

## FTSE JSE Africa Index Series - Ground Rule Update

24 January 2019

FTSE Russell would like to inform clients of the following updates to the FTSE JSE Africa Index Series Ground Rules which are effective immediately (updates highlighted in bold below):

### Section 5: Periodic Review of Constituent Companies

5.3.4 A security will be inserted/deleted from the FTSE/JSE All Share index, FTSE/JSE Large & Mid Cap Index, FTSE/JSE Large Cap Index, FTSE/JSE Mid Cap Index and FTSE/JSE Small Cap Index if it rises above/falls below the position stated at the periodic review:

Index	Auto Addition	Auto Deletion
All Share	98.5%	99.5%
Large & Mid Cap	95%	97%
Large Cap	83%	87%
Mid Cap	95%	97%
Small Cap	98.5%	99.5%

#### Minimum Investable Market Capitalisation Requirement for the FTSE/JSE All Share Index

An **instrument** will be eligible for the FTSE/JSE All Share index provided the market capitalisation of its available float is 1% or greater than the investable market capitalisation of the FTSE/JSE Small Cap Index on review cut date (as described in Rule 5.1.1), and it qualifies in all other respects. **Instruments** meeting this criteria will be ranked in accordance with Rule 5.3.5. **Instruments** failing this criteria will not be eligible for the FTSE/JSE All Share Index.

A current constituent will be deleted from the FTSE/JSE All Share index should the investable market cap fall to 0.2% or below relative to the FTSE/JSE Small Cap index investable market capitalisation on review cut date.

### Section 6: Changes to Constituent Companies

#### 6.4 New Issues

6.4.5 Variable and best effort IPOs\* will not be considered for fast entry inclusion since FTSE/JSE would be:

- unable to confirm if the minimum free float requirement has been met; and
- unable to assign an accurate free float for the purposes of the index calculation.

Direct listing IPOs will be eligible for consideration for fast entry inclusion if there is confirmation, **before the close of trading on the first day of listing**, of the number of shares that have been made available (e.g. specific holders have publicly disclosed a commitment to sell a number of shares). If there is no disclosure **before the close of trading on the first day of listing**, the company will not be considered as a potential fast entry addition.

An updated copy of the FTSE JSE Africa Index Series Ground Rules (v6.1) is now available on the FTSE Russell website: [www.ftserussell.com](http://www.ftserussell.com)

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