

Russell US Indexes

Moving to a semi-annual index reconstitution frequency



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Overview

This document provides an analysis of FTSE Russell's proposal to transition the Russell US Indexes from an annual to a semi-annual reconstitution frequency.

In the analysis, we highlight two of the principal goals of the Russell US Indexes—maintaining an accurate representation of the US equity market and ensuring the practical usability of the indexes as performance benchmarks. We discuss how to balance the design choices necessary to achieve those goals.

The Russell US Indexes are designed to represent the US equity market objectively, based on constituents' market capitalization and style. Currently, the Russell US Indexes, including the **Russell 1000[®]**, **Russell 2000[®]**, and **Russell 3000[®]** indexes, reflecting the largest 1000, 2000, and 3000 companies, are reconstituted annually in June.

While annual reconstitution ensures accurate representation at a single point in time, market conditions and valuations change continuously. This leads to an inevitable drift over time in the characteristics of individual stocks and of the market as a whole. Where to strike the balance between the Russell US Indexes' joint objectives of maintaining representation and constraining turnover may therefore also need to change.

Recent periods of increased market volatility and dispersion, coupled with a strong expansion of assets benchmarked to Russell US Indexes, have highlighted the need for a more regular and responsive approach to index reconstitution.

This document provides:

1. **Background on current reconstitution methodology:** An explanation of the existing annual reconstitution process, its principles, and the rationale behind maintaining accurate market representation.
2. **Market participant overview:** An assessment of the key stakeholders who use, support, and track the Russell Index family, including their operational needs. This includes feedback collected during a market consultation conducted on the reconstitution frequency.
3. **Market depth analysis:** An examination of market liquidity to assess the feasibility of implementing a second reconstitution, including the capacity to absorb additional trading activity.
4. **Turnover and cost analysis:** A detailed evaluation of potential turnover impacts, associated costs, and transaction cost analysis under a semi-annual reconstitution scenario.
5. **Operational changes and implementation:** Recommendations for operational adjustments required for semi-annual reconstitution, including process changes, risk management, and resilience testing to ensure successful execution.
6. **Conclusion and recommendation:** The document concludes with a recommendation for the Russell US Indexes to adopt a semi-annual reconstitution frequency starting in November 2026, the data to support this recommendation, and a proposed timeline for the implementation of the change, including a parallel run in November 2025.

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Russell US Indexes reconstitution frequency history

Since their inception, regular reconstitutions have been a critical part of maintaining the Russell US Indexes by accurately reflecting the ever-changing US equity markets. At launch in 1984, the Russell US Indexes were reconstituted quarterly, then semi-annually from 1987, and then annually from June 1989 onwards.¹ Balancing representation and turnover have always been key considerations in determining the appropriate frequency of Russell US Indexes reconstitution.

Russell index annual reconstitution process and market participants

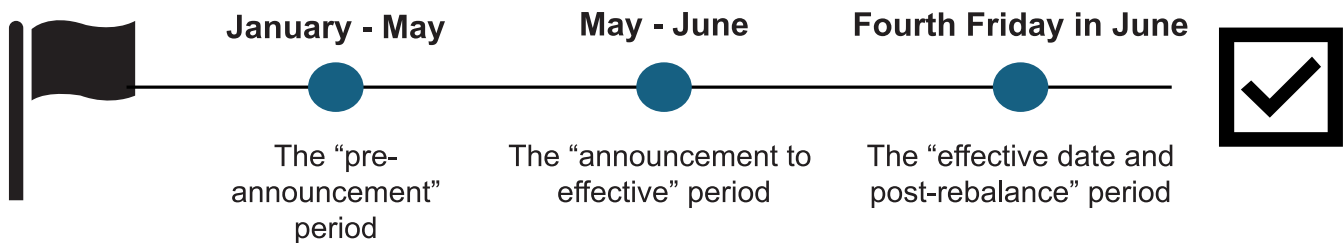
The Russell index annual reconstitution process involves market participants across index fund managers, liquidity providers, and rebalance facilitators.

Market participants begin preparing for the June annual reconstitution as early as January.

