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# Recalculation Policy and Guidelines – Multi-Asset Indexes

v1.1

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## FTSE Russell Multi-Asset Index Recalculation Policy

This document sets out the FTSE Russell<sup>1</sup> Multi-Asset Index Recalculation Policy. This policy and the Recalculation Guidelines below apply only to those multi-asset indexes where the relevant index ground rules and other methodology documents indicate that this policy and the guidelines apply. Multi-asset indexes are generally comprised of underlying equity and fixed income indexes calculated by FTSE Russell - their Recalculation Policy and Guidelines are available from the FTSE Russell website using the below links or by contacting [info@ftserussell.com](mailto:info@ftserussell.com).

[Equity Index Recalculation Policy and Guidelines.pdf](#)

[Fixed Income Recalculation Policy and Guidelines.pdf](#)

FTSE Russell makes every effort to maintain its indexes to high standards. However, investors, licensees and other market participants should be aware that inaccuracies may arise in the calculation of index level and/or constituent data of underlying indexes from time to time.

Where an inaccuracy is identified, FTSE Russell will follow the steps set out in the FTSE Russell Index Recalculation Guidelines – Multi-Asset Indexes below when determining whether an index or index series should be recalculated and/or associated data products reissued as a result of an inaccuracy. Because of the unpredictable nature of the issues that could arise, these guidelines should not be construed as definitive rules that determine the steps FTSE Russell will take whenever an inaccuracy is identified. In addressing inaccuracies, FTSE Russell reserves the right to consult market participants in complex cases as to the appropriate course of action, including the decisions on whether to recalculate indices and/or reissue its associated data products.

Please note that FTSE Russell does not accept any responsibility to investors, licensees or other market participants for the accuracy of the index or its constituent data and accepts no liability for any losses, damages, claims or expenses suffered by any person as a result of any errors or inaccuracies in the compilation or calculation of the index or any constituent data, whether arising as a result of negligence or otherwise.

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<sup>1</sup>FTSE Russell is a trading name of FTSE International Limited, Frank Russell Company, FTSE Global Debt Capital Markets Limited (and its subsidiaries FTSE Global Debt Capital Markets Inc. and MTSNext Limited), Mergent, Inc., FTSE Fixed Income LLC and The Yield Book Inc.

## Table 1: FTSE Russell Multi-Asset Index Recalculation Guidelines

Table 1 below sets out the general guidelines that FTSE Russell will follow when determining whether an index or index series should be recalculated and/or associated data products reissued.

In interpreting these guidelines, FTSE Russell may use expert judgement taking into account all relevant factors including, but not limited to: the asset class of the index constituents; the nature of the incident; the impact on the total return of each index; the rebalance frequency of the index; the time elapsed since the incident occurred; the implications for products known to track the index; and the impact on index users should a recalculation and/or reissue take place. Because the individual circumstances of an incident may be complex, FTSE Russell reserves the right to recalculate, or not to recalculate, an index when these general guidelines might suggest otherwise.

If a decision to recalculate an index is taken, all affected indexes will also be recalculated. Following such an event, index users will be notified of the products affected through standard communication channels (including the publication of a FTSE Russell technical notice). Index values will be updated on the FTSE Russell website, and associated data products will be reissued.

If an inaccuracy is discovered prior to client delivery, the index will be recalculated and clients will be notified of any delay to file deliverables.

CATEGORY	EXAMPLE ISSUE	ACTION	INDEX RECALCULATION
<b>Restatement of Underlying Index</b>	A component fixed income, equity or cash index to a multi-asset composite is restated	Recalculate	Y
<b>Error in Calculation of Multi-Asset Index Return</b>	Total return or periodic returns calculated incorrectly	Recalculate	Y
	Incorrect weight applied to the return of each underlying index	Recalculate	Y

Generally, the impact will be assessed with respect to headline indexes, which are listed in the table below. The list is not exhaustive, however, and FTSE Russell will exercise its expert judgement when determining where a custom index, an index linked to an exchange traded product, or a standard sub-index other than those listed in the table, should be recalculated.

## Headline Indexes

Index Series	Headline Indexes
<b>FTSE Multi-Asset Composite Index Series</b>	FTSE Global Multi-Asset Composite Indexes FTSE Regional-Global Multi-Asset Composite Indexes FTSE Euro Multi-Asset Composite Indexes FTSE UK Multi-Asset Composite Indexes FTSE US Multi-Asset Composite Indexes FTSE China Multi-Asset Composite Indexes FTSE Emerging Markets Multi-Asset Composite Indexes
<b>FTSE Market Based Allocation Index Series</b>	FTSE US Market Based Allocation Conservative Index FTSE US Market Based Allocation Moderately Conservative Index FTSE US Market Based Allocation Moderate Index FTSE US Market Based Allocation Moderately Aggressive Index FTSE US Market Based Allocation Aggressive Index
<b>FTSE Private Investor Index Series</b>	FTSE UK Private Investor Ultra Conservative Index FTSE UK Private Investor Conservative Index FTSE UK Private Investor Income Index FTSE UK Private Investor Balanced Index FTSE UK Private Investor Growth Index FTSE UK Private Investor Ultra Growth Index FTSE UK Private Investor Global Growth Index



## Further Information

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For further information on FTSE Russell indexes please visit [www.ftserussell.com](http://www.ftserussell.com) or e-mail [info@ftserussell.com](mailto:info@ftserussell.com).

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