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# SPIVA<sup>®</sup> Canada Scorecard

## SUMMARY

- The SPIVA Canada Scorecard reports on the performance of actively managed Canadian mutual funds versus that of their benchmarks, corrected for survivorship bias. It also shows equal- and asset-weighted peer averages.
- The index versus active debate has been a contentious subject for decades, and there are strong opinions on both sides. The SPIVA Scorecards are the de facto scorekeepers of this debate.
- **Domestic Equities:** The Canadian equity market rebounded sharply during the first half of 2016, after retreating into negative territory in 2015. The gains, however, were not sufficient to overcome the losses sustained in the second half of 2015. During the 12-month period ending June 30, 2016, the [S&P/TSX Composite](#) and the [S&P/TSX 60](#) posted returns of -0.20% and -0.39%, respectively.
- The see-sawing market resulted in the majority of active equity managers investing in domestic equity faring worse than their respective benchmarks, with just over one-quarter of Canadian equity funds (26.42%) outperforming the S&P/TSX Composite over the one-year period.
- Within the dividend and income category, 37.84% of funds outperformed their respective benchmark over the same 12-month period. The figure marks a sharp reversal of fortune from six months prior for funds investing the category, when the majority of them outperformed.
- The one-year data also shows unfavorable results for actively managed funds in the Canadian Small-/Mid-Cap Equity category, with only 31% of managers outperforming the benchmark, the [S&P/TSX Completion](#).
- Over the same period, only 19.40% of managers in the Canadian Focused Equity category outperformed the blended index, which allocates 50% of its weight to the S&P/TSX Composite, 25% of its weight to the [S&P 500<sup>®</sup>](#), and 25% of its weight to the S&P EPAC LargeMidCap.

- Over the longer term, such as the five-year investment horizon, the results are unequivocal across all domestic equity categories. The data show the losing pattern repeating across most categories, as the majority of active managers either underperformed or drew parity with their respective benchmarks.
- **Foreign Equities:** Despite improving considerably from the prior six months, managers investing in the international equity space still fared unfavorably over one-year period. The majority of active managers in the International Equity category saw their returns lag the benchmark, with 42.50% of international equity managers beating the S&P EPAC LargeMidCap over the 12-month period ending June 30, 2016. Similarly, only 29.82% of global equity managers had higher returns than the benchmark during the same period.
- Over the five-year period, only 13.64% of active international equity funds and 6.82% of active global equity funds were able to beat their respective benchmarks.
- It should be noted that not a single manager investing in U.S. equity was able to deliver higher returns than the benchmark, the [S&P 500](#), over the five-year horizon.

## INTRODUCTION

The SPIVA Canada Scorecard provides a semiannual update on the active versus index debate in Canada. The SPIVA Canada Scorecard shows the performance of actively managed Canadian mutual funds compared with S&P Dow Jones Indices in their respective categories. Although many such reports are available, the SPIVA Canada Scorecard is unique in that it offers the following characteristics.

- **Survivorship Bias Correction:** Many funds might be liquidated or merged during a period of study. However, for a market participant making a decision at the beginning of the period, these funds are part of the opportunity set. Unlike other commonly available comparison reports, SPIVA Canada Scorecards remove this survivorship bias.
- **Apples-to-Apples Comparison:** A fund's returns are often compared with a popular benchmark regardless of its investment category. SPIVA Canada Scorecards make an appropriate comparison by measuring a fund's returns against the returns of a benchmark that reflects the fund's investment category.
- **Asset-Weighted Returns:** Average returns for a fund group are often calculated using only equal weighting, which results in the returns of a Canadian dollar (CAD) 10 billion fund affecting the average in the same manner as the returns of a CAD 10 million fund. The SPIVA Canada Scorecard shows both equal- and asset-weighted averages. Equal-weighted returns are a measure of average fund performance. Asset-weighted returns are a measure of the performance of the average invested Canadian dollar.

*Please note that neither S&P Dow Jones Indices, nor any of its affiliates make any assurance or provide any investment recommendation on the appropriateness of investing in either index or active investing. S&P Dow Jones Indices does not sponsor, endorse, sell, or promote any investment fund or other investment vehicle that is offered by third parties and that seeks to provide an investment return based on the performance of any index. The SPIVA Canada Scorecard simply provides quarterly statistics according to the SPIVA methodology and a brief analysis of those statistics. Further, S&P Dow Jones Indices does advise that anyone reading this report also read the SPIVA methodology at the end of the report in order to understand how the data was derived.*

## Canadian Equity Funds

Over the five-year period studied, 28.77% of actively managed funds in the Canadian Equity fund category<sup>1</sup> outperformed the [S&P/TSX Composite](#) (see Report 1). There was a similar result for the three-year period, with only 23.08% of active funds exceeding the index's return.

