

S&P/BMV IPC CompMx, LargeCap, MidCap, and SmallCap Index Consultation

MEXICO CITY, FEBRUARY 21, 2018: 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 IPC CompMx and related size segment sub-indices. In order to enhance index liquidity and investability, S&P DJI is considering three proposed methodology changes described in the following table.

Impacted Indices	Proposed Change	Description
S&P/BMV IPC CompMx	Liquidity Criteria	<p>In order to enhance liquidity, S&P DJI is proposing the following liquidity criteria:</p> <ul style="list-style-type: none"> • Stocks would need to have a monthly median traded value ratio (MTVR) of at least 1% over the prior three-month and 12-month periods, and a median daily value traded (MDVT) of at least MXN 4 million over the prior three-month period. • Current index constituents would remain eligible if they have a MTVR of at least 0.5% over the prior three-month and 12-month periods, and a MDVT of at least MXN 2 million over the prior three-month period. <p>Currently, the liquidity criteria is as follows:</p> <ul style="list-style-type: none"> • Stocks must have a monthly MTVR of at least 1% over the prior three-month and 12-month periods. • Stocks with a MTVR of less than 1%, but greater than 0.5% over the prior three-month and 12-month periods, must have an average daily value traded (ADVT) of at least MXN 10 million over the prior three-month period. • Current index constituents remain eligible if they have a MTVR of at least 0.5% over the prior three-month and 12-month periods.
S&P/BMV IPC LargeCap, MidCap, and SmallCap	Constituent Selection	<p>In order to provide a better representation of the stocks within each size segment, S&P DJI is proposing to base size segments on the stock level float-adjusted market capitalization (FMC).</p> <p>Under this proposal, companies would be ranked by total market capitalization, and then FMC at the stock level would be accumulated to 75% forming the S&P/BMV IPC LargeCap, the next 20% forming the S&P/BMV IPC MidCap, and the final 5% forming the S&P/BMV IPC SmallCap.</p> <p>Currently, size segments are based on the cumulative market capitalization within the S&P/BMV IPC CompMx. Companies are ranked by total market capitalization, and then total company market capitalization is accumulated to 75% forming the S&P/BMV IPC LargeCap, the next 20% forming the S&P/BMV IPC MidCap, and the final 5% forming the S&P/BMV IPC SmallCap.</p>

Impacted Indices	Proposed Change	Description
S&P/BMV IPC LargeCap, MidCap, and SmallCap	Weight Capping	<p>In order to reflect weights capped relative to liquidity rather than capping based on a hypothetical basket, S&P DJI is proposing to change the basket liquidity weight cap to a FMC weight with a cap based on liquidity.</p> <p>Under this proposal, the maximum weight would be calculated as each security's six-month median daily value traded (MDVT) divided by the sum of the six-month MDVT for all securities in the index, multiplied by two. If a company's FMC weight exceeds the maximum weight as described above, then that stock would be capped at its maximum weight and the excess weight would be redistributed proportionately to the remaining companies that have not reached their maximum weight (see Appendix I for an example).</p> <p>Currently, basket liquidity is applied to each index using a portfolio size of MXN 200 million to be turned over in one business day at 100% of its six-month MDVT. The index committee reserves the right to change the portfolio size if market conditions or other factors require it.</p>

IMPACT ANALYSIS

The tables below show the actual constituent count and turnover from the December 2017 semi-annual rebalancing as well as the hypothetical constituent count and turnover under various scenarios if the aforementioned proposed changes had been in effect.

Constituent Count	S&P/BMV			
	IPC CompMx	IPC LargeCap	IPC MidCap	IPC SmallCap
Current Methodology	73	16	28	28
Proposed Constituent Selection and Liquidity Criteria	63	16	28	19

One-Way Turnover	S&P/BMV			
	IPC CompMx	IPC LargeCap	IPC MidCap	IPC SmallCap
Current Methodology	2.65%	4.90%	13.98%	17.96%
Proposed Weight Capping	2.65%	4.90%	14.54%	22.83%
Proposed Constituent Selection and Liquidity Criteria	2.84%	4.90%	15.35%	-- ¹
Proposed Constituent Selection, Liquidity Criteria, and Weight Capping	2.84%	4.90%	15.36%	21.86%

Please refer to Appendix II for details on each index's actual composition weights from the December 2017 semi-annual rebalancing as well as the hypothetical composition weights if the three aforementioned proposed changes had been in effect.

IMPLEMENTATION TIMING

S&P DJI is proposing to implement the previously described methodology changes, if adopted, at the market open on Monday, June 18, 2018, in conjunction with the first rebalancing in 2018.

