
2015 Russell index highlights

Russell U.S. indexes

Russell 3000[®] Index

- Representing approximately 98% of the investable U.S. equity market, the total market cap of the Russell 3000[®] Index increased over 9% from \$23.2 trillion in 2014 to \$25.3 trillion in 2015.
- Apple Inc.'s total market cap increased 37.6% from \$545.3 billion in 2014 to \$750.5 billion in 2015, and it remains the largest company in the index both by size and weight (3.2%). Microsoft, which ranked as the fourth largest company in the index last year, ranked as the second largest in both size and weight for 2015. Google¹ is the third largest company in the index followed by Exxon Mobil and Berkshire Hathaway.
- The breakpoint between large cap and small cap has reached a record high for the third consecutive year. The new \$3.4 billion breakpoint is nearly 10% higher than last year's \$3.1 billion breakpoint.

Russell 1000[®] Index

- The total market capitalization of the Russell 1000 Index increased over 8% from \$21.1 trillion in 2014 to \$23.0 trillion in 2015.
- With banding applied, total market cap of companies covered by the index ranges from \$2.4 billion (Corporate Office PPTYS) to \$750.5 billion (Apple Inc.).

¹ For purposes of annual reconstitution and determination of index membership, both share classes for Google will be consolidated and Google will be viewed as a single company. Reconstitution analysis reporting functionality currently does not accommodate consolidation of multiple security lines. As a result of this limitation, reporting for the top 10 constituents is impacted and Google will not be represented. For additional clarification on the treatment of Google please, contact your client service team.

All data referenced within the reports as 2014, is as of May 30, 2014 and data referenced as 2015 is as of May 29, 2015.

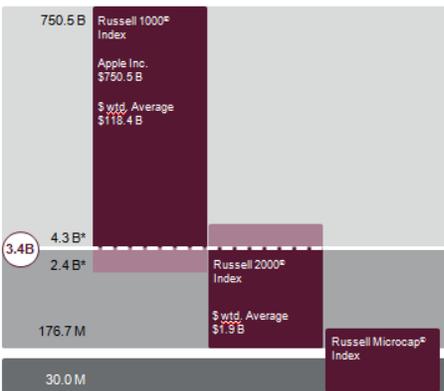
Market capitalizations referenced reflect total market capitalization unless otherwise noted.

Past performance is no guarantee of future results.

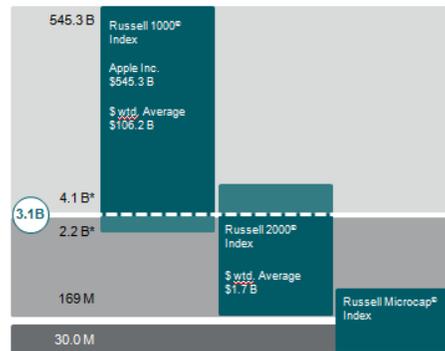
- There are a total of 48 additions to the Russell 1000 Index and 50 companies are departing the index.
- Sector shifts within the Russell 1000 Index are minimal, with Financial Services (18.9%) and Technology (16.7%) remaining as the largest sectors.
- The Russell 1000 Index returned 11.9% for the 12-month period ending May 29, 2015. All sectors posted positive gains with the exception of Energy. Health Care was the best performing sector with a gain of 29.1%.

U.S. Capitalization rank comparison

2015 Market Cap



2014 Market Cap



Russell 2000® Index

- The total market capitalization Russell 2000 Index increased 10% from \$2.0 trillion in 2014 to \$2.2 trillion in 2015.
- With banding applied, total market cap of companies covered by the index ranges from \$176.7 million (Consolidated Water Co) to \$4.3 billion (Maximus, Inc.).
- There are a total of 177 new additions to the index and 182 companies being removed from the index.
- Changes in sector weights are minimal with Financial Services (25.00%) and Health Care (15.46%) remaining the largest sectors.
- The Russell 2000 Index finished the 12-month period ending May 29, 2015 with a gain of 11.3%. The Health Care sector was the top performer with an impressive return of 41.2%.

Russell Growth and Value Indexes

Russell 1000[®] Value Index

- The largest company by weight in the Russell 1000 Value Index is Exxon Mobil (3.33%), followed by General Electric (2.57%), Wells Fargo & Co (2.44%), Berkshire Hathaway, Inc. (2.32%) and JPMorgan Chase (2.28%).
- The Energy sector experiences the largest change in weight, with an increase of 3.69 percentage points to 14.48%. Financial Services remains the largest sector with a weight of 29.07%. Energy (14.48%) and Health Care (11.72%) are the second and third largest sectors.
- The Russell 1000 Value Index gained 9.0% during the 12-month period ending May 29, 2015. The top performing sectors were Health Care, Technology and Consumer Discretionary posting 25.0%, 17.2% and 13.2% returns, respectively.