For the one-, three-, and five-year periods, the average returns of active Canadian equity funds in this category were lower than those of the S&P/TSX Composite on both an equal- and asset-weighted basis (see Reports 3 and 4). In addition, asset-weighted returns for the one-, three-, and five-year periods were higher than their equal-weighted counterparts. This finding once again highlights the importance of averaging schemes, which can be used to gauge whether funds with more assets are doing better than funds with fewer assets.

## Canadian Small-/Mid-Cap Equity Funds

During the 12-month period studied, 31.43% of actively managed equity funds in the Canadian Small-/Mid-Cap Equity category outperformed the [S&P/TSX Completion](#)<sup>2</sup> (see Report 1). That figure increased to 57.14% over the three-year horizon and to 48.57% over the five-year horizon. In addition, the S&P/TSX Completion underperformed active small-/mid-cap equity fund returns on an equal- and asset-weighted basis over three- and five-year measurement periods (see Reports 3 and 4).

## Canadian Dividend & Income Equity Funds

The mandate of constituents of the Canadian Dividend & Income Equity Funds category is to invest primarily in income-generating securities. S&P Dow Jones Indices' comparable index is the [S&P/TSX Canadian Dividend Aristocrats](#)<sup>®</sup>, which includes constituents that have followed a managed-dividend policy of consistently increasing dividends every year for at least five years. As dividends and income themes continue to dominate the investment landscape, 37.84% of the Canadian active income funds outperformed the S&P/TSX Canadian Dividend Aristocrats over the 12-month period studied. Measured over three years, the figure was a bit lower, with 34.21% of funds outperforming the benchmark index. However, only 13.21% of the active funds were able to outperform the S&P/TSX Canadian Dividend Aristocrats over the five-year horizon. Both equal-weighted and asset-weighted returns were lower for the fund category than the benchmark for the three- and five-year periods.

## U.S. Equity Funds

The U.S. Equity fund category offers Canadian market participants insight into the U.S. equity market with Canadian dollar returns. In addition to equity risk, these funds carry currency risk. None of the funds in this category outperformed the [S&P 500](#) (in Canadian dollar terms) over the five-year period, while only 1.20% beat the index over the three-year period (see Report 1). The S&P 500 outperformed active funds in both the asset- and equal-weighted categories in all time periods examined.

<sup>1</sup> This report uses the Canadian Investment Funds Standard Committee's (CIFSC) fund categories. Additional information regarding this organization and their categories can be found at [www.cifsc.com](http://www.cifsc.com).

<sup>2</sup> The S&P/TSX Completion comprises constituents of the S&P/TSX Composite that are not in the S&P/TSX 60.

## International Equity Funds

This category encompasses funds that invest most of their assets in developed countries other than Canada and the U.S. In addition to equity risk, these funds carry currency risk. Of the active funds in this category, 13.64% outperformed the S&P EPAC LargeMidCap<sup>3</sup> (in Canadian dollars) over the five-year horizon (see Report 1). When measured over the one-year horizon, 42.50% of these funds beat the index. Returns for the S&P EPAC LargeMidCap surpassed both the equal- and asset-weighted active fund returns over the one-, three-, and five-year time horizons.

## Global Equity Funds

The Global Equity fund category can include securities domiciled anywhere across the globe. In addition to equity risk, these funds carry currency risk. Over the one- and three-year periods, 29.82% and 11.2% of the funds, respectively, outperformed the benchmark, the [S&P Developed LargeMidCap](#), (see Report 1). When viewed over the five-year period, the performances were also low, with only 6.82% of active global equity funds able to beat the benchmark. Equal- and asset-weighted average returns for the S&P Developed LargeMidCap surpassed those of the respective active funds in all of the time periods examined.

## Canadian Focused Equity Funds

These funds have a large Canadian equity allocation, but they also include investments in equities outside of Canada. The comparable benchmark, a blended index that allocates 50% of its weight to the [S&P/TSX Composite](#), 25% of its weight to the [S&P 500](#), and 25% of its weight to the S&P EPAC LargeMidCap, saw its returns lag 19.40% of active funds in this category over the 12-month period (see Report 1). Over the three- and five-year periods, 4.23% and 7.69% of active funds, respectively, outperformed the blended index. The blended index had higher equal- and asset-weighted returns than those of active funds in all periods examined (see Reports 3 and 4).

