

## **S&P Indices Launches BRIC High Yield Index; Risk Control Version Also Launched**

*New Indices Provide Access to High Yielding Securities from BRIC Countries*

**London, 21 May, 2012** – S&P Indices announced today the launch of S&P BRIC High Yield Index and risk control versions of the Index. The S&P BRIC High Yield Index is part of the BRIC 40 index family - the emerging market index which measures the performance of 40 leading companies in Brazil, Russia, India, and China, together known as the BRIC countries.

The S&P BRIC High Yield Index provides exposure to 40 high dividend yielding companies in the BRIC countries, while meeting stability, tradability and diversification requirements. Amongst other criteria, a company must have positive earnings per share before extraordinary items over the past 12 months preceding the rebalancing reference date to qualify for inclusion in the Index. It must also trade on at least one developed market exchange, so either the Hong Kong Stock Exchange, London Stock Exchange, NASDAQ or NYSE Euronext.

The S&P BRIC High Yield Risk Control Indices, meanwhile, provides access to 40 high dividend yielding companies in the BRIC countries while additionally offering investors an efficient, cost effective means of monitoring risk by targeting a specific level of volatility. The indices are designed with a focus on liquidity, and with the goal of supporting investment products such as index funds, index portfolios, and index futures and options.

The methodology seeks to control the level of risk by varying exposure to the S&P BRIC High Yield Index based on systematic rules. By establishing a specific volatility target (5%, 10%, 15% or 18%), the Index seeks to manage the risk relative to the target. If the risk level reaches a threshold that is too high, the cash level is increased to maintain the target volatility. If the risk level is too low, the index will employ leverage to maintain the targeted level of volatility.

Alka Banerjee, Vice President at S&P Indices, said: “The focus of many BRIC investors has shifted to seeking high-yielding stocks while trying to control risk as markets conditions continue to fluctuate. The launch of these new indices tries to address these concerns and underlines the leadership we’ve shown in developing our family of emerging market indices over the last decade.”

For the complete index methodology, please visit [www.indices.standardandpoors.com](http://www.indices.standardandpoors.com).

### **About S&P Indices**

**S&P Indices**, a leading brand of the McGraw-Hill Companies (NYSE:MHP), maintains a wide variety of investable and benchmark indices to meet an array of investor needs. Over \$1.45 trillion is directly indexed to our indices, which includes the S&P 500, the world's most followed stock market index, the S&P/Case-Shiller Home Price Indices, the leading measure of U.S. home prices, the S&P Global BMI, an index with approximately 11,000 constituents, the S&P GSCI, the industry's most closely watched commodities index, and the S&P National AMT-Free Municipal Bond Index, the premier investable index for U.S. municipal bonds. For more information, please visit: [www.standardandpoors.com/indices](http://www.standardandpoors.com/indices).

**Press Release**

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