Russell 1000[®] Growth Index

- For the third year in a row, the largest company in the index both in size (\$750.5 billion) and weight (7.0%) is Apple Inc. Google² (2.92%), Microsoft (2.0%), Walt Disney Company (1.74%) and Verizon Communications (1.74%) follow Apple Inc. as the next largest companies in the index by weight.
- Technology and Consumer Discretionary remain the two largest sectors with weights of 22.24% and 22.42% respectively. The Energy sector experienced the most significant shift with a decrease from 4.59% to 0.96%.
- The Russell 1000 Growth Index returned 14.7% during the 12-month period ending May 29, 2015. The top performing sectors were Health Care, Technology and Consumer Discretionary, returning 33.2%, 18.7% and 17.2% respectively.

Russell 2000[®] Value Index

- The largest company in the index both by weight and by total market cap is Investors Bancorp Inc. with \$4.2 billion in total market capitalization representing 0.5% of the index weight. The next four largest companies by weight are Dynergy Inc. New Del (0.44%), Lasalle Hotel Properties (0.44%) and Highwoods Properties Inc. (0.42%). The smallest company in the index by total market cap is Consolidated Water Co (\$176.7 million).
- The Russell 2000 Value Index returned 5.1% in the 12-month period ending May 29, 2015, lead by a considerably strong performance from the Health Care sector which returned 31.2%.

² For purposes of annual reconstitution and determination of index membership, both share classes for Google will be consolidated and Google will be viewed as a single company. Reconstitution analysis reporting functionality currently does not accommodate consolidation of multiple security lines. As a result of this limitation, reporting for the top 10 constituents is impacted and Google will not be represented. For additional clarification on the treatment of Google please, contact your client service team.

Russell 2000® Growth Index

- The largest company in the index by both size and weight is Maximus Inc. with \$4.3 billion in total market capitalization and an index weight of 0.46%. The next four largest companies by weight are Team Health Holdings Inc. (0.45%), Tyler Technologies Inc. (0.44%), Manhattan Assocs Inc. (0.43%) and Steris Corp (0.43%). The smallest company in the index by total market cap is Impac Mtg Hldgs Inc. (\$176.8 million).
- In the 12-month period ending May 29, 2015, the Russell 2000 Growth Index returned 17.7%, led by considerably strong performance in the Health Care and Technology sectors which returned 43.5% and 28.0% respectively.

Russell Stability Indexes™

Russell 1000® Defensive Index®

- Apple Inc. is the largest company in the index by market capitalization (\$750.5 billion) and weight (5.2%) with a 73% allocation to defensive. Even though Microsoft is the second largest company in the index, it holds only 2% of the index weight because it is 55% defensive.
- Technology remains the largest sector with a weight of 18%. Financial Services, having the largest increase of 3.7 percentage points, is now the second largest sector with a weight of 17.9%. Health Care is the third largest sector with a weight of 15.1%.
- The Russell 1000 Defensive Index gained 10.3% during the 12-month period ending May 29, 2015.

Russell 1000® Dynamic Index®

- Apple Inc. is again the largest company in the index by Market Capitalization (\$750.5 billion) but its weight in the index is only 1.9%. The largest weight in the index is fully dynamic General Electric (2.5%) followed by JP Morgan Chase & Company (2.3%), Bank of America Corporation (1.6%) and Citigroup (1.5%).
- Although Financial Services (19.8%) and Technology (15.5%) have the largest decline in weights, declining 3.8 and 1.3 percentage points respectively, they remain among the largest sectors by weight in the index.
- The Russell 1000 Dynamic Index gained 13.5% during the 12-month period ending May 29, 2015.

Russell 2000® Defensive Index®

- Fully defensive Maximus Inc. is the largest company in the index by market capitalization (\$4.3 billion) and weight (0.46%). Team Health Holdings Inc. (0.45%) and Investors Bancorp Inc. (0.45%), both fully defensive companies, are the second and third largest securities by weight.

- Financial Services (36.3%), Producer Durables (15.5%) and Consumer Discretionary (13.7%) are the largest sectors by weight. Financial Services has the largest weight increase, adding over 4 percentage points to its weight.
- The Russell 2000 Defensive Index gained 11.4% during the 12-month period ending May 29, 2015.