## Survivorship

A key advantage of the SPIVA methodology is its correction for survivorship bias, which can skew results as funds merge or liquidate. For example, if there are 100 funds at the beginning of a five-year period, and 20 have dropped out or merged at the end of the period (leaving 80), this implies 80% survivorship.

In our study of Canadian funds, we see that survivorship correlates inversely with measurement horizons. Survivorship in the five-year period was 57.53% (Canadian Equity), 69.57% (U.S. Equity), 84.09% (International Equity), and 76.52% (Global Equity). The corresponding survivorship figures in the three-year time frame were higher, at 70.77%, 85.54%, 88.10%, and 84.80%, respectively. In other words, a sizable percentage of funds in these four categories were merged or liquidated in the past five years.

The Canadian Small-/Mid-Cap Equity category had the highest survivorship rate over the five-year period, at 85.71%, while the Canadian Dividend & Income Equity category took home the honor when measured over the three-year period, at 89.47%.

<sup>3</sup> Previously named the S&P/Citigroup EPAC PMI Index. Previously, the PMI represented 80% of the cumulative available market cap; it now represents 85%. Please see the glossary for additional details.

## **SPIVA METHODOLOGY**

### **Data**

S&P Dow Jones Indices obtains a custom feed of monthly return data from Fundata Canada for all equity mutual funds that have information in its database. The feed includes data on funds that have merged or liquidated. Fundata applies the following filters to the file S&P Dow Jones Indices receives.

- All non-equity funds are excluded
- All pooled funds, segregated funds, or other specialized categories that do not qualify as retail mutual funds are excluded
- Multiple occurrences of the same fund's portfolio reporting in two or more currencies are also excluded, as S&P Dow Jones Indices only uses the Canadian dollar version
- Only a single share class is included

The file contains the following data fields on a monthly basis.

- Fund name
- Fund identifier
- Month and year
- Fund returns for the month, after management and other costs, including distributions
- Fund assets under management in that month
- Fund categorization in that month
- Management type (i.e., whether the fund is indexed or actively managed)

S&P Dow Jones Indices then limits the subset using the following filter.

- S&P Dow Jones Indices chooses funds that are actively managed, excluding index funds.

## Fund Categories

S&P Dow Jones Indices chooses funds that have, at any point in the previous 60 months, been classified in at least one of the following seven Canadian Investment Funds Standards Committee (CIFSC)<sup>4</sup> categories.

- Canadian Equity
- Canadian Small-/Mid-Cap Equity
- Canadian Dividend & Income Equity
- U.S. Equity
- International Equity
- Global Equity
- Canadian Focused Equity

The categories reviewed in this report represent the major areas of interest for Canadian market participants.

The CIFSC governs the categorization of Canadian mutual funds. In August 2007, the CIFSC's fund categorization structure changed, posing some challenges for S&P Dow Jones Indices' reports. For example, the Canadian Equity (Pure) category was eliminated; the funds in that category were folded into the revised definition of Canadian Equity, which now encompasses funds primarily invested in Canadian securities. Also, the Canadian Small-Cap Equity category was expanded to the Canadian Small-/Mid-Cap Equity category. According to the CIFSC, "for each small-/mid-cap equity category there is a market capitalization threshold that determines whether a fund has a small enough market cap to meet that category. The threshold is determined by comparing the geometric mean market cap of a fund to that same measure for an appropriate benchmark index."<sup>5</sup> In this case, the benchmark index the CIFSC uses for the Canadian Small-/Mid-Cap Equity category is the [S&P/TSX Completion](#).

In terms of the Canadian Equity category change, the Fundata file helps achieve comparability across history by backfilling the classifications before the classification system restructuring. S&P Dow Jones Indices realizes that this introduces a backward-looking bias, but fortunately the benchmark for both the Canadian Equity and Canadian Equity (Pure) categories is the [S&P/TSX Composite](#).

The Canadian Small-Cap Equity category restructuring presented additional challenges. The backfilling of classifications resulted in small-cap funds being reclassified historically as small-cap or mid-cap equities, and these same funds were benchmarked to the S&P/TSX Completion rather than the [S&P/TSX SmallCap Index](#).

In addition, as a result of the elimination of the Small-Cap Equity category, S&P Dow Jones Indices can no longer compare small caps with the S&P/TSX SmallCap. If this category is reinstated, it will be added to our reports.

