

## Un-sponsored Depository Receipts will not be eligible for S&P/ASX indices

**Sydney, 22 June, 2012** - S&P Indices (S&P) and the Australian Securities Exchange (ASX) today announced, following market consultation, Un-sponsored Depository Receipts (UDRs) will not immediately be made eligible for inclusion in the S&P/ASX index suite.

The S&P/ASX Index Committee has reviewed the results of its recent market consultation on the index eligibility of UDRs on ASX. After taking into account the responses from a wide range of market participants, the Index Committee has arrived at the decision not to revise index eligibility rules at this point in time.

As background, ASX is proposing to broaden the range of international equities available on ASX by quoting UDRs, which will allow investors in the Australian market to obtain an equitable interest in international securities though securities that are traded, cleared and settled on the ASX market.

The proposed introduction of the UDR program led to the question of whether UDRs should be eligible for inclusion in the S&P/ASX indices. Current index methodology requires index constituents to be listed on ASX. As UDRs will be quoted rather than listed, under current index methodology they will be ineligible for inclusion.

Given the interest in the index eligibility aspect of the UDR program, S&P and ASX conducted a market consultation to determine whether to amend the current index methodology to enable UDRs to be included in the index (assuming all other eligibility criteria are met).

Brian Goodman, Product Development Manager, ASX said: "Respondents to the market consultation were positive towards the introduction of UDRs, but opinions were divided on the issue of index eligibility. After considering feedback from key index stakeholders, the S&P/ASX Index Committee decided that UDRs should not be immediately eligible for inclusion in the S&P/ASX indices. The issue of index inclusion will be monitored as the UDR market evolves."

David Blitzer, Managing Director and Chairman of the Index Committee, S&P said: "The Committee recognises its responsibility to monitor market innovations; if UDRs, or other new equity securities, become significant factors in the market, the Committee would review the index eligibility of these securities as necessary."

### **For further information:**

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### **About S&P Indices**

**S&P Indices**, a leading brand of The McGraw-Hill Companies, Inc. (NYSE:MHP), maintains a wide variety of investable and benchmark indices to meet an array of investor needs. Over \$1.45 trillion is directly indexed to our indices, which includes the S&P 500, the world's most followed stock market index, the S&P/Case-Shiller Home Price Indices, the leading measure of U.S. home prices, the S&P Global BMI, an index with approximately 11,000 constituents, the S&P GSCI, the industry's most closely watched commodities index, and the S&P National AMT-Free Municipal Bond Index, the premier investable index for U.S. municipal bonds. For more information, please visit: [www.standardandpoors.com/indices](http://www.standardandpoors.com/indices).

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ASX Limited is the listed holding company for a number of licensed operating subsidiaries, together forming the ASX Group (ASX), which offer a range of market services linked by a common purpose: to provide core financial markets services and infrastructure to meet the needs of a wide range of financial markets stakeholders, and for a globally competitive and vibrant Australian economy.

ASX is a multi-asset class, vertically integrated exchange group, ranked one of the world's top-10 largest by market capitalisation. Its activities span primary and secondary market services, central counterparty risk transfer, and transaction settlement for both the equities and fixed income markets. ASX functions as a market operator, clearing house, payments system facilitator and central securities depository. It also oversees compliance with its operating rules, promotes standards of corporate governance among Australia's listed companies and helps to educate retail investors.

By providing its systems, processes and services reliably and fairly, ASX seeks to promote confidence in the markets that depend on its infrastructure. This is integral to ASX's long-term commercial success.

More information on ASX can be found at: [www.asxgroup.com.au](http://www.asxgroup.com.au)