Russell 2000® Dynamic Index®

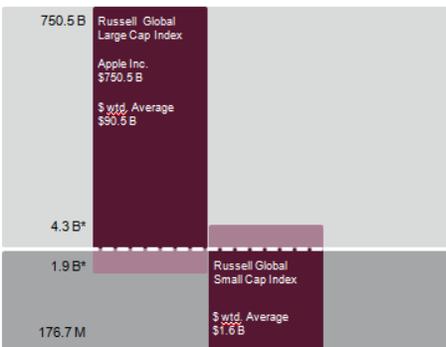
- The largest company weight in the index is Dynegey Inc. (0.44%), followed by Cepheid Inc. (0.42%) and Cavium Inc. (0.41%). Fully dynamic Western Refining Inc. is the largest company in the index by market capitalization (\$4.2 billion), however it is not included among the top 10 security weights in the index on a float-adjusted basis.
- Health Care (23.5%), Technology (17.6%) and Consumer Discretionary (16.8%) are the largest sectors by weight in the index. Utilities (2.9%) and Consumer Staples (1.5%) remain the smallest sectors in the index by weight.
- The Russell 2000 Dynamic Index gained 11.2% during the 12-month period ending May 29, 2015.

Russell Global Indexes

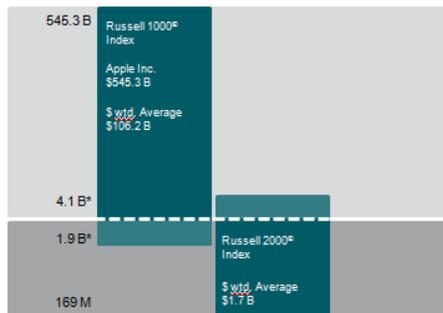
- Total market cap of the Russell Global Index as of May 29, 2015 is \$61.5 trillion, up from \$60.6 trillion in 2014.
- The largest country represented in the Russell Global Index is the U.S. with a weight of 50.7%, an increase of 2.3 percentage points from reconstitution 2014. The next four largest countries are Japan (7.7%), the U.K. (6.6%) China (3.5%), and Canada (3.2%)

Global capitalization rank coverage

2015 Market Cap



2014 Market Cap



* Reflects banding Data as of May 29, 2015

- The top performing sectors in the Russell Developed ex-US Index were Technology (13.1%) and Health Care (10.7%). In the Russell Emerging Markets Index, Health Care was by far the top performing sector with a 26.2% return. From a Global ex-US perspective, the Health Care and Technology sectors were top performers, with gains of 11.8% and 9.5% respectively.
- Emerging Markets country level performance varied drastically, with the top performing country (China) returning 32.6% and the worst performer (Greece) returning -51.2%.
- The five top performing developed markets were Ireland (19.4%), Japan (15.6%), Hong Kong (14.6%), the United States (11.9%) and Denmark (11.7%).
- The Global ex-US breakpoint between large and small cap decreased slightly from \$2.5 billion in 2014 to \$2.3 billion in 2015.
- With banding applied to the breakpoint, the largest company in the Russell Global ex-US Small Cap Index is Kinden Corp (JP) with a total market cap of \$3.0 billion. The smallest company in the Russell Global ex-US Large Cap Index is Barloworld Ltd (ZA) with a total market cap of \$1.9 billion.
- Of the 928 new additions to the Russell Global Index (35 of which are IPOs), the country gaining the most new companies is China, with 168 new members, followed by the United States (139), Korea (110), Japan (97) and India (92). The Consumer Discretionary sector will be absorbing the most additions (188) followed by Financial Services (159), Health Care (129) and Technology (129).
- The Russell Global Index posted a 5.8% gain for the 12-month period ending May 29, 2015, while the Russell Global ex-US Index returned 0.1%.
- Comparing the performance of developed and emerging markets for the 12-month period ending May 29, 2015, the Russell Developed Index returned 6.4% and the Russell Emerging Markets Index returned 1.3%. The Russell Developed ex-US Index returned -0.3%.

Russell Frontier[®] Indexes

- Total market cap of the Russell Frontier Index decreased nearly 9% from \$678.2 billion in 2014 to \$623.3 billion in 2015.
- The largest company in the Russell Frontier Index remains unchanged from 2014. Qatar National Bank is the largest company in the index with a total market cap of \$36.1 billion, an increase from its 2014 total market cap of \$35.0 billion. The smallest company in the index is Coast Investment & Development Co KSCP (Kuwait) with a total market cap of \$113 million. Median market cap for the index decreased from \$3.3 billion to \$2.9 billion.
- Sixteen of the 64 stocks joining the Russell Frontier Index will be assigned to Pakistan. Bangladesh, Sri Lanka and Vietnam will each gain seven new

constituents. Nigeria and Slovenia will absorb three new additions, and the rest of the frontier markets will gain two or fewer new stocks. The Financial Services sector is gaining the most new companies (22) followed by Materials & Processing (9) and Consumer Discretionary (7).