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

1. Do you agree with the proposed change to the liquidity criteria of the S&P/BMV IPC CompMx?
2. Do you agree with the proposed change to constituent selection for the S&P/BMV IPC LargeCap, MidCap, and SmallCap?

¹ For the S&P/BMV IPC SmallCap, the changes under this scenario are not possible to implement with the current weighting methodology. They are only supportable if the proposed weight capping change is also adopted.

CONSULTATION

3. Do you agree with the proposed change to weight capping for the S&P/BMV IPC LargeCap, MidCap, and SmallCap?
4. Should the proposed methodology changes be adopted, do you agree with the proposed implementation date?
5. 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 provide responses to consultations on our website after the consultation results have been announced.² If you do not want your response to be published, you must clearly state that in your response. Please respond to this survey by **March 23, 2018**. 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 visit the online survey available [here](#).

For further information about this consultation, please contact S&P Dow Jones Indices 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.

² Individual and company names as well as contact details will be redacted.

APPENDIX I

The following table shows a hypothetical index of companies which have been weighted by their float-adjusted market cap (FMC) and by their FMC with a liquidity cap limited to two times their liquidity weight. This scheme allows for a weight that is based on the stock's size while also considering its liquidity, making the index more replicable. For clarity, the proposed weight capping change would impact only the S&P/BMV IPC LargeCap, MidCap, and SmallCap Indices.

Stock	Market Capitalizations		Median Daily Value Traded	% Based on Total MDTV		Stock Weights	
	Total Market Cap	FMC	6M MDVT	Liquidity Weight	2X Liquidity Weight	FMC Weight	Final Weight
1	802,957	490,446	526,915,345	11.79%	23.58%	10.10%	15.91%
2	773,124	363,600	273,894,615	6.13%	12.25%	7.49%	11.80%
3	736,358	661,544	42,148,560	0.94%	1.89%	13.63%	1.89%
4	712,404	489,279	2,159,079,650	48.30%	96.60%	10.08%	15.87%
5	598,922	292,214	27,600,000	0.62%	1.23%	6.02%	1.23%
6	582,848	215,537	164,931,185	3.69%	7.38%	4.44%	6.99%
7	535,661	235,851	207,450,600	4.64%	9.28%	4.86%	7.65%
8	502,516	242,715	49,233,260	1.10%	2.20%	5.00%	2.20%
9	458,708	106,283	169,992,135	3.80%	7.61%	2.19%	3.45%
10	436,968	24,038	7,511,130	0.17%	0.34%	0.50%	0.34%
11	358,848	20,454	7,326,024	0.16%	0.33%	0.42%	0.33%
12	358,618	330,368	190,368,140	4.26%	8.52%	6.80%	8.52%
13	333,216	113,093	20,981,380	0.47%	0.94%	2.33%	0.94%
14	317,885	102,963	34,837,282	0.78%	1.56%	2.12%	1.56%
15	298,807	247,084	19,328,250	0.43%	0.86%	5.09%	0.86%
16	275,791	97,327	33,302,320	0.75%	1.49%	2.00%	1.49%
17	269,061	88,790	105,907,255	2.37%	4.74%	1.83%	2.88%
18	268,026	94,104	25,589,680	0.57%	1.14%	1.94%	1.14%
19	232,548	110,809	26,664,363	0.60%	1.19%	2.28%	1.19%
20	215,952	134,560	104,588,950	2.34%	4.68%	2.77%	4.37%
21	188,562	72,691	50,080,670	1.12%	2.24%	1.50%	2.24%
22	181,579	111,363	33,858,105	0.76%	1.51%	2.29%	1.51%
23	136,017	71,083	33,756,352	0.76%	1.51%	1.46%	1.51%
24	134,865	55,227	80,228,480	1.79%	3.59%	1.14%	1.79%
25	116,499	48,696	26,818,527	0.60%	1.20%	1.00%	1.20%
26	56,171	34,787	47,704,479	1.07%	2.13%	0.72%	1.13%
	9,882,911	4,854,906	4,470,096,737	100.00%	200.00%	100.00%	100.00%

The example above shows the impact of the weighting schemes, particularly in stocks such as Stock 3. If the stock is weighted by FMC alone, its index weight would be 13.63%. However, when looking at its median daily value traded of approximately 42.1 million, which represents 0.94% of the total liquidity traded for the index, it is apparent that this is not a very liquid stock. Under the proposed methodology change, the stock's maximum weight would be two times 0.94%, making its index weight 1.89%.

