S&P Dow Jones Indices
A Division of S&P Global

S&P/BMV Indices Consultation on FIBRAS Eligibility

MEXICO CITY, OCTOBER 24, 2017: S&P Dow Jones Indices ("S&P DJI") is conducting a consultation with members of the investment community on potential changes to the S&P/BMV Indices. This consultation is being conducted in response to recent regulatory changes affecting the inclusion of Fideicomisos de Inversión y Bienes Raíces (FIBRAS) in indices used for investment purposes by pension funds in Mexico.

FIBRAS ELIGIBILITY

In January 2016, FIBRAS were reclassified and are no longer considered to be structured products under the investment regimen applicable to SIEFORES (pension funds). FIBRAS now have their own classification. The amount of FIBRAS SIEFORES can hold is subject to limitation and varies from 5% for the SIEFORE Básica 1 to 10% for all other SIEFORES.[1] In addition, FIBRAS are now eligible for inclusion in equity indices, subject to a maximum weight of 15% under revised CONSAR rules.[2]

Given these changes in the regulatory environment, S&P DJI is proposing to make FIBRAS eligible for inclusion in all S&P/BMV equity indices in order to better represent the Mexican equity market.

The table below includes some of the more popular S&P/BMV equity indices that may be impacted by the proposed methodology change and the estimated weight of FIBRAS in each index's composition, based on data from the most recent rebalancing. For clarity, the proposed change is to allow FIBRAS to be eligible for inclusion in all S&P/BMV equity indices; all other eligibility criteria for a given index would remain unchanged.

FIBRAS WEIGHT CAP

In conjunction with the proposal to make FIBRAS eligible for inclusion in all S&P/BMV equity indices, S&P DJI is proposing to restrict the weight of FIBRAS at 10% in order to comply with the CONSAR regulations.

IMPLEMENTATION TIMING

S&P DJI is proposing to implement the proposed changes detailed above, if adopted, in conjunction with each index's first rebalancing in 2018. The proposed implementation dates for some of the more popular S&P/BMV equity indices are shown in the following table.

Index	Estimated Index Weight of FIBRAS (Uncapped)	(With 10% Cap)	First 2018 Rebalancing Date
S&P/BMV IPC Index	2.89%	2.89%	Tuesday, March 20, 2018
S&P/BMV INMEX	3.33%	3.33%	
S&P/BMV IPC CompMx Index	5.24%	5.24%	Monday, June 18, 2018
S&P/BMV IPC MidCap Index	16.24%	10.00%	
S&P/BMV IPC SmallCap Index	31.83%	10.00%	

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[1] For additional information, please refer to *Investment Regime:* www.consar.gob.mx/gobmx/Aplicativo/Limites_Inversion/?lang=en.
[2] For additional information, please refer to *Criteria for the selection of equity and property indices:*
www.gob.mx/cms/uploads/attachment/file/101314/Criterios_para_la_seleccion_de_indices_accionarios_e_inmobiliarios.pdf.

QUESTIONS:

1. Do you agree with the proposal to make FIBRAS eligible for inclusion in the S&P/BMV equity indices? If not, please include your rationale for why FIBRAS should remain ineligible?

2. Do you agree with the proposal to institute a 10% weight cap on FIBRAS for the S&P/BMV equity indices? If not, please include your rationale for why a FIBRAS weight cap should not be established for the indices?

3. Do you agree with the proposal to implement the proposed methodology changes, if adopted, in conjunction with each index's first rebalancing in 2018? If not, please explain your objection and include your preferred implementation date.

4. Do you have any other comments or feedback regarding the proposed changes outlined above?

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. S&P DJI will make responses to consultations freely available upon request.[3] If you do not want your response to be made available, you must clearly state that in your response. Please respond to this survey by **November 24, 2017**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI will consider the issues and may request clarifications from respondents as part of that review. Alternative options to the proposed questions after the deadline require that the consultation be re-opened to the public.

To participate in this consultation, please respond to S&P DJI at index_services@spglobal.com.

Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our website.

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit *www.spdji.com*.

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has become home to over 1,000,000 indices across the spectrum of asset classes that have helped define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit *www.spdji.com*.

FOR MORE INFORMATION:

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[3] Individual and company names as well as contact details will be redacted.

CONSULTATION