

# FOR IMMEDIATE RELEASE

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## STOXX INTRODUCES MARKET CLASSIFICATION MODEL AND EMERGING MARKETS INDEX

ZURICH (March 27, 2012) - - STOXX Limited, the market-moving provider of innovative, tradable and global index concepts, today introduced a market classification model to group countries included in the STOXX index universe into Developed and Emerging Markets. At the same time, the launch of the STOXX Emerging Markets Total Market Index was announced, which comprises those countries classified as Emerging Markets under the new model.

"With the launch of the STOXX market classification model and subsequently the STOXX Emerging Markets Index we once again take a step to confirm our commitment to developing rules-based and transparent index concepts that are at the same time highly innovative," said Hartmut Graf, chief executive officer, STOXX Limited. "Emerging Markets continue to be global growth drivers. The new STOXX model is the first of its kind to offer market participants a completely comprehensible classification for Developed and Emerging Markets in five transparent steps."

The STOXX market classification model relies on a completely rules-based and transparent methodology, and is the first such concept to exclude any subjective decisions from the process. The model is based on a three-step approach applying only five screening criteria, for which only data publicly available from the International Monetary Fund (IMF), World Bank, as well as data supplied by PricewaterhouseCoopers (PwC) is used.

To determine which countries are Developed Markets, in a first step, all 65 countries of the STOXX index universe are screened for the IMF's classification as an IMF Advanced Economy. Those that meet the criteria are then screened for a three year average market capitalization of more than 15 billion US dollars, as well as an average total trading value over the past three years of more than 15 billion US dollars. Data used for both of these evaluations is that published by World Bank. Finally, market access criteria are checked based on data provided by PwC. Any countries that pose restrictions on capital flow as well as those countries without a free currency convertibility on on- and off-shore markets are excluded. Out of the 65 countries in the STOXX index universe, 25 are classified as Developed Markets.

The classification of Emerging Markets is done as a continuation of the Developed Markets screen. Countries, that have not been already classified as Developed are screened for a three year average market capitalization of more than 15 billion US dollars, as well as an average total trading value over the past

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three years of more than 15 billion US dollars. Data used for both of these evaluations is again that of World Bank. Countries that pass these screens are classified as Emerging Markets, currently, those are 20 countries.

The STOXX Emerging Markets Total Market Index represents these 20 countries: Brazil, Chile, China, Colombia, Egypt, Hungary, India, Indonesia, South Korea, Malaysia, Mexico, Morocco, Pakistan, Philippines, Poland, Russia, South Africa, Taiwan, Thailand and Turkey. The index is reviewed quarterly, and available in price, gross and net return versions in Euro and U.S. Dollar. Single country indices are available for all countries in the STOXX Emerging Markets TMI.

The STOXX market classification model is reviewed on an annual basis. Potential changes are being announced in February. Changes are implemented on the third Friday of the following September, giving the market over six months time to prepare for status changes.

For further information, please go to [www.stoxx.com](http://www.stoxx.com).

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**Note to Editors:**

**About STOXX Limited**

STOXX Ltd. is a global index provider, currently calculating a global, comprehensive index family of over 3,700 strictly rules-based and transparent indices. Best known for the leading European equity indices *EURO STOXX 50*, *STOXX Europe 50* and *STOXX Europe 600*, STOXX Ltd. maintains and calculates the *STOXX Global Index family* which consists of total market, broad and blue-chip indices for the regions Americas, Europe, Asia, and Pacific, the sub-regions Latin America and BRIC (Brazil, Russia, India and China), as well as global markets.

STOXX indices are classified into four categories to provide market participants with optimal transparency: "STOXX", "STOXX+", "iSTOXX" and "STOXX Customized". STOXX's standard indices are branded "STOXX", all indices that

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replicate investment strategies and themes, but still follow STOXX's strict rules-based methodologies, are categorized as "STOXX+". The "iSTOXX" brand comprises less standardized index concepts that take into account individual customer and market requirements but are still completely rules-based. "STOXX Customized" covers indices that are specifically developed for clients and are not STOXX branded.

The STOXX indices are licensed to over 400 companies around the world as underlyings for Exchange Traded Funds (ETFs), Futures & Options, Structured Products and passively-managed investment funds. Three of the top Exchange Traded Funds (ETFs) in Europe and 30 percent of all assets under management are based on STOXX indices. STOXX Ltd. holds Europe's number one and the world's number three position in the derivatives segment.

In addition, STOXX Ltd. is the marketing agent for the indices of Deutsche Boerse AG and SIX Group AG, amongst them the DAX and the SMI indices.

STOXX Ltd. is part of Deutsche Boerse AG and SIX Group AG. [www.stoxx.com](http://www.stoxx.com)

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