

# **S&P GSCI Dynamic Roll Reduced Energy 70/30 Futures/Equity Blend *Methodology***

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# Introduction

## Index Objective

The S&P GSCI Dynamic Roll Reduced Energy 70/30 Futures/Equity Blend is a multi-asset allocation strategy that consists of a combination of a futures-based commodities index and an equity-based index that is based on various commodity-related GICS subsectors. The index is designed to measure the combined performance of the resulting asset class mix.

## Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein. References throughout the methodology direct the reader to the relevant supporting document for further information on a specific topic. The list of the main supplemental documents for this methodology and the hyperlinks to those documents is as follows:

Supporting Document	URL
S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology	<a href="#">Equity Indices Policies &amp; Practices</a>
S&P Dow Jones Indices' Index Mathematics Methodology	<a href="#">Index Mathematics Methodology</a>
S&P Dow Jones Indices' Commodities Indices Policies & Practices Methodology	<a href="#">Commodities Indices Policies &amp; Practices</a>
S&P Dow Jones Indices' GSCI Reference Guide	<a href="#">GSCI Reference Guide</a>
S&P Dow Jones Indices' Index Mathematics Methodology	<a href="#">Index Mathematics Methodology</a>

This methodology was created by S&P Dow Jones Indices to achieve the aforementioned objective of measuring the underlying interest of each index governed by this methodology document. Any changes to or deviations from this methodology are made in the sole judgment and discretion of S&P Dow Jones Indices so that the index continues to achieve its objective.

# Eligibility Criteria

## Index Eligibility

The universe of eligible asset classes and the indices used to represent each are listed in the table below:

Asset Class	Index
Commodities	S&P GSCI Dynamic Roll Reduced Energy
Equities	S&P GSCI Sector Equities

# Index Construction

## Approach

The allocation strategy resets the weights of each underlying index on a quarterly basis to the following:

Asset Class	Index	Weight
Commodities	S&P GSCI Dynamic Roll Reduced Energy	70%
Equities	S&P GSCI Sector Equities	30%

For more information on the indices used to assign weights for the allocation strategy please refer to the respective methodology documents located on our Web site, [www.spdji.com](http://www.spdji.com).

## Index Returns and Level Calculations

Let each asset class index level be defined as follows:

$$\text{Equities} = \text{Subindex}_t^1$$

$$\text{Commodities} = \text{Subindex}_t^2$$

The S&P GSCI Dynamic Roll Reduced Energy 70/30 Futures/Equity Blend is calculated as follows:

$$\text{IndexDailyReturn}_t = \sum_{i=1}^2 W_{rebalancing}^i \left( \frac{\text{Subindex}_t^i}{\text{Subindex}_{rebalancing}^i} - 1 \right)$$

where:

$$W_{rebalancing}^i = \text{The weight of Sub-index } i \text{ at the most recent rebalancing}$$

$$\text{Subindex}_t^i = \text{The index level of Sub-index } i \text{ at time } t$$

$$\text{Subindex}_{rebalancing}^i = \text{The index level of Sub-index } i \text{ at the most recent rebalancing}$$

$$\text{IndexValue}_t = \text{IndexValue}_{t-1} * (1 + \text{IndexDailyReturns}_t)$$

# Index Maintenance

## Rebalancing

The index is rebalanced after the close of the last business day of January, April, July, and October.

## Currency, Currency Hedged, and Risk Control Indices

The index is calculated in U.S. dollars.

Additional currency, currency hedged, and risk control versions of the indices may be available. For a list of available currency, currency hedged, and risk control indices, please contact Client Services at [index\\_services@spglobal.com](mailto:index_services@spglobal.com).

*For more information on currency, currency hedged, and risk control indices, please refer to S&P Dow Jones Indices' Index Mathematics Methodology.*

## Base Date and History Availability

Index history availability, base date and base value are shown in the table below.

Index	Launch Date	First Value Date	Base Date	Base Value
S&P GSCI Dynamic Roll Reduced Energy 70/30 Futures/Equity Blend	04/17/2017	10/31/2006	10/31/2006	100

# Index Governance

## **Index Committee**

The index is maintained by the S&P Dow Jones Indices' Global Benchmarks Index Committee. All committee members are full-time professional members of S&P Dow Jones Indices' staff. The Committee meets regularly. At each meeting, the Committee reviews pending corporate actions that may affect index constituents, statistics comparing the composition of the index to the market, companies that are being considered as candidates for addition to the index, and any significant market events. In addition, the Committee may revise index policy covering rules for selecting companies, treatment of dividends, share counts or other matters.

S&P Dow Jones Indices considers information about changes to its indices and related matters to be potentially market moving and material. Therefore, all Committee discussions are confidential.

S&P Dow Jones Indices' Index Committees reserve the right to make exceptions when applying the methodology if the need arises. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

*For information on Quality Assurance and Internal Reviews of Methodology, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.*

# Index Policy

## **Holiday Schedule**

The index is calculated when the U.S. equity markets are open.

*A complete holiday schedule for the year is available at [www.spdji.com](http://www.spdji.com).*

## **Rebalancing**

The Index Committee may change the date of a given rebalancing for reasons including market holidays occurring on or around the scheduled rebalancing date. Any such change will be announced with proper advance notice where possible.

## **Unexpected Exchange Closures**

For information on Unexpected Exchange Closures, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.

## **Recalculation Policy**

For information on the recalculation policy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.

*For information on Calculations and Pricing Disruptions, Expert Judgment and Data Hierarchy, please refer to S&P Dow Jones Indices' Equity Indices Policies & Practices document.*

## **Contact Information**

For questions regarding an index, please contact: [index\\_services@spglobal.com](mailto:index_services@spglobal.com).



# Index Dissemination

Index levels are available through S&P Dow Jones Indices' Web site at [www.spdji.com](http://www.spdji.com), major quote vendors (see codes below), numerous investment-oriented Web sites, and various print and electronic media.

## Tickers

The table below lists headline indices covered by this document. All currency, currency hedged, risk control, and return type versions of the below indices that may exist are also covered by this document. Please contact [index\\_services@spglobal.com](mailto:index_services@spglobal.com) for a complete list of indices covered by this document.

Index	Return Type	Ticker
S&P GSCI Dynamic Roll Reduced Energy 70/30 Futures/Equity Blend	Total Return	SPGFEBT

## FTP

Daily constituent and index level data are available via FTP subscription.

*For product information, please contact S&P Dow Jones Indices, [www.spdji.com/contact-us](http://www.spdji.com/contact-us).*

## Web site

*For further information, please refer to S&P Dow Jones Indices' Web site at [www.spdji.com](http://www.spdji.com).*

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