The Income Trust Equity category is no longer relevant for the Canadian investable universe, so it has been excluded from this report.

<sup>4</sup> Refer to [www.cifsc.org](http://www.cifsc.org) for additional information regarding CIFSC and its categories.

<sup>5</sup> Canadian Investment Funds Standards Committee—2007 Retail Investment Fund Category Definitions.

## Benchmarks

The S&P/TSX Canadian Indices were subject to a number of additional changes in 2007. Following a consultation process with the indexing community, the S&P/TSX SmallCap Index's methodology was adjusted to create a more appropriate Canadian benchmark of small-cap equities. The S&P/TSX SmallCap Index is now separate from the S&P/TSX Composite Index Series. In addition, the S&P/TSX MidCap was renamed the S&P/TSX Completion and its methodology was revised. It includes the constituents of the S&P/TSX Composite that are not in the S&P/TSX 60. In 2011, the methodology for the S&P/TSX Canadian Dividend Aristocrats was revised to allow for one year of static dividend payments.

The benchmark indices used in the SPIVA Canada Scorecard are shown in Exhibit 1. All index returns are total returns (i.e., include dividend reinvestment) in Canadian dollars. **There has been no deduction of index returns to account for fund investment expenses.** Active fund returns are after expenses, but they do not include front- or back-end loads or other commissions that market participants might pay.

Exhibit 1: Fund Categories and Their Benchmarks	
FUND CATEGORY	COMPARISON BENCHMARK
Canadian Equity	S&P/TSX Composite
	S&P/TSX Capped Composite <sup>6</sup>
Canadian Small-/Mid-Cap Equity	S&P/TSX Completion
Canadian Dividend & Income Equity	S&P/TSX Canadian Dividend Aristocrats
U.S. Equity	S&P 500 (CAD)
International Equity	S&P EPAC LargeMidCap (CAD)
Global Equity	S&P Developed LargeMidCap (CAD)
Canadian Focused Equity	50% S&P/TSX Composite + 25% S&P 500 (CAD) + 25% S&P EPAC LargeMidCap

Source: S&P Dow Jones Indices LLC. Table is provided for illustrative purposes. Benchmarks shown are total return indices.

Previous SPIVA Canada Scorecards included a report (Report A2) that compared the Canadian Equity Fund category with a blended index of the S&P/TSX Composite (70%) and the S&P 500 (30%). As a result of the foreign content limit removal in 2005, increasing numbers of Canadian market participants started redeploying funds outside of Canada to gain international equity exposure. Funds in the Canadian Focused Equity category include non-Canadian equity exposure. This category is compared to a monthly returning series comprising the [S&P/TSX Composite](#) (50%), the [S&P 500](#) (25%), and the S&P EPAC LargeMidCap (25%).

For additional information on any of the benchmark indices, please see the glossary at the end of this report, or visit our website at [www.spdji.com/spindices](http://www.spdji.com/spindices).

<sup>6</sup> The main reports show a comparison with the S&P/TSX Capped Composite, since mutual funds are restricted from holding more than 10% of their portfolio in a single stock. A capped index better represents an active manager's opportunity set in periods during which the history includes a concentration problem. In practical terms, both benchmarks would be equivalent when the history under consideration does not have greater than 10% single-stock concentration in the S&P/TSX Composite.

## REPORTS

### Report 1: Percent of Active Funds Outperforming Index

This report shows the percentage of funds that have outperformed their comparable benchmarks over one-, three-, and five-year periods. The comparison starts with the funds in a category at the beginning of the period. At the end of the period, the report shows what percentage of funds have survived and outperformed their benchmark. The fund's category at the end of the period is not considered because the category at the beginning of the holding period is of interest.

Most reports that purport to show the percent of active funds outperforming an index work with the funds in a category at the end of the period and then compare their historical returns to the benchmark. The SPIVA Canada Scorecard corrects for this survivorship bias by starting with the funds at the beginning of the period.

