18	Portugal	Europe	Portugal	Name changed Included	Included	
PSI-All-Share		41	Portugal	Europe	Portugal			
PX Index	PX Prague	12	Czech Republic	Europe	Czech Republic	Name changed Included		
Qatar Exchange General Index		20	Qatar	Asia	NOT EEA		Included	Included
QE All Shares		43	Qatar	Asia	NOT EEA			
RTS	Russian Traded Index	42	Russia	Europe	NOT EEA	Name changed Included		

Indices passing the tests						CURRENTLY IN THE ITS	CURRENT METHODOLOGY - OPTION A	NEW METHODOLOGY - OPTION B
Index name of the index assessed	Index name in ITS	Num of components	Country/Area	Continent	EEA country	In the current list of indices in the ITS	In the updated list of indices	In the updated list of indices
Russell 3000	Russell 3000 Index	3002	USA	North America	NOT EEA	Name changed Included		
S&P 500	S&P 500	505	USA	North America	NOT EEA	Same index Included	Included	Included
S&P BSE 100	S&P BSE 100 Index	101	India	Asia	NOT EEA	Name changed Included	Included	Included
S&P BSE 500		501	India	Asia	NOT EEA			
S&P BSE SENSEX		31	India	Asia	NOT EEA			
S&P CLX IGPA		107	Chile	South America	NOT EEA			
S&P CLX IPSA		40	Chile	South America	NOT EEA			
S&P CNX 500		501	India	Asia	NOT EEA			
S&P CNX Nifty		50	India	Asia	NOT EEA			
S&P France BMI	S&P BMI France	186	France	Europe	France	Name changed Included		
S&P Latin America 40	S&P Latin America 40	41	Latin America	South America	NOT EEA	Same index Included	Included	Included
S&P Lima General		39	Peru	South America	NOT EEA			
S&P Peru Select		15	Peru	South America	NOT EEA			
S&P TSX 60		60	USA	North America	NOT EEA			
S&P TSX Composite		240	USA	North America	NOT EEA			
S&P/ASX 100	ASX 100	100	Australia	Oceania	NOT EEA	Name changed Included	Included	Included
S&P/ASX 300		295	Australia	Oceania	NOT EEA			
S&P/ASX 50		50	Australia	Oceania	NOT EEA			
S&P/BMV IPC	Mexico Bolsa Index	35	Mexico	Central America/Caribbean	NOT EEA	Name changed Included	Included	Included
S&P/BMV IPC CompMx		56	Mexico	Central America/Caribbean	NOT EEA			
S&P/HKEX LargeCap		25	Hong Kong	Asia	NOT EEA			
S&P/NZX 10	S&P NZX 15 Index	10	New Zealand	Oceania	NOT EEA	Index changed Included	Included	Included
S&P/NZX 50		50	New Zealand	Oceania	NOT EEA			

Indices passing the tests						CURRENTLY IN THE ITS	CURRENT METHODOLOGY - OPTION A	NEW METHODOLOGY - OPTION B
Index name of the index assessed	Index name in ITS	Num of components	Country/Area	Continent	EEA country	In the current list of indices in the ITS	In the updated list of indices	In the updated list of indices
S&P/NZX All Gross		110	New Zealand	Oceania	NOT EEA			
S&P/TSX		240	Canada	North America	NOT EEA			
S&P/TSX 60	TSX60	60	Canada	North America	NOT EEA	Name changed Included	Included	Included
SAX		7	Slovakia	Europe	Slovakia			
SBF 120	SBF120	120	France	Europe	France	Name changed Included	Included	Included
SBITOP		7	Slovenia	Europe	Slovenia			
SEM-10		10	Mauritius	Africa	NOT EEA			
SEMDEX		37	Mauritius	Africa	NOT EEA			
SET		588	Thailand	Asia	NOT EEA			
SET 50		50	Thailand	Asia	NOT EEA		Included	Included
SMI		20	Switzerland	Europe	NOT EEA			
SMI Expanded	SMI Expanded Index	50	Switzerland	Europe	NOT EEA	Name changed Included	Included	Included
SOFIX		15	Bulgaria	Europe	Bulgaria			
SSE 180		180	China	Asia	NOT EEA			
SSE Composite Index		1426	China	Asia	NOT EEA			
STI Index		30	Singapore	Asia	NOT EEA			
STOXX Asia/Pacific 600	STOXX Asia/Pacific 600	600	Asia/Pacific	Asia	NOT EEA	Same index Included	Included	Included
STOXX Europe 600	STOXX Europe 600	600	Europe	Europe	NOT EEA	Same index Included	Included	Included
SZSE 100		99	China	Asia	NOT EEA			
SZSE Composite Index		2169	China	Asia	NOT EEA			
TA 35		33	Israel	Asia	NOT EEA			
Tadawul All Share		190	Saudi Arabia	Asia	NOT EEA			
TAIEX		900	Taiwan	Asia	NOT EEA			
TASE General		442	Israel	Asia	NOT EEA			
TOPIX		2126	Japan	Asia	NOT EEA			
TOPIX Core 30		30	Japan	Asia	NOT EEA			

Indices passing the tests						CURRENTLY IN THE ITS		CURRENT METHODOLOGY - OPTION A	NEW METHODOLOGY - OPTION B
Index name of the index assessed	Index name in ITS	Num of components	Country/Area	Continent	EEA country	In the current list of indices in the ITS		In the updated list of indices	In the updated list of indices
TOPIX Mid 400	TOPIX mid 400	400	Japan	Asia	NOT EEA	Same index	Included	Included	Included
TPEX 50		51	Taiwan	Asia	NOT EEA				
TSEC Taiwan 50	TSEC Taiwan 50	50	Taiwan	Asia	NOT EEA	Same index	Included	Included	Included
Ukraine UX		6	Ukraine	Europe	NOT EEA				
VN		379	Vietnam	Asia	NOT EEA				
VN 30		30	Vietnam	Asia	NOT EEA				
WBI		63	Austria	Europe	Austria				
WIG		339	Poland	Europe	Poland				
WIG20	WIG20	20	Poland	Europe	Poland	Same index	Included		Included
WIG30		30	Poland	Europe	Poland			Included	

36. The table above provides the detailed list of indices that were assessed and provides information on what indices are included in the current ITS and those that would be included in the ITS under each option. More specifically:

- a. the “Index name of the index assessed” column indicates the name of the indices;
- b. the “Index name in ITS” column provides the name of the index as in the ITS,
- c. the “Num of components” column provides the number of components in the index;
- d. the columns “Country/Area”, “Continent” indicate the country/area, continent of the index respectively, while the column “EEA country” indicates if the country/area of the index is or not an EEA country;
- e. the “CURRENTLY IN THE ITS” column specifies:

- i. if the index is in the current ITS, this is the case when the value is “Included”;
- ii. the difference between the index in the current ITS and the index assessed. This column can take the following values:
 1. “Same index” when the index assessed, whose name is in the first column, is the same as the index in the ITS;
 2. “Name changed” when the index assessed, whose name is in the first column, is also the same as the index in the ITS but the name of the index has changed⁶;
 3. “Index changed” when the index assessed, whose name is in the first column, is different from the index in the ITS, this is the case of OMX Copenhagen 20 substituted by OMX Copenhagen 25, FTSE JSE Top 40 substituted by FTSE/JSE Capped Top 40 and S&P NZX 15 Index substituted by S&P/NZX 10;
- f. the remaining 2 columns specify for each index if the index would qualify as a main index under the respective option (this is when the value provided is “Included”).

⁶ The change in the name can also be a minor change such as a space.

Table 3 – Number of indices passing the tests under the different options across continents/regions

Distribution of indices among continents/regions	CURRENTLY IN THE ITS		CURRENT METHODOLOGY OPTION A				NEW METHODOLOGY - OPTION B			
	Current list of indices		Updated list of indices				Updated list of indices			
	a	b	c	d	e	f	g	h	i	j
	Num of indices	% of indices	Num of indices	% of indices	Num of indices as in current ITS	% of indices as in current ITS (e/a)	Num of indices	% of indices	Num of indices as in current ITS	% of indices as in current ITS (i/a)
Europe	25	45.45%	22	43.14%	19	76.00%	19	38.00%	18	72.00%
Asia	15	27.27%	15	29.41%	13	86.67%	16	32.00%	14	93.33%
America	7	12.73%	6	11.76%	6	85.71%	6	12.00%	6	85.71%
<i>North America</i>	4	7.27%	3	5.88%	3	75.00%	3	6.00%	3	75.00%
<i>South America</i>	2	3.64%	2	3.92%	2	100.00%	2	4.00%	2	100.00%
<i>Central America/Caribbean</i>	1	1.82%	1	1.96%	1	100.00%	1	2.00%	1	100.00%
Africa	2	3.64%	2	3.92%	2	100.00%	3	6.00%	2	100.00%
Oceania	2	3.64%	2	3.92%	2	100.00%	2	4.00%	2	100.00%
Developed countries	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Emerging markets	2	3.64%	2	3.92%	2	100.00%	2	4.00%	2	100.00%
Global	2	3.64%	2	3.92%	2	100.00%	2	4.00%	2	100.00%
NA	-	0.00%	-	0.00%	-	0.00%	-	0.00%	-	0.00%
Total	55	100.00%	51	100.00%	46	83.64%	50	100.00%	46	83.64%

NA means that the continent/region for the index could not be identified

The total number of indices in the current ITS does not include the MSCI AC Europe & Middle East index for which the composition could not be retrieved

37. The table above provides statistics on:

- a. the number of indices per continent/region passing the tests under each option;
- b. the number, and related percentage, of the indices included in the current ITS that would also be kept in the list of the ITS under the relevant option.

38. In terms of number of indices that would be included in the ITS, including those already in the current ITS, the results are similar under the two options. The number of indices included under Options A and B would be 51 and 50 respectively and under both options 83.64% of the indices in the current ITS would still qualify as main indices.

Table 4 – Number of components that can be used as collateral under the different options across continents/regions

Distribution of components among continents/regions	CURRENTLY IN THE ITS		CURRENT METHODOLOGY OPTION A				NEW METHODOLOGY - OPTION B			
	Current list of indices		Updated list of indices				Updated list of indices			
	a	b	c	d	e	f	g	h	i	j
	Num of unique ISINs	% of unique ISINs	Num of unique ISINs	% of unique ISINs	Num of unique ISINs as in current ITS	% of unique ISINs as in current ITS (e/a)	Num of unique ISINs	% of unique ISINs	Num of unique ISINs as in current ITS	% of unique ISINs as in current ITS (i/a)
Europe	1,200	17.33%	1,136	26.18%	1,093	91.08%	1,045	24.42%	1,045	87.08%
Asia	2,147	31.00%	1,984	45.71%	1,968	91.66%	1,984	46.36%	1,968	91.66%
America	3,340	48.23%	984	22.67%	984	29.46%	994	23.22%	994	29.76%
North America	3,174	45.83%	818	18.85%	818	25.77%	828	19.35%	828	26.09%
South America	122	1.76%	122	2.81%	122	100.00%	122	2.85%	122	100.00%
Central America/Caribbean	44	0.64%	44	1.01%	44	100.00%	44	1.03%	44	100.00%
Africa	91	1.31%	91	2.10%	91	100.00%	112	2.62%	91	100.00%
Oceania	129	1.86%	129	2.97%	129	100.00%	129	3.01%	129	100.00%
NA	18	0.26%	16	0.37%	16	88.89%	16	0.37%	16	88.89%
	6,925	100.00%	4,340	100.00%	4,281	61.82%	4,280	100.00%	4,243	61.27%

NA means that the continent for the ISIN could not be identified

The total number of components in the current ITS does not include the components of the MSCI AC Europe & Middle East index for which the composition could not be retrieved

39. The table above provides statistics on:

- a. the number of components (unique ISINs) per continent/region that could be used as collateral under each option;
- b. the number, and related percentage, of the components (unique ISINs) of the indices included in the current ITS that could also be used as collateral under the relevant option.

40. The results are similar under both options:

- a. the number of components (unique ISINs) that would be maintained and could be used as collateral is around 4,200;
- b. the main drop in the number of components (unique ISINs) in the current ITS that would be maintained and could be still used as collateral relates to US equities. Indeed, only around 30% of the US equities included in the current ITS would still qualify as eligible collateral. The main reason is the fact that the Russell 3000 does not qualify as a main index. Indeed, the Russell 3000 does not pass the absolute test/test 1 under the respective options. Furthermore, under Option A the relative test cannot be performed due to the lack of the necessary underlying data while under Option B the components of the Russell 3000 do not meet the minimum level of the required ADT under test 2. This is also evident from the last table below which provides for the broadest index, i.e. the index with the biggest number of components, which qualifies as a main index under each option. The main differences are highlighted in [blue](#) in Table 5 below.

