

FTSE RAFI EMERGING INDEX

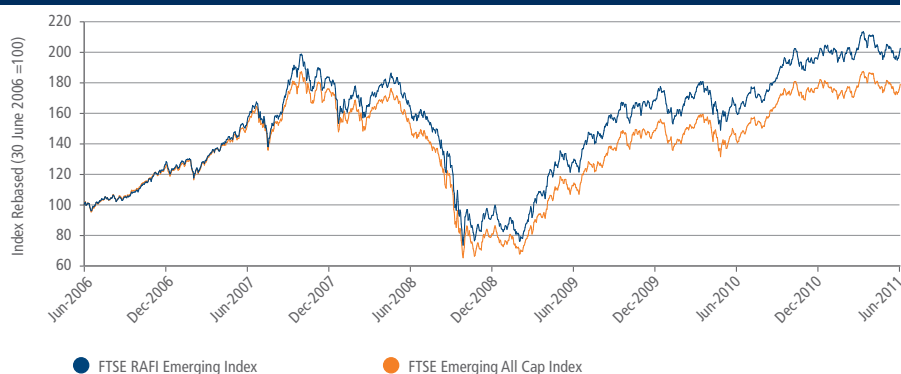
The FTSE RAFI® Emerging Index is part of the FTSE RAFI Index Series, launched in association with Research Affiliates, LLC. As part of FTSE Group’s range of non market-cap weighted indexes, the FTSE RAFI Index Series selects and weights index constituents using four fundamental factors, rather than market capitalisation. These factors include dividends, cash flow, sales and book value.

The FTSE RAFI Emerging Index is designed to provide investors with a tool to enable investment in emerging markets whilst using fundamental weightings methodology. The FTSE RAFI Emerging Index consists of the 350 companies with the largest RAFI fundamental values, selected from the constituents of the FTSE Emerging Index.

FEATURES

- Comprises the top 350 companies with the largest RAFI Fundamental values of the large, mid and small company stocks from the FTSE Emerging index
- FTSE RAFI Index-linked products offer a better beta, while maintaining the best features of passive index investment: broad market exposure, low turnover, and transparent rules-based selection, whilst retaining high investment capacity
- Fundamentals Weighted® indices do not increase exposure to high P/E stocks during episodes of unsustainable P/E expansion. It therefore avoids over-exposure to the more overvalued stocks
- The index is calculated in accordance with the Industry Classification Benchmark, the global standard for industry sector analysis
- The index is designed for the creation of derivatives, index tracking funds and ETFs
- Stocks are free-float weighted to ensure that only the investable opportunity set is included within the index
- Stocks are liquidity screened to ensure that the index is tradable
- A capital and total return index is available
- Transparent, independently governed and freely available index rules, overseen by an independent committee of leading market professionals

FTSE RAFI EMERGING INDEX 5 YEAR PERFORMANCE (USD TOTAL RETURN)



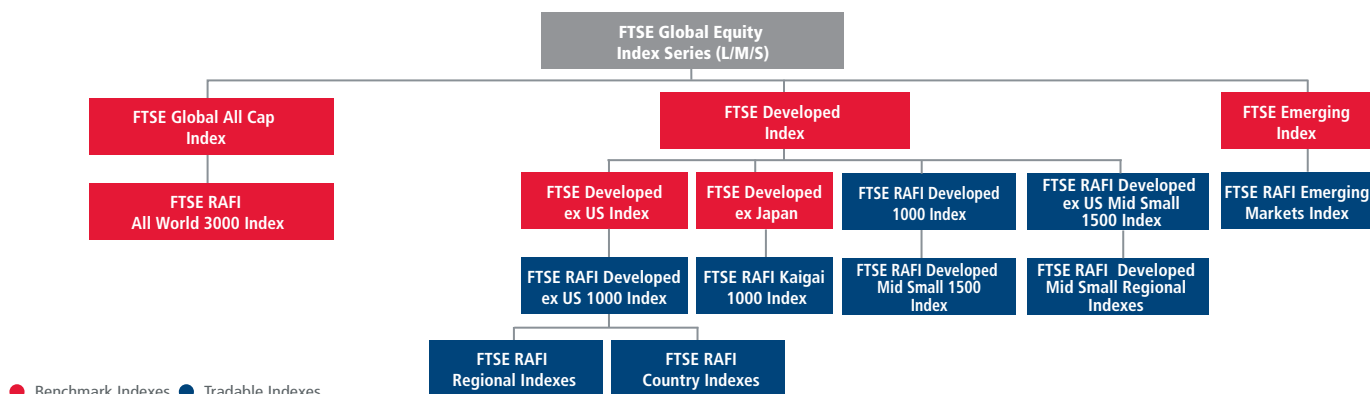
SOURCE: FTSE Group, data as at 30 June, 2011