Exhibit 1. Key participants in an index rebalance ecosystem²

01 Index Providers	02 Index Fund Managers	03 Liquidity Providers	04 Rebalance Facilitators
Create and maintain indexes (e.g. FTSE Russell, MSCI and S&P Dow Jones Indices)	Manage portfolios that seek to track the performance of an index (e.g. BlackRock, Vanguard, State Street)	Support index fund manager trading activities or trade around rebalance events (e.g. hedge funds, broker-dealers, active funds, corporations)	Serve as intermediaries for market participants during index rebalances by providing access to capital or liquidity for trading activities (e.g. securities lending, prime brokerage, custody firms, exchanges)

Exhibit 2. Stages of the June Russell annual index reconstitution



Approximately \$10.6 trillion in assets were benchmarked (both active and passive) to the Russell US Indexes (including growth and value) as of the end of December 2023. Of this total AUM, approximately \$2 trillion of the assets were passive, and ETF assets tracking a Russell US index (including styles, sectors, factors, etc.) stood at \$658 billion as of the end of September 2024.

¹ [How we built a better US equity benchmark – 40 years of the Russell US Indexes | LSEG](#)

² [iShares Investigates: The Cost of Equity Index Rebalances | Nasdaq](#)

Exhibit 3. Russell US Benchmarked AUM as of December 31, 2023

2023 AUM	Active	Passive	Total
Russell US	8,523	2,047	10,570
Large	4,529	1,084	5,613
Mid	1,548	170	1,718
Small	1,377	381	1,758
Broad	1,041	326	1,367
Other (Micro, Mega Cap)	28	86	114

Source: Data as of December 31, 2023 as reported on April 1, 2024 by eVestment for active institutional funds, Morningstar for active retail mutual funds, insurance products, and ETFs, and passive assets directly collected by FTSE Russell. AUM includes blended benchmarks and excludes futures and options. AUM data does not include active and passive assets not reported to a third-party source or FTSE Russell. For funds where the AUM was not reported as of December 31, 2023, the previous period AUM was used as an estimate. No assurances are given by FTSE Russell as to the accuracy of the data.

Support for moving to a semi-annual Russell reconstitution

Increased Russell reconstitution trade size. As adoption of the Russell US Indexes has grown, so has the size of the trade at the annual Russell reconstitution. Since 2019, the dollar amount traded at the close of reconstitution across Nasdaq and NYSE exchanges has exceeded \$100 billion, which has generated increased attention to the frequency of Russell US Index reconstitution. Market participants have provided feedback that moving to a semi-annual reconstitution may spread out the risk of trading the index rebalance changes on a single day per year.

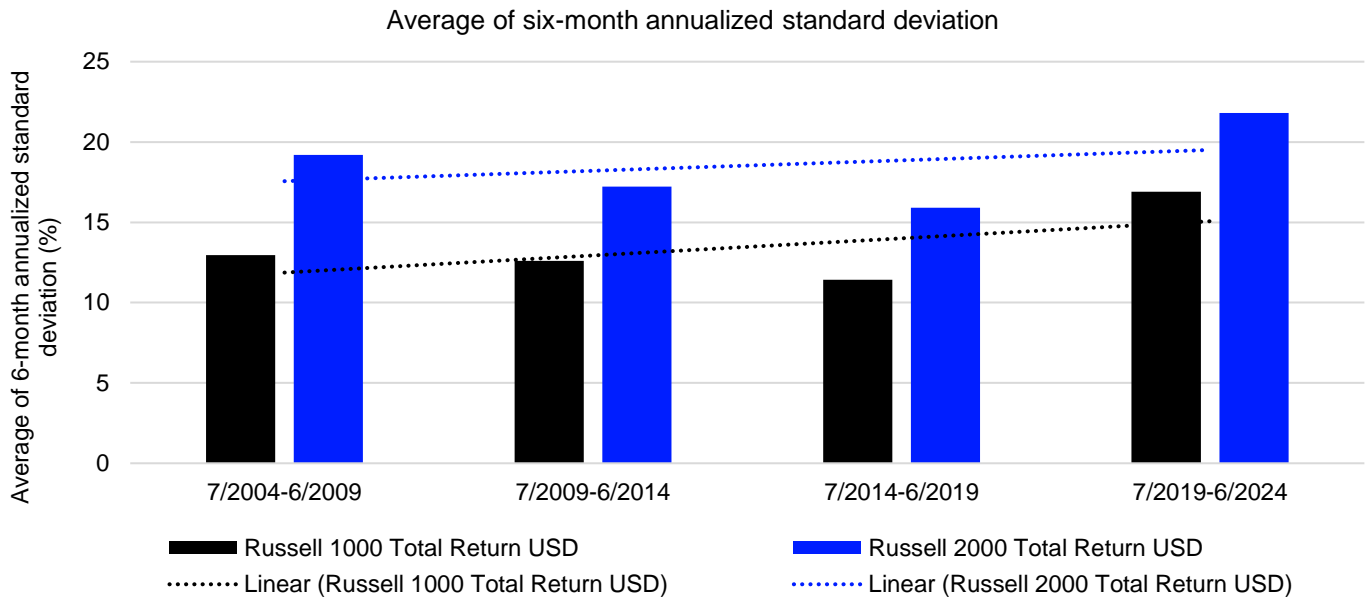
Exhibit 4. Dollar traded at Russell annual reconstitution close, 2017-2024