Table 5 – Broadest indices across continents/regions under the different options

Broadest index among continents/regions	CURRENTLY IN THE ITS		CURRENT METHODOLOGY OPTION A		NEW METHODOLOGY - OPTION B	
	Current list of indices		Updated list of indices		Updated list of indices	
	Broadest index	Num components	Broadest index	Num components	Broadest index	Num components
Europe	FTSE All World Europe	675	FTSE All World Europe	675	FTSE All World Europe	675
Asia	STOXX Asia/Pacific 600	600	STOXX Asia/Pacific 600	600	STOXX Asia/Pacific 600	600
America	Russell 3000	3,002	S&P 500	505	S&P 500	505
North America	Russell 3000	3,002	S&P 500	505	S&P 500	505
South America	IBOVESPA	65	IBOVESPA	65	IBOVESPA	65
Central America/Caribbean	S&P/BMV IPC	35	S&P/BMV IPC	35	S&P/BMV IPC	35
Africa	FTSE/JSE Capped Top 40	42	FTSE/JSE Capped Top 40	42	FTSE/JSE Capped Top 40	42
Oceania	S&P/ASX 100	100	S&P/ASX 100	100	S&P/ASX 100	100
Developed countries		-		-		-
Emerging markets	FTSE RAFI Emerging Index	357	FTSE RAFI Emerging Index	357	FTSE RAFI Emerging Index	357
Global	FTSE All-World Index	3,195	FTSE All-World Index	3,195	FTSE All-World Index	3,195
NA		-		-		-

NA means that the continent/region for the index could not be identified

Table 6 –Number of indices qualifying as main indices in each EEA country

Number of indices qualifying as main indices in each EEA country	CURRENTLY IN THE ITS	CURRENT METHODOLOGY OPTION A	NEW METHODOLOGY - OPTION B
	Current list of indices	Updated list of indices	Updated list of indices
Austria	1	1	1
Belgium	1	1	1
Bulgaria	-	-	-
Croatia	-	-	-
Cyprus	-	-	-
Czech Republic	1	-	-
Denmark	1	1	1
Estonia	-	-	-
Finland	1	1	1
France	2	1	1
Germany	1	1	1
Greece	1	-	-
Hungary	-	-	-
Iceland	-	-	-
Ireland	1	1	1
Italy	1	1	1
Latvia	-	-	-
Lichtestein	-	-	-
Lithuania	-	-	-
Luxembourg	-	-	-
Malta	-	-	-
Norway	1	2	1
Poland	1	1	1
Portugal	1	1	-
Romania	-	-	-
Slovakia	-	-	-
Slovenia	-	-	-
Spain	1	1	1
Sweden	2	2	1
The Netherlands	1	1	1
UK	1	1	1

NA means that the continent/region for the index could not be identified

41. Last but not least, in the table above the number of indices qualifying as main indices under each option and under the current ITS for each EEA country is provided.

3.3 ESMA proposal

42. After considering the alternatives presented above for the selection of the main indices that can be used as eligible collateral, ESMA proposes to adopt the new methodology presented under Option B.
43. As mentioned above, an extension of the approach used in the Benchmark Regulation to the selection of main indices has been excluded due to the different purpose of the two regulations and the different end results achieved. In ESMA's view the approach in the Benchmark Regulation would not ensure sufficient liquidity of the index components.
44. ESMA deems the new methodology proposed in this CP to be a better solution than the current approach. The new methodology relies on two tests, the first one which aims at capturing indices composed predominantly by medium and large cap stocks. This test is equivalent to the current absolute test and it uses the free float and market capitalisation as a proxy of liquidity for the index components. The implicit assumption is that shares of companies which are above a certain market capitalisation or free float thresholds should be liquid, hence sufficiently easy to be realisable. Furthermore, the second test ensures that indices composed predominantly of small cap stocks are also eligible to be included in the list of main indices, as long as, all the components of the index are sufficiently liquid. In this case, liquidity is measured by the ADT.
45. The new test is deemed preferable by ESMA because it would be applied across the range of all indices, the same methodologies would allow to qualify EEA and non-EEA indices predominantly composed of medium and large cap stocks, as well as, EEA and non-EEA indices predominantly composed of small cap stocks.
46. Moreover, the second test of the new methodology would be easier to perform than the relative test of the current approach since the necessary data to perform the former would be easier to collect. Indeed, the relative test requires collecting data of all the shares admitted to trading in the market on which the index is based which is extremely difficult information to retrieve, especially for non-EEA indices. This would also ensure that an index does not qualify as a main index due to the lack of the required data but by means of objective criteria measuring the liquidity of the components.
47. In addition, the second test better ensures that the indices captured, also those predominantly composed of small cap stocks, are comprising constituents that are sufficiently liquid and therefore easy to realise as the CRR requires.

Q1: Do you agree with the calibration of the parameters specified in new methodology proposed by ESMA to select the main indices for the purpose of this ITS? Please provide a detailed feedback.

Q2: Do you agree with the list of indices analysed (please refer to the list provided in Table 6 in Annex V)? If you believe that there should be additional indices to be considered, please provide details and also specify which test (and related methodology) they meet in order to qualify as main indices.

48. As far as the convertible bond indices are concerned, ESMA considers that the current methodology is appropriate. Consequently, convertible bond indices should be considered as main indices if the constituent bonds can be converted into equities and where at least 90% of those equities have a minimum free float of EUR 500,000,000, or in the absence of the information about the free float, a market capitalisation of at least EUR 1,000,000,000.

49. At this stage, ESMA has not re-assessed the list of convertible bond indices and at this stage does not propose to change such list.

Q3: Do you agree with ESMA's proposal not to modify the approach to select convertible bond as main indices? If not, please explain why.

Q4: Do you believe that there are new convertible bond indices that should be added to the ITS as main indices? If so, please provide details and evidence in support.

4 Recognised Exchanges

50. In the ITS on main indices and recognised exchanges, ESMA has proposed a set of conditions to specify the concept of a recognised exchange in accordance with the precise provisions listed in the empowerment in Article 197(8)(b) of the CRR and in accordance with the conditions imposed in the definition in Article 4(1)(72) CRR.
51. The first condition to be met to be a “recognised exchange” under the CRR is being a regulated market as per the definition contained in Article 4(1)(14) of Directive 2004/39/EC (MiFID). Since the recast of MiFID with Directive 2014/65/EU (MiFID II) did not change the definition of regulated markets, ESMA does not propose to update the conditions to be met to be a “recognised exchange”.
52. ESMA lists all regulated markets authorised under MiFID II on its [public register](#) on the ESMA website⁷.
53. The second condition to be met for an exchange to be considered as a “recognised exchange” is to have a clearing mechanism. In practice, this means that all regulated markets trading financial instruments not listed in Annex II of the CRR should be deemed to fulfil the second condition by virtue of already having rules and procedures for the clearing and settlement of transactions.
54. For those regulated markets trading contracts listed on Annex II of the CRR, a further condition has to be met. The regulated markets should have a clearing mechanism and appropriate margin requirements (which in the opinion of the competent authority provide appropriate protection) in place to qualify as a recognised exchange under the CRR.
55. ESMA has asked all NCAs to apply the same criteria listed above to their jurisdictions in order to identify any changes (including removing regulated markets that are no longer active) and proposes that all markets listed in the Annex to the draft ITS are to be considered recognised exchanges for the purposes of the CRR.
56. As far as third country exchanges are concerned, and as advised by the European Commission at the time of the submission of the original ITS, such exchanges are not to be specified in this ITS.
57. In this CP ESMA has included UK exchanges taking into consideration the remaining uncertainty about the actual date when the UK will leave the Union. Depending on future developments about the exact date of the UK leaving the Union ESMA may have to exclude UK exchanges before submitting its final proposal to the Commission. For

⁷ https://registers.esma.europa.eu/publication/searchRegister?core=esma_registers_upreg



ease of reference, those recognised exchanges that are based in the UK were flagged in the Annex of the draft ITS.

5 Annexes

5.1 Annex I – Cost benefit analysis

58. This section provides a high-level cost-benefit analysis (CBA) of the draft amendments to the ITS 2016/1646 on main indices and recognised exchanges under the CRR. A more detailed CBA will be published together with the final ESMA proposal.

59. To the extent possible, the final CBA will include some quantitative data to provide a more refined assessment of the impact of the ESMA proposal on market participants. To that end market participants are invited to respond to the questions below.

5.1.1 Questions for the final CBA

CBA Q1: The first question aims at identifying the category of firm/entity you belong to:

Category	Number of employees	Total turnover in 2018 (in millions of Euros)
Trading Venue	[1-50]	
	[51-250]	
	[251-1,000]	
	>1,000	
Banks	<1,000	
	[1,001-5,000]	
	[5,001-10,000]	
	>10,000	
Other sell side firms	[1-50]	
	[51-250]	
	[251-1,000]	
	>1,000	

Category	Number of employees	Asset under management on 31/12/2018 (in millions of Euros)
Buy-side firm	[1-50]	
	[51-250]	
	[251-1,000]	
	>1,000	

CBA Q2: (Only for stakeholders, other than a bank) Based on the draft ITS can you assess the impact of the changes detailed in the table below to the list of main indices? Please provide a feedback.

When assessing the impact please consider the possible use of equities or convertible bonds not included in a main index but traded on a recognised exchange which can be used as eligible collateral in relevant circumstances.

	Positive Impact (please explain)	No Impact	Negative Impact (please explain)
Overall change to the list of main indices			
EEA eligible indices removed and whose components are not included in other indices.			
Non-EEA eligible indices removed and whose components are not included in other indices			
New EEA indices included in the list			
New Non-EEA indices included in the list			

CBA Q3: (Only for Banks) ESMA has identified two macro areas under the CRR that would be affected by a change in the list of main indices and recognised exchanges: use of collateral for capital requirements purpose and use of collateral for counterparty risk (large exposure regime). Based on the draft ITS, for each of the following areas can you estimate the impact of the proposed changes?

When assessing the impact please consider the possible use of equities or convertible bonds not included in a main index but traded on a recognised exchange which can be used as eligible collateral in relevant circumstances.

Use of collateral for capital requirements purpose	Positive Impact (please explain)	No Impact	Negative Impact (please explain)
Overall change to the list of main indices as per draft ITS			
EEA eligible indices removed and whose components are not included in other indices.			
Non-EEA eligible indices removed and whose components are not included in other indices.			
New EEA indices included in the list			
New non-EEA indices included in the list			

Use of collateral for counterparty risk	Positive Impact (please explain)	No Impact	Negative Impact (please explain)
Overall change to the list of main indices as per draft ITS			
EEA eligible indices removed and whose components are not included in other indices.			

Non-EEA eligible indices removed and whose components are not included in other indices.			
New EEA indices included in the list.			
New non-EEA indices included in the list.			

CBA Q4: (Only for Banks) ESMA proposes a change in the list of main indices encompassing EEA and non-EEA indices. Based on the draft ITS, can you provide some information on the following measures?

Percentage of collateral you hold currently, constituted by shares included in EEA indices as a percentage of total collateral held	
Percentage of collateral you hold currently, constituted by shares included in non-EEA indices as a percentage of total collateral held	
Percentage of collateral constituted by shares included in EEA indices affected by the change (as a percentage of total EEA indices collateral held)	
Percentage of collateral constituted by shares included in non-EEA indices affected by the change as a percentage of total non-EEA indices collateral held	

CBA Q5: (Only for stakeholders, other than a bank) Are you affected by the changes to the list of main indices and recognised exchanges in the draft ITS? If so can you explain how and to what extent?

CBA Q6: Based on the draft ITS can you provide an assessment of the time needed and the costs envisaged to adjust to the changes included in the draft ITS with regards to the list of main indices?

Time needed	
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	Low	Medium	High
Costs			
Estimated cost			

CBA Q7: Can you provide an assessment of the time needed and the costs envisaged to adjust to the removal of UK exchanges from the list of recognised exchanges?

Time needed	
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	Low	Medium	High
Costs			
Estimated cost			

5.1.2 High-level CBA

60. Pursuant to Articles 10(1) and 15 of the Regulation establishing ESMA, ESMA is empowered to develop draft regulatory technical standards (RTS) or draft implementing technical standards (ITS) where the European Parliament and the Council delegate power to the Commission to adopt the RTS/ITS by means of delegated acts under Article 290 of the Treaty on the Functioning of the European Union (TFEU) in order to ensure consistent harmonisation in the areas specifically set out in the legislative acts within the scope of action of ESMA. The same article obliges ESMA to conduct open public consultations on draft RTS/ITS and to analyse the related potential costs and benefits, where appropriate. Such consultations and analyses shall be proportionate in relation to the scope, nature and impact of the draft RTS/ITS.

61. This section contains a high-level cost-benefit analysis (CBA) of the proposed amendments to ITS 2016/1646.

62. This document has four sections: (i) an introduction to the topic (Introduction), (ii) an identification of the stakeholders subject to those amendments and how they might be affected (Stakeholders), (iii) the baseline considered to determine the incremental costs and benefits arising from the draft ITS (Baseline) and (vi) a preliminary high level analysis of the costs and benefits arising from the changes proposed (High-level CBA).

5.1.2.1 Introduction

63. Article 197(8) of the CRR mandates ESMA to draft implementing technical standards establishing the criteria to identify which are the main indices and recognised exchanges for the purposes of eligible collateral under the CRR. ITS 2016/1646 provides a list of such main indices and recognised exchanges.
64. ESMA is currently proposing an update of the ITS on main indices and recognised exchanges. Such update proposes a new methodology for the selection of indices and an update of the list of recognised exchanges, to account for those venues that have changed their denomination or are no more operational.
65. The costs and benefits section provide a high-level analysis of the potential effects of the draft ITS on stakeholders directly and indirectly affected. A more detailed CBA will be provided in the final report taking into account the responses to the CP, including the CBA questions above.

5.1.2.2 Stakeholders

66. ESMA has identified banks as the stakeholders impacted by the changes.
67. Under the CRR banks can use equities or convertible bonds that are included in a main index and equities or convertible bonds not included in a main index but traded on a recognised exchange as credit risk mitigation techniques to alleviate their capital requirements. The changes in the list of main indices might entail that banks will need to modify their holdings accordingly or, alternatively, hold more capital to fulfil capital requirements. Additionally, the changes envisaged in the list of recognised exchanges, and especially the possible exclusion of UK venues when Brexit will take place, might impact banks using equities or convertible bonds not included in a main index but traded on a recognised exchange as eligible collateral, if such instruments are traded only on UK venues.
68. So far ESMA has not identified further stakeholders possibly impacted by the proposed changes. If additional stakeholders impacted by the changes are identified through the responses to this CP, this will be considered for the final CBA.

5.1.2.3 Baseline

69. From a legal perspective, the legislation to consider for the draft amendment is Article 197 of the CRR and ITS 2016/1646. Article 197 of the CRR requires ESMA to draft an implementing technical standard to specify a list of "main indices" and "recognised exchanges", with the aim of using equities and convertible bonds that are constituents of a "main index" and debt securities that are listed on a "recognised exchange" as eligible collateral to alleviate the capital requirements provided by the CRR. ESMA has drafted ITS 2016/1646 with such propose.

70. The proposed amendment to ITS 2016/1646 does not create additional obligations, rather changes the list of securities that can be used as eligible collateral.

