



Extended Implementation Notice Period FTSE/JSE Africa Index Series

27 January 2014

In order to align with other FTSE Partnership indices, and after ratification by the FTSE/JSE Advisory Committee at their meeting on 11 December 2013, FTSE/JSE confirms that it will extend the implementation notice period for the FTSE/JSE Africa Index Series to give clients an extra 5 business days' notice to prepare for the trades involved following each review from March 2014.

To accommodate the extended implementation notice period for the FTSE/JSE Africa Index Series, the data cut-off date for determining index inclusions and exclusions will also change.

The following associated rule changes will take effect from **March 2014**:

Addition to Current Rule

4.4.3 Liquidity

Securities in the FTSE/JSE Africa Index Series will be reviewed annually in December for liquidity*. Any period of suspension will not be included in the test. The liquidity test will be applied on a pro-rata basis where the testing period is less than 12 months.

* When calculating the liquidity trades per month of any security, a minimum of 5 trading days in each month must exist, otherwise the month will be excluded from the test.

Current Rule

5.1 Review Dates

5.1.1 The quarterly review of the FTSE/JSE Africa Index Series constituents takes place in March, June, September and December. The meeting to review the constituents will be held on the Wednesday after the first Friday of March, June, September and December using data for the purpose of determining full market cap as at the close of business on the last trading day of February, May, August and November. Any constituent changes will be implemented on the next trading day following the third Friday of the same month of the review meeting.

5.1.3 The Shariah screening from Yasaar will be reassessed quarterly in March, June, September and December. The Shariah screening process uses data as at the last working day of February, May, August and November taking into account new companies being added to the FTSE/JSE All-Share Index and the FTSE/JSE Top 40 Index and implemented on the working day after the third Friday of March, June, September and

December.

New Rule

5.1 Review Dates

5.1.1 The quarterly review of the FTSE/JSE Africa Index Series constituents takes place in March, June, September and December. The meeting to review the constituents will be held on the Wednesday before the first Friday of March, June, September and December using data for the purpose of determining full market cap as at the close of business on the Monday 4 weeks prior to the review effective date. Any constituent changes will be implemented after the close of business on the third Friday of the review month (i.e. effective Monday).

5.1.3 The Shariah screening from Yasaar will be reassessed quarterly in March, June, September and December. The Shariah screening process uses data as at the close of business on the Monday 4 weeks prior to the review effective date taking into account new companies being added to the FTSE/JSE All-Share Index and the FTSE/JSE Top 40 Index and implemented after the third Friday of the review month (i.e. effective Monday).

Current Rule

6.1 Removal and Replacement

6.1.6 Constituents removed in accordance with Rule 6.1.4, but which continue to trade thereafter will be considered for re-inclusion to the index at the next review, subject to Section 4 and that at least 6 months has passed between deletion and the implementation date of the changes arising from the review.

New Rule

6.1 Removal and Replacement

6.1.6 Constituents will be deleted from the index when confirmation is received that all offer conditions have been met and acceptance levels have reached a minimum of 85% and that any new shares of the bidding company (if applicable) are listed. A company deleted following a takeover, with a remaining free float of 15% or less, will not be re-considered for index inclusion until completion of a one year trading record.

6.1.7 Constituents removed in accordance with Rule 6.1.4, but which continue to trade thereafter will be considered for re-inclusion to the index at the next review, subject to Section 4 and that at least 6 months has passed between deletion and the implementation date of the changes arising from the review.

Current Rule

13.4 Periodic Review of Constituents (*Dividend+ Index*)

The index will be reviewed semi-annually in March and September as part of the FTSE/JSE quarterly index review.

At the time of the semi-annual review the selection of Dividend+ Index constituents is based on data taken on review cut date (last trading day of the month prior to review month). Dividend+ factors for constituents are calculated using price data from the second Friday of March and September.

New Rule

13.4 Periodic Review of Constituents (*Dividend+ Index*)

The index will be reviewed semi-annually in March and September as part of the FTSE/JSE quarterly index review.

At the time of the semi-annual review the selection of Dividend+ Index constituents is based on data taken on review cut date (the Monday 4 weeks prior to the review effective date). Dividend+ factors for constituents are calculated using price data from the second Friday of March and September.

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