Report 1: Percentage of Funds Outperforming the Index				
FUND CATEGORY	COMPARISON INDEX	ONE-YEAR (%)	THREE-YEAR (%)	FIVE-YEAR (%)
Canadian Equity	S&P/TSX Composite	26.42	23.08	28.77
	S&P/TSX Capped Composite	26.42	23.08	28.77
Canadian Small-/Mid-Cap Equity	S&P/TSX Completion	31.43	57.14	48.57
Canadian Dividend & Income Equity	S&P/TSX Canadian Dividend Aristocrats	37.84	34.21	13.21
U.S. Equity	S&P 500 (CAD)	6.17	1.20	0.00
International Equity	S&P EPAC LargeMidCap (CAD)	42.50	28.57	13.64
Global Equity	S&P Developed LargeMidCap (CAD)	29.82	11.20	6.82
Canadian Focused Equity	50% S&P/TSX Composite + 25% S&P 500 (CAD) + 25% S&P EPAC LargeMidCap	19.40	4.23	7.69

Source: S&P Dow Jones Indices LLC, Fundata. Data as of June 30, 2016. CIFSC categorizations are used. Financial information provided by Fundata Canada Inc. Table is provided for illustrative purposes. Past performance is no guarantee of future results. Benchmarks used are total return indices.

## Report 2: Survivorship

This report shows the number of funds that existed in a particular category at the beginning of the one-, three-, and five-year periods, and how many survived at the end of those periods. The fund's category at the end of the period is not considered because the category at the beginning of the holding period is of interest.

Report 2: Survivorship			
FUND CATEGORY	PERIOD	COUNT AT BEGINNING OF PERIOD	SURVIVORSHIP (%)
Canadian Equity	One-Year	53	90.57
	Three-Year	65	70.77
	Five-Year	73	57.53
Canadian Small/Mid Cap Equity	One-Year	35	88.57
	Three-Year	35	88.57
	Five-Year	35	85.71
Canadian Dividend & Income Equity	One-Year	37	91.89
	Three-Year	38	89.47
	Five-Year	53	62.26
U.S. Equity	One-Year	81	90.12
	Three-Year	83	85.54
	Five-Year	92	69.57
International Equity	One-Year	40	92.50
	Three-Year	42	88.10
	Five-Year	44	84.09
Global Equity	One-Year	114	93.86
	Three-Year	125	84.80
	Five-Year	132	76.52
Canadian Focused Equity	One-Year	67	83.58
	Three-Year	71	78.87
	Five-Year	91	57.14

Source: S&P Dow Jones Indices LLC, Fundata. Data as of June 30, 2016. CIFSC categorizations are used. Financial information provided by Fundata Canada Inc. Table is provided for illustrative purposes. Past performance is no guarantee of future results.

### Report 3: Equal-Weighted Fund Returns

This report shows the equal-weighted average returns of funds in a particular category for the one-, three-, and five-year periods. For every month in the time period, S&P Dow Jones Indices takes all funds from a particular category and calculates the simple average return. The returns from all months in the period are then compounded. These returns are compared with those of the benchmark. The funds used in the averaging process in one month might not be the same as those used in the next month because some funds may have been merged or liquidated, new funds may have been formed, and some may have had their categories changed.

This report essentially shows the equal-weighted performance of actively managed funds in a category over the time period, with a monthly level of granularity for determining the eligible population in that category.

Most reports that purport to show average active fund performance work with the funds in a category at the end of the period and then take the average of their historical returns. The SPIVA Canada Scorecard presents a more accurate picture of active-fund performance in a category by calculating the average performance of the active funds in existence for a given category each month.

<b>Report 3: Equal-Weighted Fund Returns</b>			
<b>FUND CATEGORY OR INDEX</b>	<b>ONE-YEAR (%)</b>	<b>THREE-YEAR (ANNUALIZED) (%)</b>	<b>FIVE-YEAR (ANNUALIZED) (%)</b>
Canadian Equity	-1.80	6.95	3.71
S&P/TSX Composite	-0.20	8.27	4.21
Canadian Small-/Mid-Cap Equity	-2.82	7.93	4.71
S&P/TSX Completion	0.45	6.87	3.44
Canadian Dividend & Income Equity	0.87	6.65	4.97
S&P/TSX Canadian Dividend Aristocrats	1.65	7.94	7.19
U.S. Equity	0.95	14.87	13.59
S&P 500 (CAD)	8.18	19.67	18.96
International Equity	-6.11	8.36	6.40
S&P EPAC LargeMidCap (CAD)	-5.71	9.95	8.32
Global Equity	-2.24	10.75	9.22
S&P Developed LargeMidCap (CAD)	1.64	15.04	13.54
Canadian Focused Equity	-3.81	7.35	4.47
50% S&P/TSX Composite + 25% S&P 500 (CAD) + 25% S&P EPAC LargeMidCap	0.66	11.64	8.95

Source: S&P Dow Jones Indices LLC, Fundata. Data as of June 30, 2016. CIFSC categorizations are used. Financial information provided by Fundata Canada Inc. Table is provided for illustrative purposes. Past performance is no guarantee of future results. Benchmarks used are total return indices.