5.1.2.4 High-level CBA

71. ESMA is currently proposing an update of the ITS on main indices and recognised exchanges. The purpose of this update is to ensure that the components of EEA and Non-EEA indices included in the ITS are sufficiently liquid to be reasonably expected to be realisable when an institution needs to liquidate them and that the list of recognised exchanges is up to date.

72. In the consultation paper ESMA proposes to use a new methodology, i.e. the one detailed in the draft ITS, to determine the list of main indices.

73. On balance, ESMA's view is that the proposed methodology offers a better approach compared to the current one. Such methodology relies on criteria that ensures a minimum threshold of liquidity of the index components independently from the market on which the index is based. Furthermore, it entails lower implementation costs as it does not require collecting data of all the shares admitted to trading in the market on which the index is based. The table below offers a preliminary analysis of the costs and benefits from the adoption of such methodology. To the extent possible, ESMA will aim to provide a more comprehensive analysis after receiving feedback from market participants.

Policy Objective	Ensuring that the components of EEA and Non-EEA indices included in the ITS are sufficiently liquid to be reasonably expected to be realisable when an institution needs to liquidate them.
Technical Proposal	The new methodology proposed for the selection of main indices relies on two tests. The first test targets medium and large cap stocks and is identical to the test currently in application, as detailed in Recital 1 of ITS 2016/1646. The second test targets those indices that are composed predominantly by small cap stocks to select those that are sufficiently liquid. Such test is based on a two-step approach. The first step aims at selecting indices composed predominantly by shares with a target market cap/free float. The second step ensures that index components have a minimum target ADT, which is determined based on market cap. The criteria of both steps shall be met for an index to be included in the list. The methodology to select recognised exchanges is not subject to modification, but the list is updated to reflect markets developments and name changes.
<i>Benefits</i>	<ul style="list-style-type: none"> The proposed methodology, as described in the draft ITS, is applicable to EU and non-EU indices. The approach proposed relies on data which is easy to retrieve.

	<ul style="list-style-type: none"> The approach proposed for the selection of small-cap stock indices relies on criteria that ensure a minimum threshold of liquidity of the index components independently from the market on which the index is based. Such criteria rely on market cap in combination with ADT to estimate liquidity and provides a more objective estimation of the possibility to liquidate such instruments.
<i>Costs for the regulator/ ESMA</i> - <i>One-off</i> - <i>Ongoing</i>	One-off costs for the regulators/ESMA are lower than under the current approach as the data necessary to perform the calculations is easier to retrieve. No specific additional ongoing cost envisaged
<i>Compliance costs</i> - <i>One-off</i> - <i>Ongoing</i>	Banks, as directly affected stakeholders, should assess how the removal of some indices and the further inclusion of new ones in the ITS affects their collateral holdings for capital requirements purposes. If the changes envisaged have an impact, banks might need to rebalance their holdings in terms of equities or convertible bonds that are included in a main index. Ongoing costs relate to the monitoring of the rebalancing of the indices included in the ITS as it is the case for the list of indices in the ITS. Marginal costs might be incurred since the list of indices whose composition is to be monitored will be different.
<i>Other Costs</i>	No other cost envisaged

5.2 Annex II - Summary of questions

Q1: Do you agree with the calibration of the parameters specified in new methodology proposed by ESMA to select the main indices for the purpose of the ITS? Please provide a detailed feedback.

Q2: Do you agree with the list of indices analysed (please refer to the list provided in Table 6 in Annex V? If you believe that there should be additional indices to be considered, please provide details and also specify which test (and related methodology) they meet in order to qualify as main indices.

Q3: Do you agree with ESMA proposal not to modify the approach to select convertible bond as main indices? If not, please explain why.

Q4: Do you believe that there are new convertible bond indices that should be added to the ITS as main indices? If so, please provide details and evidence in support.

CBA Q1: The first question aims at identifying the category of firm/entity you belong to:

Category	Number of employees	Total turnover in 2018 (in millions of Euros)
Trading Venue	[1-50]	
	[51-250]	
	[251-1,000]	
	>1,000	
Banks	<1,000	
	[1,001-5,000]	
	[5,001-10,000]	
	>10,000	
Other sell side firms	[1-50]	
	[51-250]	
	[251-1,000]	

	>1,000	
Category	Number of employees	Asset under management on 31/12/2018 (in millions of Euros)
Buy-side firm	[1-50]	
	[51-250]	
	[251-1,000]	
	>1,000	

CBA Q2: (Only for stakeholders, other than a bank) Based on the draft ITS can you assess the impact of the changes detailed in the table below to the list of main indices? Please provide a feedback.

When assessing the impact please consider the possible use of equities or convertible bonds not included in a main index but traded on a recognised exchange which can be used as eligible collateral in relevant circumstances.

	Positive Impact (please explain)	No Impact	Negative Impact (please explain)
Overall change to the list of main indices			
EEA eligible indices removed and whose components are not included in other indices.			
Non-EEA eligible indices removed and whose components are not included in other indices			
New EEA indices included in the list			
New Non-EEA indices included in the list			

CBA Q3: (Only for Banks) ESMA has identified two macro areas under the CRR that would be affected by a change in the list of main indices and recognised exchanges: use of collateral for capital requirements purpose and use of collateral for counterparty risk (large exposure regime). Based on the draft ITS, for each of the following areas can you estimate the impact of the proposed changes?

When assessing the impact please consider the possible use of equities or convertible bonds not included in a main index but traded on a recognised exchange which can be used as eligible collateral in relevant circumstances.

Use of collateral for capital requirements purpose	Positive Impact (please explain)	No Impact	Negative Impact (please explain)
Overall change to the list of main indices as per draft ITS			
EEA eligible indices removed and whose components are not included in other indices.			
Non-EEA eligible indices removed and whose components are not included in other indices.			
New EEA indices included in the list			
New non-EEA indices included in the list			

Use of collateral for counterparty risk	Positive Impact (please explain)	No Impact	Negative Impact (please explain)
Overall change to the list of main indices as per draft ITS			
EEA eligible indices removed and whose components are not included in other indices.			

Non-EEA eligible indices removed and whose components are not included in other indices.			
New EEA indices included in the list.			
New non-EEA indices included in the list.			

CBA Q4: (Only for Banks) ESMA proposes a change in the list of main indices encompassing EEA and non-EEA indices. Based on the draft ITS, can you provide some information on the following measures?

Percentage of collateral you hold currently, constituted by shares included in EEA indices as a percentage of total collateral held	
Percentage of collateral you hold currently, constituted by shares included in non-EEA indices as a percentage of total collateral held	
Percentage of collateral constituted by shares included in EEA indices affected by the change (as a percentage of total EEA indices collateral held)	
Percentage of collateral constituted by shares included in non-EEA indices affected by the change as a percentage of total non-EEA indices collateral held	

CBA Q5: (Only for stakeholders, other than a bank) Are you affected by the changes to the list of main indices and recognised exchanges in the draft ITS? If so can you explain how and to what extent?

CBA Q6: Based on the draft ITS can you provide an assessment of the time needed and the costs envisaged to adjust to the changes included in the draft ITS with regards to the list of main indices?

Time needed	
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	Low	Medium	High
Costs			
Estimated cost			

CBA Q7: Can you provide an assessment of the time needed and the costs envisaged to adjust to the removal of UK exchanges from the list of recognised exchanges?

Time needed	
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	Low	Medium	High
Costs			
Estimated cost			

5.3 Annex III - Draft technical standards

COMMISSION IMPLEMENTING REGULATION (EU) .../...

of []

amending Implementing Regulation (EU) 2016/1646 as regards the main indices and recognised exchanges in accordance with Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms

(Text with EEA relevance)

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012⁸ and in particular Article 197(8) thereof,

Whereas:

(1) Commission Implementing Regulation (EU) 2016/1646 specifies the main indices and recognised exchanges pursuant to paragraph 8 of Article 197 of the Capital Requirements Regulation (EU) 575/2013 (CRR). In light of the changes in market structure since the application of Commission Implementing Regulation (EU) 2016/1646, particularly new Recognised Exchanges, it is appropriate to amend it in order to have the most updated list. Furthermore, it is also considered appropriate to amend the methodology for identifying the main indices whose components can be used as collateral for the purposes of Regulation (EU) No 575/2013.

(2) Regulation (EU) No 575/2013 states that equities or convertible bonds included in a main index may be used by institutions as eligible collateral. One of the eligibility criteria for collateral is that it should be sufficiently liquid. A different methodology to select the main indices should be established in order to ensure the adequacy of the resulting indices as eligible collateral. To be considered as main indices for the purposes of Regulation (EU) No 575/2013, equity indices should therefore mainly consist of equities that can reasonably be expected to be realisable when an institution needs to liquidate them. This should be the case when at least

⁸ OJ L 176, 27.6.2013, p. 1.

90% of the components of an index have a free float of at least EUR 500 000 000 or, in the absence of information about free float, a market capitalisation of at least EUR 1 000 000 000.

(3) It should also be possible for institutions to recognise as eligible collateral indices whose components do not meet the above criteria, but whose components are sufficiently traded. Therefore, an equity index should be considered as a main index where two conditions are fulfilled. The first condition requires that at least 80% of the components of an index have a free float of at least EUR 25 000 000 or, in the absence of information about free float, a market capitalisation of at least EUR 50 000 000. The second condition requires that all components of the index having a market capitalisation smaller than or equal to EUR 10 000 000 000 have a minimum average daily turnover of EUR 500 000 and all components of the index having a market capitalisation greater than EUR 10 000 000 000 have a minimum average daily turnover of EUR 1 000 000. The average daily turnover should be calculated over the twelve months of the calendar year preceding the assessment, or where applicable, the period of the twelve months of the preceding calendar year during which the financial instrument was available for trading.

(4) Where two indices meet the criteria to be considered a main index and one is a subset of the other, for simplicity only the broader one should be included in the list of main indices.

(5) Regulation (EU) No 575/2013 states that debt securities issued by certain institutions, not having a credit assessment by an external credit assessment institution (ECAI) may be used as eligible collateral where they fulfil a number of conditions, one of them being that they are listed on a recognised exchange. Implementing Regulation (EU) 2016/1646 sets out the list of exchanges that fulfil the requirements.

(6) It is important to also amend the Annex to include further changes to the list deemed necessary due to mergers, name changes or exchanges that ceased their activities.

(7) This Regulation is based on the draft implementing technical standards submitted by the European Securities and Markets Authority (ESMA) to the Commission.

(8) ESMA has conducted open public consultations on the draft implementing technical standards on which this Regulation is based, analysed the potential related costs and benefits and has requested the opinion of the Securities and Markets Stakeholder Group established in accordance with Article 37 of Regulation (EU) No 1095/2010 of the European Parliament and of the Council⁹.

⁹ Regulation (EU) No 1095/2010 of the European Parliament and of the Council of 24 November 2010 establishing a European Supervisory Authority (European Securities and Markets Authority), amending Decision No 716/2009/EC and repealing Commission Decision 2009/77/EC (OJ L 331, 15.12.2010, p. 84).

HAS ADOPTED THIS REGULATION:

Article 1

Amendment to Implementing Regulation (EU) 2016/1646

The main indices and recognised exchanges specified in Annex I and II to Implementing Regulation (EU) 2016/1646 are replaced by those specified in Annex I and II to this Regulation.

Table 1 of Annex I to Implementing Regulation (EU) 2016/1646 is replaced by the text set out in Annex I to this Regulation.

Annex II to Implementing Regulation (EU) 2016/1646 is replaced by the text set out in Annex II to this Regulation.

Article 2

Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, []

For the Commission
The President

[For the Commission
On behalf of the President

[Position]

ANNEX I

MAIN INDICES SPECIFIED UNDER ARTICLE 197 OF REGULATION (EU) No 575/2013

Table 1

Equity indices

Index	Country/Area
AEX	The Netherlands
Austrian Traded Index	Austria
BEL 20	Belgium
CETOP20	Central Europe
CNX 100	India
CSI 300 Index	China
EGX 30	Egypt
FTSE 350	UK
FTSE All World Europe	Europe
FTSE All-World Index	Global
FTSE Bursa Malaysia KLCI	Malaysia
FTSE MIB	Italy
FTSE Nasdaq Dubai UAE 20 Index	UAE
FTSE RAFI Emerging Index	Emerging markets
FTSE Straits Times Index	Singapore
FTSE/JSE Capped Top 40	South Africa

FTSE/JSE Industrial 25	South Africa
Hang Seng Index	Hong Kong
Hang Seng Mainland 100 Index	Hong Kong
HDAX	Germany
IBEX 35	Spain
IBOVESPA	Brazil
ISEQ 20	Ireland
KOSPI 100	South Korea
MSCI ACWI Index	Global
MSCI EM 50	Emerging markets
MSCI Russia Index	Russia
NASDAQ-100	USA
Nikkei 300	Japan
NYSE ARCA China Index	China
OBX	Norway
OMX Copenhagen 25	Denmark
OMX Helsinki 25	Finland
OMXS60	Sweden
Qatar Exchange General Index	Qatar
S&P 500	USA
S&P BSE 100	India
S&P Latin America 40	Latin America
S&P/ASX 100	Australia

S&P/BMV IPC	Mexico
S&P/NZX 10	New Zealand
S&P/TSX 60	Canada
SBF 120	France
SET 50	Thailand
SMI Expanded	Switzerland
STOXX Asia/Pacific 600	Asia/Pacific
STOXX Europe 600	Europe
TOPIX Mid 400	Japan
TSEC Taiwan 50	Taiwan
WIG20	Poland

ANNEX II

RECOGNISED EXCHANGES SPECIFIED UNDER ARTICLE 197 OF REGULATION (EU) No 575/2013

Table 1

**Recognised exchanges on which contracts listed in Annex II of Regulation (EU) No
575/2013 are not traded**

Regulated market	MIC
AIAF — MERCADO DE RENTA FIJA	XDRF, SEND
ATHENS EXCHANGE SECURITIES MARKET	XATH
BADEN-WUERTTEMBERGISCHE WERTPAPIERBOERSE	STUC, STUA
BOERSE BERLIN	BERC, BERA, EQTB, EQTA
BOERSE DUESSELDORF	DUSC, DUSA
BOERSE MUENCHEN	MUNC, MUNA
BOLSA DE BARCELONA	XBAR, SBAR
BOLSA DE BILBAO	XBIL, SBIL
BOLSA DE MADRID	XMAD, MERF
BOLSA DE VALENCIA	XVAL
BONDSPOT SECURITIES MARKET	RPWC
BOURSE DE LUXEMBOURG	XLUX
BRATISLAVA STOCK EXCHANGE	XBRA
BUCHAREST STOCK EXCHANGE	XBSE