APPENDIX II

The following tables show each index's actual composition weights from the December 2017 semi-annual rebalancing using the current methodology as well as the hypothetical composition weights if the three aforementioned proposed changes had been in effect. Please note that the weights calculated are based on data as of October 31, 2017, the rebalancing reference date.

S&P/BMV IPC CompMx:

S&P/BMV IPC CompMx	December 2017 Rebalancing Weights		
	Actual	Hypothetical	Difference
America Movil SAB de CV L	12.10%	12.18%	0.08%
Fomento Economico Mexicano S.A.B. de C.V.	11.22%	11.30%	0.08%
Grupo Financiero Banorte O	8.68%	8.74%	0.06%
Cemex SA CPO	7.18%	7.23%	0.05%
Grupo Mexico SAB de CV B	6.83%	6.88%	0.05%
Walmart de Mexico SAB de CV	6.70%	6.74%	0.05%
Grupo Televisa SAB CPO	6.49%	6.54%	0.05%
Grupo Aeroportuario del Pacifico, S.A.B. de C.V.	2.25%	2.26%	0.02%
Alfa SA A	2.22%	2.23%	0.02%
Grupo Aeroportuario del Sureste SAB de CV B	2.21%	2.23%	0.02%
Coca-Cola Femsa SAB de CV L	2.11%	2.12%	0.01%
Grupo Financiero Santander SAB de CV	1.75%	1.76%	0.01%
Grupo Financiero Inbursa O	1.67%	1.68%	0.01%
Gruma SAB B	1.67%	1.68%	0.01%
Grupo Bimbo S.A.B.	1.67%	1.68%	0.01%
Infraestructura Energetica Nova S.A.B. de C.V.	1.63%	1.64%	0.01%
Mexichem SAB de CV	1.59%	1.60%	0.01%
Arca Continental, SAB de CV	1.51%	1.52%	0.01%
Grupo Elektra S.A.B. de C.V.	1.49%	1.50%	0.01%
Kimberly Clark de Mexico S.A.B. de C.V. A	1.47%	1.48%	0.01%
Industrias Penoles	1.25%	1.25%	0.01%
Promotora y Operadora de Infraestructura SAB de CV	1.24%	1.25%	0.01%
Grupo Aeroportuario del Centro Norte, S.A.B. de C.V.	0.95%	0.95%	0.01%
El Puerto de Liverpool SAB de CV	0.79%	0.80%	0.01%
Grupo Carso SAB de CV	0.77%	0.77%	0.01%
Alea SA	0.76%	0.77%	0.01%
Megacable Holdings SAB de CV	0.72%	0.72%	0.00%
Gentera SAB de CV	0.61%	0.61%	0.00%
Becle, S.A. De C.V.	0.54%	0.54%	0.00%
Telesites S.A.B. de C.V.	0.54%	0.54%	0.00%
Controladora Vuela Compania de Aviacion S.A.B. de C.V.	0.54%	0.54%	0.00%
Industrias Bachoco SAB de CV	0.49%	0.49%	0.00%
Grupo Lala S.A.B. de C.V.	0.47%	0.47%	0.00%
Genomma Lab Internacional SA de CV	0.45%	0.45%	0.00%
Bolsa Mexicana de Valores SA de CV	0.44%	0.45%	0.00%
Corporacion Inmobiliaria Vesta, S.A.B. DE C.V.	0.41%	0.42%	0.00%
Grupo Cementos de Chihuahua SAB de CV	0.36%	0.36%	0.00%
Industrias CH B	0.35%	0.36%	0.00%
Banregio Grupo Financiero SA de CV	0.35%	0.36%	0.00%
Banco del Bajio, S.A.	0.33%	0.33%	0.00%
Organizacion Soriana B	0.33%	0.33%	0.00%
Grupo Herdez SA	0.28%	0.28%	0.00%
La Comer S.A.B. de C.V. UBC	0.27%	0.27%	0.00%
Nemak S.A.B. de C.V.	0.27%	0.27%	0.00%
Hoteles City Express S.A. de C.V.	0.27%	0.27%	0.00%
OHL Mexico SAB de CV	0.26%	0.26%	0.00%
Unifin Financiera S.A.B. de C.V. SOFOM E.N.R.	0.26%	0.26%	0.00%
Grupo Aeromexico SAB de CV	0.25%	0.25%	0.00%
Credito Real S.A.B. de C.V.	0.24%	0.24%	0.00%
Alpek S.A.B. de C.V.	0.23%	0.23%	0.00%
Grupo Financiero Interacciones SA de CV	0.22%	0.22%	0.00%

CONSULTATION

S&P/BMV IPC CompMx (cont'd):