FTSE RAFI EMERGING INDEX TOP 10 CONSTITUENTS

Rank	Security	Country	Sector	FTSE RAFI Emerging Index Weight (%)	FTSE Emerging All Cap Index Weight (%)	Difference (%)
1	DAO Gazprom	Russia	Oil & Gas Producers	3.28	1.63	1.65
2	Lukoil-Holding	Russia	Oil & Gas Producers	2.38	0.96	1.42
3	Petrobras PN	Brazil	Oil & Gas Producers	2.13	2.01	0.12
4	Taiwan Semiconductor Manufacturing	Taiwan	Technology Hardware & Equipment	2.06	1.53	0.53
5	China Mobile (Red Chip)	China	Mobile Telecommunications	1.94	1.31	0.62
6	China Construction Bank (H)	China	Banks	1.65	1.41	0.24
7	Surgutneftegaz	Russia	Oil & Gas Producers	1.58	0.17	1.41
8	Petrobras ON	Brazil	Oil & Gas Producers	1.56	1.48	0.09
9	Itau Unibanco Holding SA	Brazil	Banks	1.47	1.26	0.21
10	Industrial and Commercial Bank of China (H)	China	Banks	1.36	1.17	0.19
Total				19.40	12.93	

Source: FTSE Group, data as at 30 June, 2011

FAMILY TREE



● Benchmark Indexes ● Tradable Indexes

FTSE RAFI EMERGING INDEX INDUSTRY CLASSIFICATION BENCHMARK (ICB) SECTOR BREAKDOWN

ICB Code	Sector	FTSE RAFI Emerging Index		FTSE Emerging All Cap Index		Difference (%)
		Weight (%)	No. of Constituents	Weight (%)	No. of Constituents	
0530	Oil & Gas Producers	20.85	31	13.59	53	7.26
0570	Oil Equipment, Services & Distribution	0.92	1	0.28	17	0.64
0580	Alternative Energy	-	-	0.16	9	-0.16
1350	Chemicals	2.40	7	3.11	68	-0.71
1730	Forestry & Paper	0.58	5	0.42	14	0.16
1750	Industrial Metals & Mining	5.76	25	4.76	80	1.00
1770	Mining	4.50	12	6.31	45	-1.81
2350	Construction & Materials	3.40	17	3.50	110	-0.10
2710	Aerospace & Defense	0.21	1	0.15	2	0.05
2720	General Industrials	2.06	13	1.52	24	0.54
2730	Electronic & Electrical Equipment	2.28	9	2.28	83	0.00
2750	Industrial Engineering	0.29	3	1.42	60	-1.13
2770	Industrial Transportation	1.00	9	1.78	71	-0.78
2790	Support Services	-	-	0.23	13	-0.23
3350	Automobiles & Parts	0.74	5	1.74	41	-0.99
3530	Beverages	1.18	5	1.80	19	-0.62
3570	Food Producers	1.34	9	2.15	56	-0.81
3720	Household Goods & Home Construction	0.31	2	0.47	25	-0.16
3740	Leisure Goods	-	-	0.24	22	-0.24
3760	Personal Goods	0.88	6	1.19	44	-0.31
3780	Tobacco	0.54	3	0.89	4	-0.35
4530	Health Care Equipment & Services	0.10	1	0.53	18	-0.43
4570	Pharmaceuticals & Biotechnology	0.14	1	1.02	35	-0.88
5330	Food & Drug Retailers	0.79	6	1.01	16	-0.22
5370	General Retailers	1.00	8	2.04	39	-1.04
5550	Media	0.59	2	1.08	18	-0.49
5750	Travel & Leisure	0.40	3	1.17	40	-0.76
6530	Fixed Line Telecommunications	4.36	16	2.03	24	2.33
6570	Mobile Telecommunications	6.64	17	5.92	30	0.73
7530	Electricity	4.34	23	3.50	75	0.84
7570	Gas, Water & Multiutilities	0.33	3	0.62	22	-0.29
8350	Banks	18.59	57	17.42	134	1.17
8530	Nonlife Insurance	0.31	2	0.54	13	-0.23
8570	Life Insurance	2.40	9	2.40	14	-0.01
8630	Real Estate Investment & Services	0.63	6	2.36	95	-1.73
8670	Real Estate Investment Trusts	-	-	0.19	10	-0.19
8770	Financial Services	2.27	12	3.28	60	-1.00
9530	Software & Computer Services	0.44	2	1.53	24	-1.09
9570	Technology Hardware & Equipment	7.44	26	5.39	124	2.05
	Total	100.00	357	100.00	1,651	