BUDAPEST STOCK EXCHANGE	XBUD
BULGARIAN STOCK EXCHANGE — SOFIA JSC	XBUL
CBOE AMSTERDAM	CCXE
CBOE EUROPE EQUITIES REGULATED MARKET - INTEGRATED BOOK SEGMENT*	BART
CBOE EUROPE EQUITIES REGULATED MARKET - OFF-BOOK SEGMENT*	BARO
CBOE EUROPE EQUITIES REGULATED MARKET - REFERENCE PRICE BOOK SEGMENT*	BARK
CYPRUS STOCK EXCHANGE	XCYS
ELECTRONIC BOND MARKET	MOTX
ELECTRONIC ETF AND ETC/ETN MARKET – ETFplus	ETFP
ELECTRONIC SECONDARY SECURITIES MARKET	HDAT
ELECTRONIC SHARE MARKET	MTAA
EURONEXT AMSTERDAM	XAMS
EURONEXT BRUSSELS	XBRU
EURONEXT DUBLIN	XMSM
EURONEXT LISBON	XLIS
EURONEXT LONDON	XLDN
EURONEXT PARIS	XPAR
FRANKFURTER WERTPAPIERBOERSE (REGULIERTER MARKT)	FRAA, XETA
GIBRALTAR STOCK EXCHANGE*	GSXL
HANSEATISCHE WERTPAPIERBOERSE HAMBURG (REGULIERTER MARKT)	HAMA
LJUBLJANA STOCK EXCHANGE OFFICIAL MARKET	XLJU
LONDON STOCK EXCHANGE — REGULATED MARKET*	XLON
MALTA STOCK EXCHANGE	XMAL, IFSM

MARKET FOR INVESTMENT VEHICLES (MIV)	MIVX
MTS GOVERNMENT MARKET	MTSC
NASDAQ COPENHAGEN	XCSE
NASDAQ HELSINKI	XHEL
NASDAQ ICELAND	XICE
NASDAQ RIGA	XRIS
NASDAQ STOCKHOLM	XSTO
NASDAQ TALLINN	XTAL
NASDAQ VILNIUS	XLIT
NEX AMSTERDAM	BTAM
NEX EXCHANGE MAIN BOARD (EQUITY)*	NEXL
NEX EXCHANGE MAIN BOARD (NON-EQUITY) *	NEXD
NIEDERSAECHSISCHE BOERSE ZU HANNOVER (REGULIERTER MARKT)	HANA
NORDIC GROWTH MARKET NGM	XNGM
NXCHANGE	XNXC
OSLO AXESS	XOAS
OSLO BØRS	XOSL
PRAGUE STOCK EXCHANGE	XPRA
RM-SYSTEM CZECH STOCK EXCHANGE	XRMZ
TRADEGATE EXCHANGE (REGULIERTER MARKT)	XGRM
VIENNA STOCKEXCHANGE OFFICIAL MARKET (AMTLICHER HANDEL)	WBAH
WARSAW STOCK EXCHANGE	XWAR, WBON, WETP
ZAGREB STOCK EXCHANGE	XZAG

*Recognised Exchange based in the United Kingdom.

Table 2

Recognised exchanges on which contracts listed in Annex II of Regulation (EU) No 575/2013 are traded

Regulated market	MIC
ATHENS EXCHANGE DERIVATIVES MARKET	XADE
BUDAPEST STOCK EXCHANGE	XBUD
EUREX DEUTSCHLAND	XEUR
EURONEXT BRUSSELS DERIVATIVES	XBRD
EUROPEAN ENERGY EXCHANGE	XEEE, XEER
FISH POOL	FISH
HUDEX ENERGY EXCHANGE	HUDX
ICE ENDEX DERIVATIVES	NDEX
ICE FUTURES EUROPE — AGRICULTURAL PRODUCTS DIVISION*	IFLX
ICE FUTURES EUROPE — ENERGY PRODUCTS DIVISION*	IFEU
ICE FUTURES EUROPE — EQUITY PRODUCTS DIVISION*	IFLO
ICE FUTURES EUROPE — FINANCIAL PRODUCTS DIVISION*	IFLL
ITALIAN DERIVATIVES MARKET	XDMI
LONDON STOCK EXCHANGE DERIVATIVES MARKET*	XLOD
MATIF	XMAT
MEFF EXCHANGE	XMRV, XMPW
MERCADO DE FUTUROS E OPCOES	MFOX
MONEP	XMON
NASDAQ OSLO	NORX
NASDAQ STOCKHOLM	XSTO
NOREXECO	NEXO
OMIP – POLO PORTUGUES	OMIP

OSLO BØRS	XOSL
POWER EXCHANGE CENTRAL EUROPE	XPXE
POWERNEXT DERIVATIVES	XPOW
THE LONDON METAL EXCHANGE*	XLME
EURONEXT EQF — EQUITIES AND INDICES DERIVATIVES*	XEUE
WARSAW STOCK EXCHANGE/COMMODITIES/POLISH POWER EXCHANGE/COMMODITY DERIVATIVES	PLPD
WARSAW STOCK EXCHANGE/FINANCIAL DERIVATIVES	WDER

*Recognised Exchange based in the United Kingdom.

5.4 Annex IV – CRR Framework¹⁰

5.4.1 Introduction to the capital requirements

74. The CRD IV package came into effect on 1 January 2014 and it is comprised of a directive (CRD IV) governing the access to banking activity, and a regulation (CRR) establishing, among others, how to calculate the amount of capital that banks and investment firms must set aside. The CRD IV package introduced into EU law the bulk of the internationally agreed standards on capital requirements developed by the Basel Committee on Banking Supervision (BCBS) in December 2010 Basel III framework.

75. The Basel III framework builds on the 'Basel II' three-pillar architecture, according to which: (i) Pillar 1 (minimum prudential requirements) sets the binding minimum level of capital banks and investment firms need to face major risks; (ii) Pillar 2 (supervisory review) allows supervisors to evaluate institution-specific risks and impose additional capital charges to face them; (iii) Pillar 3 (market discipline) aims to increase transparency in banks' financial reporting allowing marketplace participants to better reward well-managed banks.

76. The CRR requires banks to have set aside enough capital to cover unexpected losses and keep themselves solvent in a crisis. As a main principle, the amount of capital required depends on the risk attached to the assets of a particular bank. The riskier the assets, the higher is the risk-weight and the more capital the bank has to set aside. A total amount of capital that banks and investment firms are required to hold should be equal to at least 8% of risk-weighted assets. As per the following formula:

$$\frac{\text{Required Capital (RC)}}{\sum \text{Asset}_i * \text{Risk Weight}_i} \geq 8\%$$

5.4.2 Approaches, methods and techniques to calculate the capital requirements

77. In order to calculate capital requirements for credit risk, in accordance with Article 107(1) of CRR, institutions shall apply:

- a. either the Standardised Approach (SA);

¹⁰ This section is based on the [EBA Report on the credit risk mitigation \(CRM\) framework](#) of 19 March 2018

- b. or the Internal Ratings Based (IRB) Approach to calculate their risk-weighted exposure amounts, if permitted by the competent authority.

78. Under the SA Approach:

- a. the exposure value of an asset item shall be its accounting value remaining after specific credit risk adjustments, additional value adjustments in accordance with Articles 34 and 110 and other own funds reductions related to the asset item have been applied;
- b. each exposure shall be assigned to one of the exposure classes provided in Article 112 of the CRR;
- c. to calculate risk-weighted exposure amounts, risk weights shall be applied to all exposures, unless deducted from own funds. The application of risk weights shall be based on the exposure class to which the exposure is assigned and its credit quality. Credit quality may be determined by reference to the credit assessments of External Credit Assessment Institutions (ECAIs) or the credit assessments of Export Credit Agencies in accordance with Section 3 of the CRR.

79. Under the IRB Approach institutions can calculate their risk-weighted exposure amounts using the internal ratings, including own estimates of loss given default (LGD) and conversion factors. Under this approach:

- a. each exposure shall be assigned to one of the exposure classes provided in Article 147 of the CRR;
- b. the risk-weighted exposure amounts for credit risk for exposures belonging to one of the exposure classes (except for point (f)) shall, unless deducted from own funds, be calculated in accordance with Sub-section 2 except where those exposures are deducted from Common Equity Tier 1 Additional Tier 1 items or Tier 2 items;
- c. the calculation of risk-weighted exposure amounts for credit risk and dilution risk shall be based on the relevant parameters associated with the exposure in question. These shall include probability of default (PD), LGD, maturity and exposure value of the exposure. PD and LGD may be considered separately or jointly. In particular, institutions apply:
 - i. "A-IRB" in the case they have received permission from the competent authority to use own estimates of LGD and credit conversion factors;
 - ii. "F-IRB" in the case they do not use their own estimates of the PD and rely on regulatory parameters values for LGD and credit conversion factors..

80. On the basis of the approach applied to credit risk by the institution, different provisions apply. Such provisions are mainly determined in Article 108 of the CRR.

81. In order to alleviate the capital requirements Credit Risk Mitigation (CRM) techniques and methods can be used. Chapter 4 of the CRR is entirely devoted to define such CRM Framework.

82. More specifically, the CRR classifies CRM techniques as:

- a. funded credit protection (FCP), defined by Article 4(1)(58) of the CRR. FCP means a technique of credit risk mitigation where the reduction of the credit risk on the exposure of an institution derives from the right of that institution, in the event of the default of the counterparty or on the occurrence of other specified credit events relating to the counterparty, to liquidate, or to obtain transfer or appropriation of, or to retain certain assets or amounts, or to reduce the amount of the exposure to, or to replace it with, the amount of the difference between the amount of the exposure and the amount of a claim on the institution;
- b. unfunded credit protection (UFCP), defined by Article 4(1)(59) of the CRR. UFCP means a technique of credit risk mitigation where the reduction of the credit risk on the exposure of an institution derives from the obligation of a third party to pay an amount in the event of the default of the borrower or the occurrence of other specified credit events;
- c. other funded credit protection (OFCP) which effectively work similarly to UFCP, since upon default of the obligor the lending institution relies on the promise of a third party to perform payment to offset or limit the resulting loss (e.g. cash on deposit with a third party institution and pledged to the lending institution, life insurance policies pledged to the lending institution, instruments issued by third party institution that will be repurchased on request).

83. The fundamental difference between the FCP and UFCP lies in the type of risk the protection receiver is exposed to. In the case of FCP, the lending institution bears the risk that the collateral received deteriorates in value, resulting in lower protection, while in the case of UFCP, the lending institution bears the risk that the protection provider is not able to pay upon default of the obligor.

5.4.3 The use of collateral for capital requirements purposes

84. Among the FCP techniques, there is the use of collateral under all approaches and methods as per Article 197 of the CRR which include among possible collaterals under point (f) equities or convertible bonds that are included in a main index.

85. The CRM methods that can be employed to recognise the CRM effects of financial collateral are (i) either the financial collateral simple method (FCSM) (ii) or the financial collateral comprehensive method (FCCM).
86. Under the FCSM the collateralised part of the exposure is assigned the risk weight that the institution would assign if it had a direct exposure to the collateral instrument, subject to a 20% floor, except in specific cases, while the risk weight assigned to the unsecured part of the exposure is the same as that assigned to the original exposure.
87. Under the FCCM, the exposure value is reduced by the collateral amount after relevant volatility adjustments (or 'haircuts') are applied, and the resulting reduced exposure value is multiplied by the risk weight assigned to the original exposure as if it were not collateralised. Under the FCCM, the institution may use either supervisory haircuts or own estimated haircuts, subject to supervisory approval (see Articles 224 and 225 of the CRR) and shall adjust the haircuts depending on the relevant revaluation and liquidation period of the collateral.
88. As a consequence, while the FCSM acts on the risk weight to be applied to the secured part of the exposure, the FCCM acts on the exposure value (by reducing it, which is equivalent to assigning a 0% risk weight to the secured part), while it does not have an impact on the risk weight to be subsequently assigned to the remaining part.
89. Under Article 198(1)(a), in addition to the collateral established in Article 197, where an institution uses the FCCM, that institution may use, among others, equities or convertible bonds not included in a main index but traded on a recognised exchange as eligible collateral.
90. Article 224 provides for the volatility adjustments under the FCCM to be applied by institutions under the Supervisory Volatility Adjustments Approach (SVAA), assuming daily revaluation. The calculation of those volatility adjustments for non-eligible securities or for commodities lent or sold under repurchase transactions or securities or commodities lending or borrowing transactions, should be the same as for non-main index equities listed on a recognised exchange.
91. Last but not least, Article 299 provides the principles to be applied by institutions when calculating risk-weighted exposure amounts for counterparty risk of items in the trading book. In particular, under certain conditions, for the purposes of calculating volatility adjustments, institutions shall treat financial instruments and commodities in the same way as non-main index equities listed on a recognised exchange.

5.4.4 The use of collateral for the purpose of counterparty credit risk

92. Besides defining the capital requirements, the CRR provides for the large exposures regime which is to act as a backstop to prevent an institution from incurring disproportionately large losses as a result of the failure of an individual client or group

of connected clients due to the occurrence of unforeseen events. The provisions related to the large exposure regime are detailed in Part IV of the CRR.

93. In this regards, the CRR defines in Articles 389 the meaning of exposure and in Article 390 details how to calculate the exposure value. Article 392, defines a large exposure as an institution's exposure to a client or group of connected clients where its value is equal to or exceeds 10 % of its eligible capital. Furthermore, the CRR sets the limits to large exposures and states that the overall large exposure limit of a firm to a single counterparty or to a group of connected counterparties must not be higher than 25% of the firm's available eligible capital base at all times.
94. When calculating those exposures, institutions can take into account the effect of the CRM in accordance with Articles 399 to 403 of the CRR which provide for the possibility to use of FCP or UFCP techniques and/or to fully or partially exempt certain exposures from the limits to large exposures.