## Report 4: Asset-Weighted Fund Returns

This report shows the asset-weighted average returns of funds in a particular category for the one-, three-, and five-year periods. For every month, S&P Dow Jones Indices takes all funds in a category and calculates the average return by weighing each fund's return by its month-end assets. The returns from all the months in the period are then compounded. These returns are compared with those of the benchmark. The funds used in the averaging process in one month might not be the same as those used the next month because some funds may have been merged or liquidated, new funds may have been formed, and some might have had their categories changed.

This report essentially shows asset-weighted performance of actively managed funds in a category over the time periods studied, with the level of granularity for determining the eligible population in that category being monthly.

Most fund reports do not show asset-weighted returns. The SPIVA Canada Scorecard presents an accurate picture of asset-weighted, active fund performance in a category by calculating the asset-weighted average performance of the active funds in existence in a category each month.

Report 4: Asset-Weighted Fund Returns			
FUND CATEGORY OR INDEX	ONE-YEAR (%)	THREE-YEAR (ANNUALIZED) (%)	FIVE-YEAR (ANNUALIZED) (%)
Canadian Equity	-1.01	7.19	4.01
S&P/TSX Composite	-0.20	8.27	4.21
Canadian Small-/Mid-Cap Equity	-1.44	8.91	4.98
S&P/TSX Completion	0.45	6.87	3.44
Canadian Dividend & Income Equity	1.73	7.91	5.84
S&P/TSX Canadian Dividend Aristocrats	1.65	7.94	7.19
U.S. Equity	-0.14	15.43	14.21
S&P 500 (CAD)	8.18	19.67	18.96
International Equity	-6.10	9.05	6.66
S&P EPAC LargeMidCap (CAD)	-5.71	9.95	8.32
Global Equity	-0.65	11.38	10.07
S&P Developed LargeMidCap (CAD)	1.64	15.04	13.54
Canadian Focused Equity	-1.96	7.45	4.61
50% S&P/TSX Composite + 25% S&P 500 (CAD) + 25% S&P EPAC LargeMidCap	0.66	11.64	8.95

Source: S&P Dow Jones Indices LLC, Funddata. Data as of June 30, 2016. CIFSC categorizations are used. Financial information provided by Fundata Canada Inc. Table is provided for illustrative purposes. Past performance is no guarantee of future results. Benchmarks used are total return indices.

## APPENDIX: GLOSSARY

### S&P 500

Widely regarded as the best single gauge of the U.S. equities market, this index includes a representative sample of 500 leading companies in leading industries of the U.S. economy and provides over 80% market coverage of the U.S. equities market.

### S&P/TSX Canadian Dividend Aristocrats

This index is designed to measure the performance of Canadian securities that have followed a managed dividends policy of consistently increasing dividends every year for at least five years.

### S&P/TSX Capped Composite

This includes all the constituents of the [S&P/TSX Composite](#) with relative weighting of each constituent capped at 10%.

### S&P EPAC LargeMidCap

This index is a float-weighted, rules-based benchmark that captures the universe of securities in the developed markets, excluding North America. The S&P EPAC LargeMidCap constitutes the top 85% of the available market capitalization of the global S&P EPAC BMI. The S&P EPAC LargeMidCap was previously named the S&P/Citigroup EPAC PMI Index and represented 80% of the available market cap. On Oct. 1, 2008, the new size divisions and name change took effect.

### S&P Developed LargeMidCap

This index is a float-weighted, rules-based benchmark that captures securities in the developed markets. The [S&P Developed LargeMidCap](#) constitutes the top 85% of the available market cap of the global [S&P Developed BMI](#). The S&P Developed LargeMidCap was previously named the S&P/Citigroup World PMI Index and represented 80% of the available market capitalization. On Oct. 1, 2008, the new size divisions and name change took effect.

### S&P/TSX Completion

This is a modular component of the S&P/TSX Composite. This index comprises constituents of the S&P/TSX Composite that are not in the [S&P/TSX 60](#).

### S&P/TSX Composite

This is the headline index and the principal broad market measure for Canadian equity markets. The S&P/TSX Composite is the basis for numerous subindices, which break down the Canadian market by different factors including size, liquidity, and Global Industry Classification Standard (GICS®).

For more information, please go to [www.spindices.com/resource-center/thought-leadership/research/](http://www.spindices.com/resource-center/thought-leadership/research/).

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