- The Health Care sector is experiencing the largest increase in weight, growing by 1.9 percentage points to represent 4% of the index. Financial Services retains its spot as the largest sector in the index with an increase in weight to 50.1%. Energy remains as the second largest sector with a weight of 12.9%.
- To ensure a broad and diversified opportunity set, each year at reconstitution Russell applies a 15% cap on the weight of any one country within the Russell Frontier Index. For 2015, Qatar is the country with the largest weight and is the only country being capped. This is the second year that Qatar's weight has been capped at reconstitution.
- The Russell Frontier Index returned -11.7% in the 12-month period ending May 29, 2015, impacted by negative results from some of the most heavily weighted countries (Qatar, Kuwait, Nigeria and Kenya).

Additional information on Russell Indexes' country classification can be found in the 2015 Russell Index Global Guidebook.

For more information about our indexes, please visit ftserussell.com.

© 2015 London Stock Exchange Group companies.

London Stock Exchange Group companies includes FTSE International Limited (“FTSE”), Frank Russell Company (“Russell”), MTS Next Limited (“MTS”), and FTSE TMX Global Debt Capital Markets Inc (“FTSE TMX”). All rights reserved.

“FTSE®”, “Russell®”, “MTS®”, “FTSE TMX®” and “FTSE Russell” and other service marks and trademarks related to the FTSE or Russell indexes are trademarks of the London Stock Exchange Group companies and are used by FTSE, MTS, FTSE TMX and Russell under licence.

All information is provided for information purposes only. Every effort is made to ensure that all information given in this publication is accurate, but no responsibility or liability can be accepted by the London Stock Exchange Group companies nor its licensors for any errors or for any loss from use of this publication.

Neither the London Stock Exchange Group companies nor any of their licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Russell Indexes or the fitness or suitability of the Indexes for any particular purpose to which they might be put.

The London Stock Exchange Group companies do not provide investment advice and nothing in this document should be taken as constituting financial or investment advice. The London Stock Exchange Group companies make no representation regarding the advisability of investing in any asset. A decision to invest in any such asset should not be made in reliance on any information herein. Indexes cannot be invested in directly. Inclusion of an asset in an index is not a recommendation to buy, sell or hold that asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the London Stock Exchange Group companies. Distribution of the London Stock Exchange Group companies' index values and the use of their indexes to create financial products require a licence with FTSE, FTSE TMX, MTS and/or Russell and/or its licensors.

The Industry Classification Benchmark (“ICB”) is owned by FTSE. FTSE does not accept any liability to any person for any loss or damage arising out of any error or omission in the ICB.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. However, back-tested data may reflect the application of the index methodology with the benefit of hindsight, and the historic calculations of an index may change from month to month based on revisions to the underlying economic data used in the calculation of the index.

About FTSE Russell

FTSE Russell is a leading global provider of benchmarking, analytics and data solutions for investors, giving them a precise view of the market relevant to their investment process. A comprehensive range of reliable and accurate indexes provides investors worldwide with the tools they require to measure and benchmark markets across asset classes, styles or strategies.

FTSE Russell index expertise and products are used extensively by institutional and retail investors globally. For over 30 years, leading asset owners, asset managers, ETF providers and investment banks have chosen FTSE Russell indexes to benchmark their investment performance and create ETFs, structured products and index-based derivatives.

FTSE Russell is focused on applying the highest industry standards in index design and governance, employing transparent rules-based methodology informed by independent committees of leading market participants. FTSE Russell fully embraces the IOSCO Principles and its Statement of Compliance has received independent assurance. Index innovation is driven by client needs and customer partnerships, allowing FTSE Russell to continually enhance the breadth, depth and reach of its offering.

FTSE Russell is wholly owned by London Stock Exchange Group.

For more information, visit www.ftserussell.com.

To learn more, visit www.ftserussell.com; email index@russell.com, info@ftse.com;
or call your regional Client Service Team office:

EMEA

+44 (0) 20 7866 1810

North America

+1 877 503 6437

Asia-Pacific

Hong Kong +852 2164 3333

Tokyo +81 3 3581 2764

Sydney +61 (0) 2 8823 3521