5.5 Annex V – Data analysis

5.5.1 Background information

95. The table below provides the background information of the indices assessed. In particular:

- a. the “Index name of the index assessed” column indicates the name of the indices assessed;
- b. the “Index name in ITS” column provides the name of the index as in the ITS,
- c. the “Num of indices in which the index is included” column provides the number of indices in which the index assessed is included;
- d. the “Is the index assessed the same as the one in the ITS?” column specifies if there is a difference between the index in the current ITS and the index assessed. This column can take the following values:
 - i. “Same index” when the index assessed is the same as the index in the ITS;
 - ii. “Name changed” when the index assessed is the same as the index in the ITS but the name of the index has changed;
 - iii. “Index changed” when the index assessed is different from the index in the ITS, this is the case of OMX Copenhagen 20 substituted by OMX Copenhagen 25, FTSE JSE Top 40 substituted by FTSE/JSE Capped Top 40 and S&P NZX 15 Index substituted by S&P/NZX 10. Details on those two indices are provided in the “Note on Index changed” column;
- e. the “Country/Area” column indicates the country/area of the index and the “EEA country” column specifies if the country of the index is or not an EEA country;
- f. the “NB components of the index” column provides the number of components in the index.

Table 6 – Background information of the indices assessed

BACKGROUND INFORMATION								
Index name of the index assessed	Index name in ITS	Num of indices in which the index is included	Is the index assessed the same as the one in the ITS?	Note on Index changed	Country/Area	EEA country	Market on which the index is based	NB components of the index
ADX General		-			UAE	NOT EEA		61
AEX	AEX	3	Same index		The Netherlands	The Netherlands	Euronext Amsterdam	25
AEX All-Share		-			The Netherlands	The Netherlands	Euronext Amsterdam	127
All Ordinaries		-			Australia	NOT EEA		484
Al-Quds Index		-			State of Palestine	NOT EEA		15
ASE Index		-			Jordan	NOT EEA		97
Athex All Share		-			Greece	Greece	Athens Stock Exchange	139
ATX Prime	ATX Prime	1	Same index		Austria	Austria	Vienna Stock Exchange	36
Austrian Traded Index		2			Austria	Austria	Vienna Stock Exchange	20
BCN Global 100		2			Spain	Spain	Spain	99
BEL 20	BEL20	10	Name changed		Belgium	Belgium	Euronext Belgium	20
BEL All Share		-			Belgium	Belgium	Euronext Belgium	136
BET		1			Romania	Romania	Bucharest Stock Exchange	15
BET-BK		8			Romania	Romania	Bucharest Stock Exchange	25
BGBX40		-			Bulgaria	Bulgaria	Bulgarian Stock Exchange	40
BIST 100		4			Turkey	NOT EEA		100
BIST 30		6			Turkey	NOT EEA		30
Bolsa G		-			Argentina	NOT EEA		78
Botswana Gaborone Index		-			Botswana	NOT EEA		26
BUMIX		-			Hungary	Hungary	Budapest Stock Exchange	18
Burcap		1			Argentina	NOT EEA		21
BUX		5			Hungary	Hungary	Budapest Stock Exchange	15
CAC 40		10			France	France	Euronext Paris	40
CAC All-Tradable		5			France	France	Euronext Paris	315
CAC Mid 60		2			France	France	Euronext Paris	60
CAC Next 20		10			France	France	Euronext Paris	20
CAC Small		1			France	France	Euronext Paris	195
CDAX		-			Germany	Germany	Frankfurt Stock Exchange	427
CETOP20	CETOP20 Index	8	Name changed		Central Europe	NOT EEA		25
CNX 100	CNX 100 Index	5	Name changed		India	NOT EEA		101

BACKGROUND INFORMATION								
Index name of the index assessed	Index name in ITS	Num of indices in which the index is included	Is the index assessed the same as the one in the ITS?	Note on Index changed	Country/Area	EEA country	Market on which the index is based	NB components of the index
COLCAP		2			Colombia	NOT EEA		25
COLEQTY		1			Colombia	NOT EEA		40
CROBEX		-			Croatia	Croatia	Zagreb Stock Exchange	23
CSE All-Share		-			Sri Lanka	NOT EEA		285
CSE General Index		-			Cyprus	Cyprus	Cyprus Stock Exchange	52
CSI 300 Index	Shanghai Shenzhen CSI 300	3	Name changed		China	NOT EEA		300
DAX		8			Germany	Germany	Frankfurt Stock Exchange	30
DFM General		-			UAE	NOT EEA		37
Dow Jones CASE Egypt Titans 20		1			Egypt	NOT EEA		19
EGX 30		-			Egypt	NOT EEA		30
Euronext 100		8			Europe	NOT EEA		100
FTSE 100		5			UK	UK	London Stock Exchange	101
FTSE 350	FTSE 350	4	Same index		UK	UK	London Stock Exchange	351
FTSE All World Developed		2			Developed countries	NOT EEA		2,173
FTSE All World Europe	FTSE Europe Index	3	Name changed		Europe	NOT EEA		675
FTSE All-World Index	FTSE All World Index	-	Name changed		Global	NOT EEA		3,195
FTSE Bursa Malaysia KLCI	FTSE Bursa Malaysia KLCI Index	3	Name changed		Malaysia	NOT EEA		30
FTSE Eurotop 100		6			Europe	NOT EEA		107
FTSE Italia All-Share Index		-			Italy	Italy	Borsa Italiana	223
FTSE MIB	FTSE MIB	6	Same index		Italy	Italy	Borsa Italiana	40
FTSE Nasdaq Dubai UAE 20 Index	FTSE Nasdaq Dubai UAE 20 Index	4	Same index		UAE	NOT EEA		20
FTSE NSX Overall Index		-			Namibia	NOT EEA		29
FTSE RAFI Emerging Index	FTSE RAFI Emerging Markets	4	Name changed		Emerging markets	NOT EEA		357
FTSE Straits Times Index	FTSE Straits Times Index	5	Same index		Singapore	NOT EEA		30
FTSE/Athex Large Cap	FT ASE Large Cap	2	Name changed		Greece	Greece	Athens Stock Exchange	25
FTSE/CySE 20		1			Cyprus	Cyprus	Cyprus Stock Exchange	17
FTSE/JSE All Share		6			South Africa	NOT EEA		164
FTSE/JSE Capped Top 40	FTSE JSE Top 40	1	Index changed	The FTSE/JSE Capped Top 40 Index is similar to the FTSE/JSE Top 40 Index (which still exists). They are identical in all respects, including the list of constituents, the number of shares included in the index, the data elements, eligibility criteria and methodology but they differs with regards to the capping of the weighting to 10%. In other words, the capped index reduces the weight of the largest companies. In the final ITS the old one can be kept if the capped passes the tests since they are equivalent in composition.	South Africa	NOT EEA		42

BACKGROUND INFORMATION								
Index name of the index assessed	Index name in ITS	Num of indices in which the index is included	Is the index assessed the same as the one in the ITS?	Note on Index changed	Country/Area	EEA country	Market on which the index is based	NB components of the index
FTSE/JSE Industrial 25	INDI 25 Index	9	Name changed		South Africa	NOT EEA		25
Hang Seng Composite Index	Hang Seng Composite Index	3	Same index		Hong Kong	NOT EEA		492
Hang Seng Index	Hang Seng	5	Name changed		Hong Kong	NOT EEA		50
Hang Seng Mainland 100 Index	Hang Seng Mainland 100 Index (China)	4	Name changed		Hong Kong	NOT EEA		100
HDAX	HDAX	-	Same index		Germany	Germany	Frankfurt Stock Exchange	102
HNX		-			Vietnam	NOT EEA		378
HNX 30		1			Vietnam	NOT EEA		30
IBEX 35	IBEX35	6	Name changed		Spain	Spain	Bolsa de Madrid	35
IBOVESPA	IBOVESPA	4	Same index		Brazil	NOT EEA		65
IBrX-50		5			Brazil	NOT EEA		50
IDX Composite		-			Indonesia	NOT EEA		626
ISEQ 20	ISEQ 20	2	Same index		Ireland	Ireland	Irish Stock Exchange	20
ISEQ Overall		1			Ireland	Ireland	Irish Stock Exchange	46
Jakarta LQ45		5			Indonesia	NOT EEA		44
KASE Index		4			Kazakhstan	NOT EEA		7
KOSPI		-			South Korea	NOT EEA		781
KOSPI 100	KOSPI 100	6	Same index		South Korea	NOT EEA		100
KRX 100		6			South Korea	NOT EEA		100
LJSE Composite		-			Slovenia	Slovenia	Ljubljana Stock Exchange	41
LuxX		-			Luxembourg	Luxembourg	Luxembourg Stock Exchange	9
Madrid General		1			Spain	Spain	Bolsa de Madrid	130
MOEX		-			Russia	NOT EEA		291
Moroccan All Shares Index		-			Morocco	NOT EEA		74
MSCI ACWI Index	MSCI ACWI	1	Name changed		Global	NOT EEA		2,756
MSCI EM 50	MSCI Emerging Markets 50	8	Name changed		Emerging markets	NOT EEA		50
MSCI EMERGING MARKETS INDEX		2			Emerging markets	NOT EEA		1,124
MSCI India Index		8			India	NOT EEA		78
MSCI Indonesia Index		6			Indonesia	NOT EEA		28
MSCI North America IMI Index		3			USA	NOT EEA		2,732
MSCI Philippines Index		3			Philippines	NOT EEA		23
MSCI Russia Index	MSCI Russia Index	9	Same index		Russia	NOT EEA		23
MSCI South Africa Index		4			South Africa	NOT EEA		49

BACKGROUND INFORMATION								
Index name of the index assessed	Index name in ITS	Num of indices in which the index is included	Is the index assessed the same as the one in the ITS?	Note on Index changed	Country/Area	EEA country	Market on which the index is based	NB components of the index
MSCI Taiwan Index		5			Taiwan	NOT EEA		103
MSCI USA IMI Index		4			USA	NOT EEA		2,429
MSE Index		-			Malta	Malta	Malta Stock Exchange	23
MSM 30		-			Oman	NOT EEA		30
Nasdaq Composite		-			USA	NOT EEA		2,631
NASDAQ-100	NASDAQ100	6	Name changed		USA	NOT EEA		103
Nikkei 300	Nikkei 300	5	Same index		Japan	NOT EEA		300
NYSE ARCA China Index	NYSE ARCA China Index	1	Same index		China	NOT EEA		27
OBX	OBX	1	Same index		Norway	Norway	Oslo Bers	25
OMX Copenhagen		1			Denmark	Denmark	Copenhagen Stock Exchange	135
OMX Copenhagen 25	OMX Copenhagen 20	7	Index changed	The OMX Copenhagen 25 is now considered the main index in Denmark	Denmark	Denmark	Copenhagen Stock Exchange	25
OMX Helsinki		1			Finland	Finland	Helsinki Stock Exchange	139
OMX Helsinki 25	OMXH25	6	Name changed		Finland	Finland	Helsinki Stock Exchange	25
OMX Iceland All-Share PI		1			Iceland	Iceland	NASDAQ OMX Nordic Exchan	18
OMX Nordic 40		11			Europe Nordic	NOT EEA		40
OMX Nordic All Share		-			Europe Nordic	NOT EEA		640
OMX Riga		-			Latvia	Latvia	Nasdaq Riga	18
OMX Stockholm		1			Sweden	Sweden	Stockholm Stock Exchange	362
OMX Tallinn		-			Estonia	Estonia	Tallinn Stock Exchange	16
OMX Vilnius		-			Lithuania	Lithuania	Vilnius Stock Exchange	20
OMXS30		12			Sweden	Sweden	Stockholm Stock Exchange	30
OMXS60	OMXS60	9	Same index		Sweden	Sweden	Stockholm Stock Exchange	60
OMXSB	OMXSB	8	Same index		Sweden	Sweden	Stockholm Stock Exchange	96
OSEBX		-			Norway	Norway	Oslo Bers	63
PSEi Composite		2			Philippines	NOT EEA		30
PSI-20	PSI 20	4	Name changed		Portugal	Portugal	Euronext Lisbon	18
PSI-All-Share		3			Portugal	Portugal	Euronext Lisbon	41
PX Index	PX Prague	10	Name changed		Czech Republic	Czech Republic	Prague Stock Exchange	12
Qatar Exchange General Index		1			Qatar	NOT EEA		20
QE All Shares		-			Qatar	NOT EEA		43

BACKGROUND INFORMATION								
Index name of the index assessed	Index name in ITS	Num of indices in which the index is included	Is the index assessed the same as the one in the ITS?	Note on Index changed	Country/Area	EEA country	Market on which the index is based	NB components of the index
RTS	Russian Traded Index	2	Name changed		Russia	NOT EEA		42
Russell 3000	Russell 3000 Index	1	Name changed		USA	NOT EEA		3,002
S&P 500	S&P 500	6	Same index		USA	NOT EEA		505
S&P BSE 100	S&P BSE 100 Index	5	Name changed		India	NOT EEA		101
S&P BSE 500		2			India	NOT EEA		501
S&P BSE SENSEX		6			India	NOT EEA		31
S&P CLX IGPA		3			Chile	NOT EEA		107
S&P CLX IPSA		4			Chile	NOT EEA		40
S&P CNX 500		2			India	NOT EEA		501
S&P CNX Nifty		9			India	NOT EEA		50
S&P France BMI	S&P BMI France	2	Name changed		France	France	France	186
S&P Latin America 40	S&P Latin America 40	3	Same index		Latin America	NOT EEA		41
S&P Lima General		4			Peru	NOT EEA		39
S&P Peru Select		5			Peru	NOT EEA		15
S&P TSX 60		5			USA	NOT EEA		60
S&P TSX Composite		1			USA	NOT EEA		240
S&P/ASX 100	ASX 100	2	Name changed		Australia	NOT EEA		100
S&P/ASX 300		1			Australia	NOT EEA		295
S&P/ASX 50		7			Australia	NOT EEA		50
S&P/BMV IPC	Mexico Bolsa Index	4	Name changed		Mexico	NOT EEA		35
S&P/BMV IPC CompMx		-			Mexico	NOT EEA		56
S&P/HKEX LargeCap		9			Hong Kong	NOT EEA		25
S&P/NZX 10	S&P NZX 15 Index	8	Index changed	S&P NZX 15 Index is closed since June 2018. S&P/NZX 10 is designed to measure the performance of 10 of the largest companies in the S&P/NZX 50 Index, it exists since 31 December 1989, so it's not exactly a replacement.	New Zealand	NOT EEA		10
S&P/NZX 50		8			New Zealand	NOT EEA		50
S&P/NZX All Gross		-			New Zealand	NOT EEA		110
S&P/TSX		1			Canada	NOT EEA		240
S&P/TSX 60	TSX60	5	Name changed		Canada	NOT EEA		60
SAX		-			Slovakia	Slovakia	Bratislava Stock Exchange	7
SBF 120	SBF120	7	Name changed		France		Euronext Paris	120
SBITOP		1			Slovenia	Slovenia	Ljubljana Stock Exchange	7