S&P/BMV IPC CompMx	December 2017 Rebalancing Weights		
	Actual	Hypothetical	Difference
Grupo Industrial Saltillo S.A.B. de C.V.	0.21%	0.21%	0.00%
Grupo Comercial Chedraui SA de CV	0.18%	0.18%	0.00%
Qualitas Controladora S.A.B de C.V.	0.18%	0.18%	0.00%
Grupo Gicsa S.A. de C.V.	0.18%	0.18%	0.00%
Vitro S.A.B. de C.V. A	0.15%	0.00% ³	-0.15%
Grupo Simec B	0.15%	0.15%	0.00%
Consortio ARA SAB de CV	0.15%	0.15%	0.00%
Grupo Rotoplas S.A.B. de C.V.	0.15%	0.15%	0.00%
GRUPO TRAXION S.A.B DE C.V.	0.13%	0.13%	0.00%
RASSINI S.A.B. DE C. V. A	0.13%	0.00% ³	-0.13%
RASSINI S.A.B. DE C. V.	0.13%	0.13%	0.00%
Minera Frisco SAB de CV	0.12%	0.00% ³	-0.12%
TV Azteca SAB de CV	0.11%	0.00% ³	-0.11%
Axtel SA de CV CPO	0.10%	0.10%	0.00%
Grupo Hotelero Santa Fe S.A.B de C.V.	0.07%	0.00% ³	-0.07%
Grupo Famsa SA A	0.05%	0.05%	0.00%
Corpovael S.A.B. de C.V.	0.04%	0.00% ³	-0.04%
Compania Minera Autlan B	0.03%	0.03%	0.00%
Bio-Pappel S.A.B. de C.V.	0.03%	0.00% ³	-0.03%
Desarrolladora Homex SA De CV	0.02%	0.00% ³	-0.02%
Sare Holding SAB de CV	0.01%	0.00% ³	-0.01%
Urbi Desarrollo Urbanos	0.01%	0.00% ³	-0.01%

S&P/BMV IPC LargeCap:

S&P/BMV IPC LargeCap	December 2017 Rebalancing Weights		
	Actual	Hypothetical	Difference
America Movil SAB de CV L	15.78%	15.78%	0.00%
Fomento Economico Mexicano S.A.B. de C.V.	14.63%	14.63%	0.00%
Grupo Financiero Banorte O	11.32%	11.32%	0.00%
Cemex SA CPO	9.37%	9.37%	0.00%
Grupo Mexico SAB de CV B	8.90%	8.90%	0.00%
Walmart de Mexico SAB de CV	8.73%	8.73%	0.00%
Grupo Televisa SAB CPO	8.47%	8.47%	0.00%
Coca-Cola Femsa SAB de CV L	3.70%	3.70%	0.00%
Grupo Financiero Santander SAB de CV	3.07%	3.07%	0.00%
Grupo Financiero Inbursa O	2.93%	2.93%	0.00%
Grupo Bimbo S.A.B.	2.92%	2.92%	0.00%
Arca Continental, SAB de CV	2.65%	2.65%	0.00%
Grupo Elektra S.A.B. de C.V.	2.61%	2.61%	0.00%
Industrias Penoles	2.18%	2.18%	0.00%
El Puerto de Liverpool SAB de CV	1.39%	1.39%	0.00%
Grupo Carso SAB de CV	1.34%	1.34%	0.00%

S&P/BMV IPC MidCap:

S&P/BMV IPC MidCap	December 2017 Rebalancing Weights		
	Actual	Hypothetical	Difference
Grupo Aeroportuario del Pacifico, S.A.B. de C.V.	9.68%	9.88%	0.20%
Alfa SA A	9.55%	9.75%	0.20%
Grupo Aeroportuario del Sureste SAB de CV B	9.53%	9.73%	0.20%
Gruma SAB B	7.19%	7.34%	0.15%
Infraestructura Energetica Nova S.A.B. de C.V.	7.04%	7.18%	0.15%
Mexichem SAB de CV	6.86%	7.00%	0.14%
Kimberly Clark de Mexico S.A.B. de C.V. A	6.35%	6.48%	0.13%

³ Current index constituent would have been dropped at the December 2017 rebalancing had the three proposed changes been in effect.