Source: FTSE Group, data as at 30 June, 2011

FTSE RAFI EMERGING INDEX COUNTRY WEIGHTINGS

Country	FTSE RAFI Emerging Index		FTSE Emerging All Cap Index		Difference (%)
	No. of Constituents	Weight (%)	No. of Constituents	Weight (%)	
Brazil	54	17.39	128	18.47	-1.08
Chile	9	1.47	32	2.32	-0.85
China	39	14.13	232	15.48	-1.35
Colombia	5	1.08	10	0.91	0.17
Czech Republic	3	0.88	3	0.43	0.45
Egypt	5	0.53	34	0.50	0.03
Hungary	3	1.03	6	0.54	0.49
India	33	6.71	260	10.98	-4.27
Indonesia	6	1.37	55	3.10	-1.72
Malaysia	22	3.68	80	4.55	-0.87
Mexico	18	5.33	42	5.28	0.05
Morocco	0	0.00	3	0.12	-0.12
Pakistan	0	0.00	19	0.17	-0.17
Peru	0	0.00	3	0.35	-0.35
Philippines	0	0.00	29	0.78	-0.78
Poland	9	2.55	32	1.79	0.76
Russia	17	11.87	35	6.72	5.15
South Africa	47	10.76	95	8.80	1.96
Taiwan	64	17.85	401	14.83	3.01
Thailand	9	1.45	74	1.96	-0.51
Turkey	14	1.91	60	1.66	0.25
UAE	0	0.00	18	0.27	-0.27
Total	357	100.00	1,651	100.00	

SOURCE: FTSE Group, data as at 30 June, 2011

FTSE RAFI EMERGING INDEX PORTFOLIO CHARACTERISTICS

	FTSE RAFI Emerging Index	FTSE Emerging All Cap Index
Number of Constituents	357	1,651
Net Market Cap (USDm)	55,894	4,231,644
Constituents Wts: (%)		
Average	0.28	0.06
Largest	3.28	2.01
Smallest	0.02	0.001
Median	0.16	0.02
Top 10 Holdings (% Index Market Cap)	19.40	12.93

SOURCE: FTSE Group, data as at 30 June, 2011

FTSE RAFI EMERGING INDEX PERFORMANCE (TOTAL RETURN)

	PERFORMANCE								VOLATILITY		
	3M (%)	6M (%)	YTD (%)	12M (%)	3YR (%)	5YR (%)	3YR (%pa)	5YR (%pa)	1YR Vol (%pa)*	3YR Vol (%pa)**	5YR Vol (%pa)***
FTSE RAFI Emerging Index	-2.0	1.1	1.1	26.3	22.7	102.6	7.1	15.2	14.0	33.2	28.3
FTSE Emerging All Cap Index	-1.5	-0.8	-0.8	26.2	16.6	79.1	5.3	12.4	13.0	33.0	28.7

* Based on daily annualised total returns using 252 trading days in a year

** Based on weekly annualised total returns using 52 weeks (Wednesday to Wednesday)

*** Based on monthly annualised total returns

SOURCE: FTSE Group, data as at 30 June, 2011

INFORMATION

Index Universe

FTSE Emerging All Cap Index

Index Launch

9 July 2007

Base Date

19 March 2007

Base Value

5000

Investability Screen

Free float adjusted and liquidity screened

Index Calculation

Real-time and End-of-Day indexes available.
Real-time indices calculated every 15 seconds

End-of-Day Distribution

Indexes available at 23.30 GMT via FTP and email

Currency

Euro, Sterling, USD, Yen, AUD and local currency

Review Dates

Annually in March

Index Rules

Available at www.ftse.com/rafi

Vendor Codes

Available at www.ftse.com/rafi

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