BACKGROUND INFORMATION								
Index name of the index assessed	Index name in ITS	Num of indices in which the index is included	Is the index assessed the same as the one in the ITS?	Note on Index changed	Country/Area	EEA country	Market on which the index is based	NB components of the index
SEM-10		1			Mauritius	NOT EEA		10
SEMDEX		-			Mauritius	NOT EEA		37
SET		-			Thailand	NOT EEA		588
SET 50		1			Thailand	NOT EEA		50
SMI		6			Switzerland	NOT EEA		20
SMI Expanded	SMI Expanded Index	4	Name changed		Switzerland	NOT EEA		50
SOFIX		1			Bulgaria	Bulgaria	Bulgarian Stock Exchange	15
SSE 180		4			China	NOT EEA		180
SSE Composite Index		-			China	NOT EEA		1,426
STI Index		5			Singapore	NOT EEA		30
STOXX Asia/Pacific 600	STOXX Asia/Pacific 600	3	Same index		Asia/Pacific	NOT EEA		600
STOXX Europe 600	STOXX Europe 600	4	Same index		Europe	NOT EEA		600
SZSE 100		4			China	NOT EEA		99
SZSE Composite Index		-			China	NOT EEA		2,169
TA 35		8			Israel	NOT EEA		33
Tadawul All Share		-			Saudi Arabia	NOT EEA		190
TAIEX		-			Taiwan	NOT EEA		900
TASE General		-			Israel	NOT EEA		442
TOPIX		-			Japan	NOT EEA		2,126
TOPIX Core 30		6			Japan	NOT EEA		30
TOPIX Mid 400	TOPIX mid 400	4	Same index		Japan	NOT EEA		400
TPEX 50		-			Taiwan	NOT EEA		51
TSEC Taiwan 50	TSEC Taiwan 50	5	Same index		Taiwan	NOT EEA		50
Ukraine UX		-			Ukraine	NOT EEA		6
VN		-			Vietnam	NOT EEA		379
VN 30		1			Vietnam	NOT EEA		30
WBI		-			Austria	Austria	Vienna Stock Exchange	63
WIG		-			Poland	Poland	Warsaw Stock Exchange	339
WIG20	WIG20	4	Same index		Poland	Poland	Warsaw Stock Exchange	20
WIG30		1			Poland	Poland	Warsaw Stock Exchange	30

5.5.2 Data sources and performance of the tests

96. ESMA has collected information on:

- a. the composition of the indices from data vendors (FTSE, Thomson Reuters EIKON, Bloomberg);
- b. the market capitalisation, free-float, turnover, price and ADT from data vendors (Thomson Reuters EIKON), the price and the turnover relate to 27 December 2018, the ADT is calculated over the period 1 January – 31 December 2018;
- c. the market on which the index is based from public sources while the related list of shares available from trading on each market was retrieved from FIRDS (as of 10 January 2019). Consequently, the relative test of the current methodology (Option A), which requires information on the shares available for trading on a market was performed only for EEA-countries indices;
- d. the country assigned to each component, for performance of the statistics on the components in each continent/regions, was retrieved from data vendors (Thomson Reuters EIKON) and it corresponds to:
 - i. the country of primary market;
 - ii. if not available to the country of incorporation;
 - iii. if not available to the country of the headquarters; and
 - iv. if not available to the country determined on the basis of the first two letter of the ISIN.

97. All tests were strictly performed, i.e. as long as there was no information for the assessment of the component, the test could not be passed if required all components to satisfy a condition based on the missing information.

5.5.3 Detailed results of the analysis for each option

98. The table below provides the detailed results of the assessment of all indices under Option A. In particular:

For the absolute test:

- a. the “NB components above the absolute threshold” column indicates the number of components of the index assessed that passed the absolute thresholds, i.e. EUR 500,000,000 of free-float or, in the absence of the information about the free float, EUR 1,000,000,000 of market capitalisation;
- b. the “% of components above the absolute threshold” column indicates the percentage of components of the index assessed that passed the absolute thresholds,
- c. the “Results for the ABSOLUTE TEST” column takes the following values: “PASSED” if the “% of components above the absolute threshold” is greater than or equal to 90% and “NOT PASSED” otherwise;

For the relative test:

- d. the “NB shares in the market for criterion #1” column provides the number of shares in the market on which the index is based. This number is used for the assessment of the first criterion of the relative test, which requires that the components of the index are not more than 50% of the total number of companies whose shares are traded on the market on which the index is based;
- e. the “Results for Criterion #1” column takes the following values: “PASSED” if the % of components of the index is smaller than or equal to 50% of the shares that are traded on the market on which the index is based and “NOT PASSED” otherwise;
- f. the “Results for Criterion #2” column provides the results for second criterion of the relative test and it takes the following values: “PASSED” if all the components of the index have an ADT of at least EUR 100,000 and “NOT PASSED” otherwise;

- g. the “Results for Criterion #3” column provides the results for third criterion of the relative test and it takes the following values: “PASSED” if the total market capitalisation of the index is at least 40% of the market capitalisation of all the companies whose shares are traded on the market on which the index is based and “NOT PASSED” otherwise;
- h. the “Results for Criterion #4” column provides the results for fourth criterion of the relative test and it takes the following values: “PASSED” if the total turnover of trading in the components of the index is at least 40% of the total turnover of trading of all shares that are traded on the market on which the index is based and “NOT PASSED” otherwise;
- i. the “Results for the RELATIVE TEST” column takes the following values: “PASSED” if the relative test of the current methodology (Option A) is passed and “NOT PASSED” otherwise;
- j. the “Preliminary results for Option A” column takes the following values: “PASSED” if the index has passed either the absolute or the relative test under the current methodology (Option A). As mentioned above, the relative test could be performed only for indices of EEA-countries;
- k. the “Final results for Option A” provides the final results for Option A. In particular, the value is:
 - i. “PASSED” for:
 - 1. those indices that are currently included in the ITS and that passed either the absolute or the relative the test;
 - 2. those indices that are not currently included in the ITS, that passed either the absolute or the relative test and whose composition is not contained in the indices under 1;
 - ii. “Index already included in index” for those indices that are not currently included in the ITS, that passed either the absolute or the relative test and whose composition is contained in the indices under 1;
 - iii. “NOT PASSED” for indices that did not pass neither the absolute nor the relative test.

Table 7 – Detailed results for the current methodology (Option A)

Index name of the index assessed	CURRENT METHODOLOGY - OPTION A										
	NB components above the absolute threshold	% of components above the absolute threshold	Results for the ABSOLUTE TEST	NB shares in the market for criterion #1	Results for Criterion #1	Results for Criterion #2	Results for Criterion #3	Results for Criterion #4	Results for the RELATIVE TEST	Preliminary results for Option A	Final results for Option A
ADX General	12	20%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
AEX	25	100%	PASSED	144	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
AEX All-Share	61	48%	NOT PASSED	144	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
All Ordinaries	177	37%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
Al-Quds Index	-	0%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
ASE Index	1	1%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
Athex All Share	10	7%	NOT PASSED	230	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
ATX Prime	20	56%	NOT PASSED	668	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
Austrian Traded Index	18	90%	PASSED	668	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	PASSED	PASSED
BCN Global 100	62	63%	NOT PASSED	362	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
BEL 20	20	100%	PASSED	162	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
BEL All Share	47	35%	NOT PASSED	162	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
BET	5	33%	NOT PASSED	389	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
BET-BK	6	24%	NOT PASSED	389	PASSED	NOT PASSED	NOT PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
BGBX40	-	0%	NOT PASSED	303	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
BIST 100	21	21%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
BIST 30	18	60%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
Bolsa G	17	22%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
Botswana Gaborone Index	1	4%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
BUMIX	-	0%	NOT PASSED	52	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
Burcap	11	52%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
BUX	4	27%	NOT PASSED	52	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	Index already included in index
CAC 40	40	100%	PASSED	649	PASSED	PASSED	PASSED	NOT PASSED	PASSED	PASSED	Index already included in index
CAC All-Tradable	123	39%	NOT PASSED	649	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
CAC Mid 60	57	95%	PASSED	649	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	PASSED	Index already included in index
CAC Next 20	20	100%	PASSED	649	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	PASSED	Index already included in index
CAC Small	6	3%	NOT PASSED	649	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
CDAX	130	30%	NOT PASSED	12175	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
CETOP20	25	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
CNX 100	97	96%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED

Index name of the index assessed	CURRENT METHODOLOGY - OPTION A										
	NB components above the absolute threshold	% of components above the absolute threshold	Results for the ABSOLUTE TEST	NB shares in the market for criterion #1	Results for Criterion #1	Results for Criterion #2	Results for Criterion #3	Results for Criterion #4	Results for the RELATIVE TEST	Preliminary results for Option A	Final results for Option A
COLCAP	14	56%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
COLEQTY	15	38%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
CROBEX	1	4%	NOT PASSED	160	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
CSE All-Share	4	1%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
CSE General Index	-	0%	NOT PASSED	111	PASSED	NOT PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
CSI 300 Index	291	97%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
DAX	30	100%	PASSED	12175	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	PASSED	Index already included in index
DFM General	12	32%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
Dow Jones CASE Egypt Titans 20	4	21%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
EGX 30	5	17%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
Euronext 100	100	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
FTSE 100	101	100%	PASSED	8142	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	PASSED	Index already included in index
FTSE 350	333	95%	PASSED	8142	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	PASSED	PASSED
FTSE All World Developed	2,116	97%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
FTSE All World Europe	647	96%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
FTSE All-World Index	2,972	93%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
FTSE Bursa Malaysia KLCI	30	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
FTSE Eurotop 100	107	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
FTSE Italia All-Share Index	64	29%	NOT PASSED	302	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
FTSE MIB	39	98%	PASSED	302	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
FTSE Nasdaq Dubai UAE 20 Index	18	90%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
FTSE NSX Overall Index	18	62%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
FTSE RAFI Emerging Index	348	97%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
FTSE Straits Times Index	30	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
FTSE/Athex Large Cap	10	40%	NOT PASSED	230	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
FTSE/CySE 20	1	6%	NOT PASSED	111	PASSED	NOT PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
FTSE/JSE All Share	86	52%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
FTSE/JSE Capped Top 40	42	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
FTSE/JSE Industrial 25	25	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
Hang Seng Composite Index	310	63%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED

CURRENT METHODOLOGY - OPTION A											
Index name of the index assessed	NB components above the absolute threshold	% of components above the absolute threshold	Results for the ABSOLUTE TEST	NB shares in the market for criterion #1	Results for Criterion #1	Results for Criterion #2	Results for Criterion #3	Results for Criterion #4	Results for the RELATIVE TEST	Preliminary results for Option A	Final results for Option A
Hang Seng Index	50	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
Hang Seng Mainland 100 Index	99	99%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
HDAX	99	97%	PASSED	12175	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	PASSED	PASSED
HNX	1	0%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
HNX 30	1	3%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
IBEX 35	35	100%	PASSED	197	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
IBOVESPA	62	95%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
IBrX-50	50	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
IDX Composite	41	7%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
ISEQ 20	17	85%	NOT PASSED	92	PASSED	PASSED	PASSED	NOT PASSED	PASSED	PASSED	PASSED
ISEQ Overall	17	37%	NOT PASSED	92	PASSED	NOT PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
Jakarta LQ45	22	50%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
KASE Index	2	29%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
KOSPI	133	17%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
KOSPI 100	93	93%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
KRX 100	93	93%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
LJSE Composite	-	0%	NOT PASSED	41	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
LuxX	7	78%	NOT PASSED	47	PASSED	NOT PASSED	NOT PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
Madrid General	68	52%	NOT PASSED	197	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
MOEX	36	12%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
Moroccan All Shares Index	7	9%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
MSCI ACWI Index	2,741	99%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
MSCI EM 50	50	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
MSCI EMERGING MARKETS INDEX	1,110	99%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
MSCI India Index	78	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
MSCI Indonesia Index	27	96%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
MSCI North America IMI Index	2,099	77%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
MSCI Philippines Index	22	96%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
MSCI Russia Index	23	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
MSCI South Africa Index	49	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index