CONSULTATION

S&P/BMV IPC MidCap (cont'd):

S&P/BMV IPC MidCap	December 2017 Rebalancing Weights		
	Actual	Hypothetical	Difference
Promotora y Operadora de Infraestructura SAB de CV	5.34%	5.45%	0.11%
Grupo Aeroportuario del Centro Norte, S.A.B. de C.V.	4.07%	4.16%	0.09%
Alsea SA	3.28%	3.35%	0.07%
Megacable Holdings SAB de CV	3.09%	3.16%	0.06%
Genera SAB de CV	2.63%	2.69%	0.06%
Becle, S.A. De C.V.	2.32%	2.37%	0.05%
Telesites S.A.B. de C.V.	2.32%	1.71%	-0.61%
Controladora Vuela Compania de Aviacion S.A.B. de C.V.	2.32%	2.37%	0.05%
Industrias Bachoco SAB de CV	2.10%	1.79%	-0.32%
Grupo Lala S.A.B. de C.V.	2.02%	2.06%	0.04%
Genomma Lab Internacional SA de CV	1.94%	1.98%	0.04%
Bolsa Mexicana de Valores SA de CV	1.91%	1.95%	0.04%
Industrias CH B	1.52%	1.05%	-0.47%
Banregio Grupo Financiero SA de CV	1.52%	1.55%	0.03%
Banco del Bajío, S.A.	1.42%	1.45%	0.03%
Organizacion Soriana B	1.40%	0.61%	-0.79%
Nemak S.A.B. de C.V.	1.16%	1.19%	0.02%
OHL Mexico SAB de CV	1.13%	1.16%	0.02%
Alpek S.A.B. de C.V.	0.99%	1.02%	0.02%
Vitro S.A.B. de C.V. A	0.67%	0.00% ⁴	-0.67%
Grupo Simec B	0.65%	0.53%	-0.11%
Grupo Cementos de Chihuahua SAB de CV	0.00% ⁵	1.06%	1.06%

S&P/BMV IPC SmallCap:

S&P/BMV IPC SmallCap	December 2017 Rebalancing Weights		
	Actual	Hypothetical	Difference
Corporacion Inmobiliaria Vesta, S.A.B. DE C.V.	16.16%	11.39%	-4.77%
Grupo Financiero Interacciones SA de CV	9.54%	6.06%	-3.48%
Unifin Financiera S.A.B. de C.V. SOFOM E.N.R.	9.08%	7.10%	-1.98%
Credito Real S.A.B. de C.V.	6.01%	6.70%	0.69%
GRUPO TRAXION S.A.B DE C.V.	5.74%	3.65%	-2.09%
Grupo Cementos de Chihuahua SAB de CV	5.23%	0.00%	-5.23%
Grupo Herdez SA	4.85%	7.65%	2.80%
Grupo Aeromexico SAB de CV	4.77%	6.93%	2.15%
Grupo Comercial Chedraui SA de CV	4.54%	5.05%	0.51%
La Comer S.A.B. de C.V. UBC	3.91%	7.45%	3.54%
Qualitas Controladora S.A.B de C.V.	3.83%	5.03%	1.20%
Hoteles City Express S.A. de C.V.	3.71%	7.36%	3.65%
RASSINI S.A.B. DE C.V.	3.40%	3.48%	0.09%
Grupo Industrial Saltillo S.A.B. de C.V.	3.23%	5.86%	2.63%
Grupo Rotoplas S.A.B. de C.V.	2.39%	4.02%	1.63%
Axtel SA de CV CPO	2.39%	2.83%	0.44%
Grupo Famsa SA A	2.14%	1.42%	-0.72%
Grupo Gicsa S.A. de C.V.	2.02%	4.17%	2.16%
Consortio ARA SAB de CV	1.40%	2.89%	1.49%
Compania Minera Autlan B	1.17%	0.95%	-0.23%
Minera Frisco SAB de CV	1.01%	0.00% ⁴	-1.01%
TV Azteca SAB de CV	0.94%	0.00% ⁴	-0.94%
Bio-Pappel S.A.B. de C.V.	0.80%	0.00% ⁴	-0.80%
Grupo Hotelero Santa Fe S.A.B de C.V.	0.70%	0.00% ⁴	-0.70%
Corpovael S.A.B. de C.V.	0.35%	0.00% ⁴	-0.35%
Desarrolladora Homex SA De CV	0.31%	0.00% ⁴	-0.31%
Urbi Desarrollo Urbanos	0.21%	0.00% ⁴	-0.21%
Sare Holding SAB de CV	0.16%	0.00% ⁴	-0.16%

⁴ Current index constituent would have been dropped at the December 2017 rebalancing had the three proposed changes been in effect.

⁵ Non-constituent would have been added to the index at the December 2017 rebalancing had the three proposed changes been in effect.

CONSULTATION

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:

S&P Dow Jones Indices
index_services@spglobal.com