

# Methodology

## Introduction

The Dow Jones BRIC 50 Index is a composite of four subindexes covering Brazil, Russia, India, and China Offshore, representing 50 of largest and most liquid stocks traded in the respective markets.

## Index Universe

The index universe includes all stocks in the Dow Jones Wilshire country indexes for Brazil, Russia, India and China (China Offshore). These indexes cover approximately 95% of underlying float-adjusted market capitalization.

In the case of multiple lines of a company, the less liquid lines are excluded.

## Stock Selection

Stocks are selected within each country based on rankings by size and liquidity, subject to buffers, and then the selections are aggregated to create the index.

Fifteen components are targeted for Brazil, India and China, and five for Russia. Selection within each country proceeds as follows:

- 1 The largest 30 stocks (10 for Russia) are ranked by float-adjusted market capitalization.
- 2 The largest 30 stocks (10 for Russia) are ranked by average daily turnover volume for the three months prior to the selection date.
- 3 A final ranking is calculated by equally weighting the market capitalization and volume ranks.
- 4 The largest 10 stocks (3 for Russia) are selected to the index.
- 5 The remaining 5 stocks (2 for Russia) are selected from the largest remaining current stocks ranked between 11-20 (4-7).
- 6 If the number of stocks selected is still below 15 (5 for Russia), then the largest remaining stocks are selected until the component number reaches 15 (5 for Russia).

## Review Frequency

The index's composition is reviewed annually in September.

## Historical Data Available

The indexes are calculated in USD and EUR, with a "net" version of the index available. History is available back to December 31, 2002.

## Weighting

The index is float-adjusted market capitalization weighted. A 10% cap, when necessary, is applied quarterly.

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For more information on the Dow Jones BRIC 50 Index<sup>SM</sup>, email [djindexsupport@dowjones.com](mailto:djindexsupport@dowjones.com) or call U.S. +1.609.520.7249; Asia +8610.6581.4090 x403; Europe +49.69.29.725.180. Learn more at [www.djindexes.com](http://www.djindexes.com).

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