CURRENT METHODOLOGY - OPTION A											
Index name of the index assessed	NB components above the absolute threshold	% of components above the absolute threshold	Results for the ABSOLUTE TEST	NB shares in the market for criterion #1	Results for Criterion #1	Results for Criterion #2	Results for Criterion #3	Results for Criterion #4	Results for the RELATIVE TEST	Preliminary results for Option A	Final results for Option A
MSCI Taiwan Index	75	73%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
MSCI USA IMI Index	1,888	78%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
MSE Index	-	0%	NOT PASSED	25	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
MSM 30	1	3%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
Nasdaq Composite	879	33%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
NASDAQ-100	103	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
Nikkei 300	296	99%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
NYSE ARCA China Index	24	89%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
OBX	21	84%	NOT PASSED	202	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
OMX Copenhagen	40	30%	NOT PASSED	168	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
OMX Copenhagen 25	25	100%	PASSED	168	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
OMX Helsinki	35	25%	NOT PASSED	158	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
OMX Helsinki 25	24	96%	PASSED	158	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
OMX Iceland All-Share PI	2	11%	NOT PASSED	25	NOT PASSED	PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
OMX Nordic 40	40	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
OMX Nordic All Share	174	27%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED
OMX Riga	-	0%	NOT PASSED	27	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
OMX Stockholm	108	30%	NOT PASSED	526	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
OMX Tallinn	-	0%	NOT PASSED	19	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
OMX Vilnius	-	0%	NOT PASSED	28	NOT PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED
OMXS30	30	100%	PASSED	526	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	Index already included in index
OMXS60	59	98%	PASSED	526	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
OMXSB	83	86%	NOT PASSED	526	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
OSEBX	32	51%	NOT PASSED	202	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED	PASSED
PSEi Composite	27	90%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index
PSI-20	9	50%	NOT PASSED	76	PASSED	PASSED	PASSED	NOT PASSED	PASSED	PASSED	PASSED
PSI-All-Share	9	22%	NOT PASSED	76	NOT PASSED	NOT PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
PX Index	7	58%	NOT PASSED	64	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED
Qatar Exchange General Index	18	90%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED
QE All Shares	22	51%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED

CURRENT METHODOLOGY - OPTION A												
Index name of the index assessed	NB components above the absolute threshold	% of components above the absolute threshold	Results for the ABSOLUTE TEST	NB shares in the market for criterion #1	Results for Criterion #1	Results for Criterion #2	Results for Criterion #3	Results for Criterion #4	Results for the RELATIVE TEST	Preliminary results for Option A	Final results for Option A	
RTS	32	76%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
Russell 3000	1,915	64%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P 500	505	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
S&P BSE 100	100	99%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
S&P BSE 500	200	40%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P BSE SENSEX	30	97%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
S&P CLX IGPA	31	29%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P CLX IPSA	28	70%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P CNX 500	199	40%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P CNX Nifty	50	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
S&P France BMI	116	62%	NOT PASSED	4018	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	
S&P Latin America 40	41	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
S&P Lima General	7	18%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P Peru Select	7	47%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P TSX 60	60	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
S&P TSX Composite	215	90%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P/ASX 100	100	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
S&P/ASX 300	172	58%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P/ASX 50	50	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
S&P/BMV IPC	34	97%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
S&P/BMV IPC CompMx	42	75%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P/HKEX LargeCap	25	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
S&P/NZX 10	10	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
S&P/NZX 50	28	56%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P/NZX All Gross	26	24%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P/TSX	215	90%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
S&P/TSX 60	60	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
SAX	-	0%	NOT PASSED	87	PASSED	NOT PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	
SBF 120	117	98%	PASSED	649	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	PASSED	PASSED	
SBITOP	1	14%	NOT PASSED	41	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	

CURRENT METHODOLOGY - OPTION A												
Index name of the index assessed	NB components above the absolute threshold	% of components above the absolute threshold	Results for the ABSOLUTE TEST	NB shares in the market for criterion #1	Results for Criterion #1	Results for Criterion #2	Results for Criterion #3	Results for Criterion #4	Results for the RELATIVE TEST	Preliminary results for Option A	Final results for Option A	
SEM-10	1	10%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
SEMDEX	1	3%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
SET	76	13%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
SET 50	47	94%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
SMI	20	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
SMI Expanded	50	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
SOFIX	-	0%	NOT PASSED	303	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	
SSE 180	179	99%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
SSE Composite Index	454	32%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
STI Index	30	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
STOXX Asia/Pacific 600	600	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
STOXX Europe 600	600	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
SZSE 100	95	96%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
SZSE Composite Index	642	30%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
TA 35	28	85%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
Tadawul All Share	49	26%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
TAIEX	140	16%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
TASE General	29	7%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
TOPIX	746	35%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
TOPIX Core 30	30	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	Index already included in index	
TOPIX Mid 400	398	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
TPEX 50	11	22%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
TSEC Taiwan 50	50	100%	PASSED	NA	NA	NA	NA	NA	NA	PASSED	PASSED	
Ukraine UX	1	17%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
VN	22	6%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
VN 30	10	33%	NOT PASSED	NA	NA	NA	NA	NA	NA	NOT PASSED	NOT PASSED	
WBI	21	33%	NOT PASSED	668	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	
WIG	31	9%	NOT PASSED	899	PASSED	NOT PASSED	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	
WIG20	17	85%	NOT PASSED	899	PASSED	PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	NOT PASSED	
WIG30	21	70%	NOT PASSED	899	PASSED	PASSED	PASSED	NOT PASSED	PASSED	PASSED	PASSED	

99. The tables below provide the detailed results of the assessment of all indices under Option B. In particular:

For the first test:

- a. the “% of components above the absolute threshold#1” column indicates the percentage of components of the index assessed that passed the absolute thresholds of the first test, i.e. EUR 500,000,000 of free-float or, in the absence of the information about the free float, EUR 1,000,000,000 of market capitalisation;
- b. the “Results for the ABSOLUTE TEST #1” column takes the following values: “PASSED” if the “% of components above the absolute threshold#1” is greater than or equal to 90% and “NOT PASSED” otherwise;

For the second test: step 1

- c. the “% of components above the absolute threshold#2” column indicates the percentage of components of the index assessed that passed the absolute thresholds of the second test, i.e. EUR 25,000,000 of free-float or, in the absence of the information about the free float, EUR 50,000,000 of market capitalisation,
- d. the “Results for the ABSOLUTE TEST #2” column takes the following values: “PASSED” if the “% of components above the absolute threshold#2” is greater than or equal to 80% and “NOT PASSED” otherwise;

For the second test: step 2

- e. the “% of components above the MIN ADT” column indicates the percentage of components of the index assessed that passed the minimum ADT required, i.e. for components with market capitalisation:
 - i. smaller than EUR 10,000,000,000, the minimum ADT should be EUR 500,000;
 - ii. greater than or equal to EUR 10,000,000,000, the minimum ADT should be EUR 1,000,000;

- f. the “Results for the ABSOLUTE TEST #2 and MIN ADT” column takes the following values: “PASSED” if both the first and the second steps of the second test are passed (the second step is passed if 100% of the components of the index meet the relevant minimum ADT threshold) and “NOT PASSED” otherwise;
- g. the “Preliminary results for Option B” columns take the following values: “PASSED” if either the first or the second test (on the basis of the related parameters for the relevant option) is passed and “NOT PASSED” otherwise;
- h. the “Final results for Option B” column provides the final results for the option. In particular, the value is:
 - i. “PASSED” for:
 - 1. those indices that are currently included in the ITS and that passed either the first or the second test;
 - 2. those indices that are not currently included in the ITS, that passed either the first or the second test and whose composition is not contained in the indices under 1;
 - ii. “Index already included in index” for those indices that are not currently included in the ITS, that passed either the first or the second test and whose composition is contained in the indices under 1;
 - iii. “NOT PASSED” for indices that did not pass neither the first nor the second test.

Table 8 – Detailed results for the new methodology (Option B)

Index name of the index assessed	NEW METHODOLOGY - OPTION B							
	% of components above the absolute threshold#1	Results for the ABSOLUTE TEST #1	% of components above the absolute threshold#2	Results for the ABSOLUTE TEST #2	% of components above the MIN ADT	Results for the ABSOLUTE TEST #2 and MIN ADT	Preliminary results for Option B	Final results for Option B
ADX General	19.67%	NOT PASSED	77.05%	NOT PASSED	31.15%	NOT PASSED	NOT PASSED	NOT PASSED
AEX	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
AEX All-Share	48.03%	NOT PASSED	76.38%	NOT PASSED	60.63%	NOT PASSED	NOT PASSED	NOT PASSED
All Ordinaries	36.57%	NOT PASSED	97.11%	PASSED	58.06%	NOT PASSED	NOT PASSED	NOT PASSED
Al-Quds Index	0.00%	NOT PASSED	60.00%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
ASE Index	1.03%	NOT PASSED	20.62%	NOT PASSED	12.37%	NOT PASSED	NOT PASSED	NOT PASSED
Athex All Share	7.19%	NOT PASSED	35.97%	NOT PASSED	15.11%	NOT PASSED	NOT PASSED	NOT PASSED
ATX Prime	55.56%	NOT PASSED	97.22%	PASSED	75.00%	NOT PASSED	NOT PASSED	NOT PASSED
Austrian Traded Index	90.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
BCN Global 100	62.63%	NOT PASSED	92.93%	PASSED	84.85%	NOT PASSED	NOT PASSED	NOT PASSED
BEL 20	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
BEL All Share	34.56%	NOT PASSED	75.74%	NOT PASSED	42.65%	NOT PASSED	NOT PASSED	NOT PASSED
BET	33.33%	NOT PASSED	86.67%	PASSED	33.33%	NOT PASSED	NOT PASSED	NOT PASSED
BET-BK	24.00%	NOT PASSED	80.00%	PASSED	24.00%	NOT PASSED	NOT PASSED	NOT PASSED
BGBX40	0.00%	NOT PASSED	40.00%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
BIST 100	21.00%	NOT PASSED	82.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index:
BIST 30	60.00%	NOT PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index:
Bolsa G	21.79%	NOT PASSED	65.38%	NOT PASSED	23.08%	NOT PASSED	NOT PASSED	NOT PASSED
Botswana Gaborone Index	3.85%	NOT PASSED	73.08%	NOT PASSED	3.85%	NOT PASSED	NOT PASSED	NOT PASSED
BUMIX	0.00%	NOT PASSED	61.11%	NOT PASSED	5.56%	NOT PASSED	NOT PASSED	NOT PASSED



Index name of the index assessed	NEW METHODOLOGY - OPTION B							
	% of components above the absolute threshold#1	Results for the ABSOLUTE TEST #1	% of components above the absolute threshold#2	Results for the ABSOLUTE TEST #2	% of components above the MIN ADT	Results for the ABSOLUTE TEST #2 and MIN ADT	Preliminary results for Option B	Final results for Option B
Burcap	52.38%	NOT PASSED	100.00%	PASSED	71.43%	NOT PASSED	NOT PASSED	NOT PASSED
BUX	26.67%	NOT PASSED	80.00%	PASSED	33.33%	NOT PASSED	NOT PASSED	NOT PASSED
CAC 40	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
CAC All-Tradable	39.05%	NOT PASSED	79.37%	NOT PASSED	51.11%	NOT PASSED	NOT PASSED	NOT PASSED
CAC Mid 60	95.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
CAC Next 20	100.00%	PASSED	100.00%	PASSED	95.00%	NOT PASSED	PASSED	Index already included in index
CAC Small	3.08%	NOT PASSED	66.67%	NOT PASSED	21.54%	NOT PASSED	NOT PASSED	NOT PASSED
CDAX	30.44%	NOT PASSED	70.73%	NOT PASSED	99.77%	NOT PASSED	NOT PASSED	NOT PASSED
CETOP20	100.00%	PASSED	100.00%	PASSED	92.00%	NOT PASSED	PASSED	PASSED
CNX 100	96.04%	PASSED	100.00%	PASSED	99.01%	NOT PASSED	PASSED	PASSED
COLCAP	56.00%	NOT PASSED	100.00%	PASSED	64.00%	NOT PASSED	NOT PASSED	NOT PASSED
COLEQTY	37.50%	NOT PASSED	85.00%	PASSED	40.00%	NOT PASSED	NOT PASSED	NOT PASSED
CROBEX	4.35%	NOT PASSED	43.48%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
CSE All-Share	1.40%	NOT PASSED	25.26%	NOT PASSED	3.51%	NOT PASSED	NOT PASSED	NOT PASSED
CSE General Index	0.00%	NOT PASSED	19.23%	NOT PASSED	100.00%	NOT PASSED	NOT PASSED	NOT PASSED
CSI 300 Index	97.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
DAX	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
DFM General	32.43%	NOT PASSED	83.78%	PASSED	56.76%	NOT PASSED	NOT PASSED	NOT PASSED
Dow Jones CASE Egypt Titans 20	21.05%	NOT PASSED	100.00%	PASSED	94.74%	NOT PASSED	NOT PASSED	NOT PASSED
EGX 30	16.67%	NOT PASSED	90.00%	PASSED	100.00%	PASSED	PASSED	PASSED
Euronext 100	100.00%	PASSED	100.00%	PASSED	99.00%	NOT PASSED	PASSED	Index already included in index
FTSE 100	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
FTSE 350	94.87%	PASSED	100.00%	PASSED	98.29%	NOT PASSED	PASSED	PASSED
FTSE All World Developed	97.38%	PASSED	99.77%	PASSED	99.49%	NOT PASSED	PASSED	Index already included in index
FTSE All World Europe	95.85%	PASSED	100.00%	PASSED	98.96%	NOT PASSED	PASSED	PASSED
FTSE All-World Index	93.02%	PASSED	99.72%	PASSED	98.50%	NOT PASSED	PASSED	PASSED
FTSE Bursa Malaysia KLCI	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
FTSE Eurotop 100	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
FTSE Italia All-Share Index	28.70%	NOT PASSED	73.09%	NOT PASSED	51.12%	NOT PASSED	NOT PASSED	NOT PASSED
FTSE MIB	97.50%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED



Index name of the index assessed	NEW METHODOLOGY - OPTION B							
	% of components above the absolute threshold#1	Results for the ABSOLUTE TEST #1	% of components above the absolute threshold#2	Results for the ABSOLUTE TEST #2	% of components above the MIN ADT	Results for the ABSOLUTE TEST #2 and MIN ADT	Preliminary results for Option B	Final results for Option B
FTSE Nasdaq Dubai UAE 20 Index	90.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
FTSE NSX Overall Index	62.07%	NOT PASSED	93.10%	PASSED	82.76%	NOT PASSED	NOT PASSED	NOT PASSED
FTSE RAFI Emerging Index	97.48%	PASSED	100.00%	PASSED	99.72%	NOT PASSED	PASSED	PASSED
FTSE Straits Times Index	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
FTSE/Athex Large Cap	40.00%	NOT PASSED	100.00%	PASSED	72.00%	NOT PASSED	NOT PASSED	NOT PASSED
FTSE/CySE 20	5.88%	NOT PASSED	52.94%	NOT PASSED	100.00%	NOT PASSED	NOT PASSED	NOT PASSED
FTSE/JSE All Share	52.44%	NOT PASSED	98.78%	PASSED	70.73%	NOT PASSED	NOT PASSED	NOT PASSED
FTSE/JSE Capped Top 40	100.00%	PASSED	100.00%	PASSED	97.62%	NOT PASSED	PASSED	PASSED
FTSE/JSE Industrial 25	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
Hang Seng Composite Index	63.01%	NOT PASSED	99.80%	PASSED	92.48%	NOT PASSED	NOT PASSED	NOT PASSED
Hang Seng Index	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
Hang Seng Mainland 100 Index	99.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
HDAX	97.06%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
HNX	0.26%	NOT PASSED	6.88%	NOT PASSED	2.12%	NOT PASSED	NOT PASSED	NOT PASSED
HNX 30	3.33%	NOT PASSED	53.33%	NOT PASSED	26.67%	NOT PASSED	NOT PASSED	NOT PASSED
IBEX 35	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
IBOVESPA	95.38%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
IBrX-50	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
IDX Composite	6.55%	NOT PASSED	35.62%	NOT PASSED	14.86%	NOT PASSED	NOT PASSED	NOT PASSED
ISEQ 20	85.00%	NOT PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
ISEQ Overall	36.96%	NOT PASSED	84.78%	PASSED	50.00%	NOT PASSED	NOT PASSED	NOT PASSED
Jakarta LQ45	50.00%	NOT PASSED	100.00%	PASSED	93.18%	NOT PASSED	NOT PASSED	NOT PASSED
KASE Index	28.57%	NOT PASSED	85.71%	PASSED	14.29%	NOT PASSED	NOT PASSED	NOT PASSED
KOSPI	17.03%	NOT PASSED	85.92%	PASSED	70.04%	NOT PASSED	NOT PASSED	NOT PASSED
KOSPI 100	93.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
KRX 100	93.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
LJSE Composite	0.00%	NOT PASSED	19.51%	NOT PASSED	26.83%	NOT PASSED	NOT PASSED	NOT PASSED
LuxX	77.78%	NOT PASSED	100.00%	PASSED	33.33%	NOT PASSED	NOT PASSED	NOT PASSED
Madrid General	52.31%	NOT PASSED	85.38%	PASSED	70.77%	NOT PASSED	NOT PASSED	NOT PASSED
MOEX	12.37%	NOT PASSED	37.11%	NOT PASSED	23.37%	NOT PASSED	NOT PASSED	NOT PASSED



Index name of the index assessed	NEW METHODOLOGY - OPTION B							
	% of components above the absolute threshold#1	Results for the ABSOLUTE TEST #1	% of components above the absolute threshold#2	Results for the ABSOLUTE TEST #2	% of components above the MIN ADT	Results for the ABSOLUTE TEST #2 and MIN ADT	Preliminary results for Option B	Final results for Option B
Moroccan All Shares Index	9.46%	NOT PASSED	58.11%	NOT PASSED	100.00%	NOT PASSED	NOT PASSED	NOT PASSED
MSCI ACWI Index	99.46%	PASSED	99.93%	PASSED	99.85%	NOT PASSED	PASSED	PASSED
MSCI EM 50	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
MSCI EMERGING MARKETS INDEX	98.75%	PASSED	99.91%	PASSED	99.82%	NOT PASSED	PASSED	Index already included in index
MSCI India Index	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
MSCI Indonesia Index	96.43%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
MSCI North America IMI Index	76.83%	NOT PASSED	99.96%	PASSED	98.46%	NOT PASSED	NOT PASSED	NOT PASSED
MSCI Philippines Index	95.65%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
MSCI Russia Index	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
MSCI South Africa Index	100.00%	PASSED	100.00%	PASSED	97.96%	NOT PASSED	PASSED	Index already included in index
MSCI Taiwan Index	72.82%	NOT PASSED	99.03%	PASSED	93.20%	NOT PASSED	NOT PASSED	NOT PASSED
MSCI USA IMI Index	77.73%	NOT PASSED	99.96%	PASSED	99.34%	NOT PASSED	NOT PASSED	NOT PASSED
MSE Index	0.00%	NOT PASSED	56.52%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
MSM 30	3.33%	NOT PASSED	63.33%	NOT PASSED	6.67%	NOT PASSED	NOT PASSED	NOT PASSED
Nasdaq Composite	33.41%	NOT PASSED	81.64%	PASSED	69.25%	NOT PASSED	NOT PASSED	NOT PASSED
NASDAQ-100	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
Nikkei 300	98.67%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
NYSE ARCA China Index	88.89%	NOT PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
OBX	84.00%	NOT PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
OMX Copenhagen	29.63%	NOT PASSED	67.41%	NOT PASSED	35.56%	NOT PASSED	NOT PASSED	NOT PASSED
OMX Copenhagen 25	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
OMX Helsinki	25.18%	NOT PASSED	76.26%	NOT PASSED	35.25%	NOT PASSED	NOT PASSED	NOT PASSED
OMX Helsinki 25	96.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
OMX Iceland All-Share PI	11.11%	NOT PASSED	100.00%	PASSED	77.78%	NOT PASSED	NOT PASSED	NOT PASSED
OMX Nordic 40	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
OMX Nordic All Share	27.19%	NOT PASSED	79.38%	NOT PASSED	42.34%	NOT PASSED	NOT PASSED	NOT PASSED
OMX Riga	0.00%	NOT PASSED	5.56%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
OMX Stockholm	29.83%	NOT PASSED	84.25%	PASSED	46.96%	NOT PASSED	NOT PASSED	NOT PASSED
OMX Tallinn	0.00%	NOT PASSED	50.00%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
OMX Vilnius	0.00%	NOT PASSED	25.00%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED



Index name of the index assessed	NEW METHODOLOGY - OPTION B							
	% of components above the absolute threshold#1	Results for the ABSOLUTE TEST #1	% of components above the absolute threshold#2	Results for the ABSOLUTE TEST #2	% of components above the MIN ADT	Results for the ABSOLUTE TEST #2 and MIN ADT	Preliminary results for Option B	Final results for Option B
OMXS30	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
OMXS60	98.33%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
OMXSB	86.46%	NOT PASSED	100.00%	PASSED	97.92%	NOT PASSED	NOT PASSED	NOT PASSED
OSEBX	50.79%	NOT PASSED	100.00%	PASSED	88.89%	NOT PASSED	NOT PASSED	NOT PASSED
PSEi Composite	90.00%	PASSED	100.00%	PASSED	93.33%	NOT PASSED	PASSED	Index already included in index
PSI-20	50.00%	NOT PASSED	100.00%	PASSED	83.33%	NOT PASSED	NOT PASSED	NOT PASSED
PSI-All-Share	21.95%	NOT PASSED	48.78%	NOT PASSED	36.59%	NOT PASSED	NOT PASSED	NOT PASSED
PX Index	58.33%	NOT PASSED	91.67%	PASSED	83.33%	NOT PASSED	NOT PASSED	NOT PASSED
Qatar Exchange General Index	90.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
QE All Shares	51.16%	NOT PASSED	93.02%	PASSED	60.47%	NOT PASSED	NOT PASSED	NOT PASSED
RTS	76.19%	NOT PASSED	100.00%	PASSED	92.86%	NOT PASSED	NOT PASSED	NOT PASSED
Russell 3000	63.79%	NOT PASSED	99.30%	PASSED	94.20%	NOT PASSED	NOT PASSED	NOT PASSED
S&P 500	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
S&P BSE 100	99.01%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
S&P BSE 500	39.92%	NOT PASSED	99.40%	PASSED	79.84%	NOT PASSED	NOT PASSED	NOT PASSED
S&P BSE SENSEX	96.77%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
S&P CLX IGPA	28.97%	NOT PASSED	72.90%	NOT PASSED	42.99%	NOT PASSED	NOT PASSED	NOT PASSED
S&P CLX IPSA	70.00%	NOT PASSED	97.50%	PASSED	92.50%	NOT PASSED	NOT PASSED	NOT PASSED
S&P CNX 500	39.72%	NOT PASSED	99.20%	PASSED	81.04%	NOT PASSED	NOT PASSED	NOT PASSED
S&P CNX Nifty	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
S&P France BMI	62.37%	NOT PASSED	100.00%	PASSED	83.33%	NOT PASSED	NOT PASSED	NOT PASSED
S&P Latin America 40	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
S&P Lima General	17.95%	NOT PASSED	82.05%	PASSED	28.21%	NOT PASSED	NOT PASSED	NOT PASSED
S&P Peru Select	46.67%	NOT PASSED	100.00%	PASSED	66.67%	NOT PASSED	NOT PASSED	NOT PASSED
S&P TSX 60	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
S&P TSX Composite	89.58%	NOT PASSED	100.00%	PASSED	99.58%	NOT PASSED	NOT PASSED	NOT PASSED
S&P/ASX 100	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
S&P/ASX 300	58.31%	NOT PASSED	100.00%	PASSED	88.14%	NOT PASSED	NOT PASSED	NOT PASSED
S&P/ASX 50	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
S&P/BMV IPC	97.14%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED



Index name of the index assessed	NEW METHODOLOGY - OPTION B							
	% of components above the absolute threshold#1	Results for the ABSOLUTE TEST #1	% of components above the absolute threshold#2	Results for the ABSOLUTE TEST #2	% of components above the MIN ADT	Results for the ABSOLUTE TEST #2 and MIN ADT	Preliminary results for Option B	Final results for Option B
S&P/BMV IPC CompMx	75.00%	NOT PASSED	100.00%	PASSED	91.07%	NOT PASSED	NOT PASSED	NOT PASSED
S&P/HKEX LargeCap	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
S&P/NZX 10	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
S&P/NZX 50	56.00%	NOT PASSED	100.00%	PASSED	66.00%	NOT PASSED	NOT PASSED	NOT PASSED
S&P/NZX All Gross	23.64%	NOT PASSED	72.73%	NOT PASSED	29.09%	NOT PASSED	NOT PASSED	NOT PASSED
S&P/TSX	89.58%	NOT PASSED	100.00%	PASSED	99.58%	NOT PASSED	NOT PASSED	NOT PASSED
S&P/TSX 60	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
SAX	0.00%	NOT PASSED	14.29%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
SBF 120	97.50%	PASSED	100.00%	PASSED	99.17%	NOT PASSED	PASSED	PASSED
SBITOP	14.29%	NOT PASSED	85.71%	PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
SEM-10	10.00%	NOT PASSED	60.00%	NOT PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
SEMDEX	2.70%	NOT PASSED	75.68%	NOT PASSED	8.11%	NOT PASSED	NOT PASSED	NOT PASSED
SET	12.93%	NOT PASSED	65.65%	NOT PASSED	29.42%	NOT PASSED	NOT PASSED	NOT PASSED
SET 50	94.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
SMI	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
SMI Expanded	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
SOFIX	0.00%	NOT PASSED	80.00%	PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
SSE 180	99.44%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
SSE Composite Index	31.84%	NOT PASSED	99.86%	PASSED	99.79%	NOT PASSED	NOT PASSED	NOT PASSED
STI Index	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
STOXX Asia/Pacific 600	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
STOXX Europe 600	100.00%	PASSED	100.00%	PASSED	99.83%	NOT PASSED	PASSED	PASSED
SZSE 100	95.96%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
SZSE Composite Index	29.60%	NOT PASSED	99.63%	PASSED	98.20%	NOT PASSED	NOT PASSED	NOT PASSED
TA 35	84.85%	NOT PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index
Tadawul All Share	25.79%	NOT PASSED	98.42%	PASSED	87.89%	NOT PASSED	NOT PASSED	NOT PASSED
TAIEX	15.56%	NOT PASSED	88.56%	PASSED	49.56%	NOT PASSED	NOT PASSED	NOT PASSED
TASE General	6.56%	NOT PASSED	40.27%	NOT PASSED	18.10%	NOT PASSED	NOT PASSED	NOT PASSED
TOPIX	35.09%	NOT PASSED	96.05%	PASSED	71.54%	NOT PASSED	NOT PASSED	NOT PASSED
TOPIX Core 30	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	Index already included in index

Index name of the index assessed	NEW METHODOLOGY - OPTION B							
	% of components above the absolute threshold#1	Results for the ABSOLUTE TEST #1	% of components above the absolute threshold#2	Results for the ABSOLUTE TEST #2	% of components above the MIN ADT	Results for the ABSOLUTE TEST #2 and MIN ADT	Preliminary results for Option B	Final results for Option B
TOPIX Mid 400	99.50%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
TPEX 50	21.57%	NOT PASSED	98.04%	PASSED	86.27%	NOT PASSED	NOT PASSED	NOT PASSED
TSEC Taiwan 50	100.00%	PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
Ukraine UX	16.67%	NOT PASSED	83.33%	PASSED	0.00%	NOT PASSED	NOT PASSED	NOT PASSED
VN	5.80%	NOT PASSED	33.77%	NOT PASSED	16.36%	NOT PASSED	NOT PASSED	NOT PASSED
VN 30	33.33%	NOT PASSED	100.00%	PASSED	86.67%	NOT PASSED	NOT PASSED	NOT PASSED
WBI	33.33%	NOT PASSED	77.78%	NOT PASSED	42.86%	NOT PASSED	NOT PASSED	NOT PASSED
WIG	9.14%	NOT PASSED	32.45%	NOT PASSED	13.57%	NOT PASSED	NOT PASSED	NOT PASSED
WIG20	85.00%	NOT PASSED	100.00%	PASSED	100.00%	PASSED	PASSED	PASSED
WIG30	70.00%	NOT PASSED	100.00%	PASSED	96.67%	NOT PASSED	NOT PASSED	NOT PASSED