US\$ billions	Jun-17	Jun-18	Jun-19	Jun-20	Jun-21	Jun-22	Jun-23	Jun-24
Nasdaq	28.9	39	41.8	56.7	80.9	63.8	61.7	95.3
NYSE	47.1	58.7	65.7	69.9	105.1	79.3	72.7	124.3
Total	76	97.7	107.5	126.6	186	143.1	134.4	219.6

Sources: Nasdaq, NYSE, data as of June 2024.

Increased market volatility. US equity market volatility has also increased over the past five years, compared to the prior 15 years, supporting the case for moving to a semi-annual Russell reconstitution to update membership changes earlier, more in line with dynamic changes in the current market environment.

Exhibit 5. Increase in average volatility of US equity markets



Source: FTSE Russell, data as of June 2024.

Q4 2023 [consultation](#) feedback supported moving Russell US Indexes to a semi-annual reconstitution

Feedback indicated additional expected turnover from the second reconstitution is reasonable relative to the benefits of moving to a semi-annual reconstitution in order to maintain the accuracy and representativeness of Russell US Indexes.

Arguments brought in support of maintaining a single reconstitution did not highlight specific concerns on representativeness, nor replicability of a more frequent reconstitution.

Exhibit 6. Sample consultation feedback commentary

Supporting feedback	Feedback to consider
I believe rebalancing two times a year could alleviate large benchmark weight and characteristics changes at a rebalancing.	Single annual reconstitution is differentiating compared to other index providers.
The main advantage is that the operational burdens of executing so many dollars on one day on the index fund side and the liquidity provider side would be lower. The main disadvantage is that there would be somewhat increased turnover though the 10% additional turnover seems modest.	The current annual June reconstitution is well telegraphed where multiple participants begin estimating and positioning potential changes as early as the January prior to the event. Estimates and positioning from various participants continues to increase up to the effective day in June which provides ample liquidity on the effective day.
Adding a second Russell reconstitution will significantly increase the representativeness of Russell US Indexes with regards to the changing US equity market.	The current June reconstitution can be absorbed by the market in terms of liquidity.
Adding a second Russell reconstitution would help reduce the size of the rebalance trade currently experienced at the annual reconstitution by smoothing out the index changes associated with index reconstitution over two points in the year.	Retaining the single reconstitution will ensure this remains one of, if not the most important trading day in the US securities calendar and bring positive attention to the Russell index suite.

The simulated turnover impact of moving to a semi-annual reconstitution shows a modest decrease at the June reconstitution, and a modest increase in the second rebalance simulated using historical December quarterly review dates (see Exhibit 7. "Semi (diff)" column).

Exhibit 7. Turnover estimates (additional data included in [consultation](#))

	R1		R1G		R1V		R2		R2G		R2V	
	Annual	Semi (diff)	Annual	Semi (diff)	Annual	Semi (diff)	Annual	Semi (diff)	Annual	Semi (diff)	Annual	Semi (diff)
12/20/2021*	0.80%	0.24%	0.73%	0.26%	0.88%	0.27%	3.08%	5.57%	3.71%	8.70%	2.48%	3.25%
6/27/2022*	3.37%	-0.21%	26.28%	-0.07%	25.79%	0.07%	18.49%	-1.43%	57.45%	-2.01%	48.43%	-2.49%
12/19/2022	0.84%	0.35%	0.80%	0.36%	0.88%	0.36%	1.80%	11.02%	1.87%	17.46%	1.71%	7.24%
6/26/2023	2.35%	-0.43%	25.55%	-0.13%	27.68%	-0.09%	17.06%	-5.74%	54.60%	-12.68%	42.70%	-3.61%
12/18/2023	0.70%	0.18%	0.61%	0.28%	0.78%	0.19%	2.00%	7.96%	1.96%	14.71%	2.03%	3.61%
7/1/2024	2.51%	-0.43%	22.54%	0.02%	26.72%	-0.42%	20.55%	-8.59%	54.72%	-7.57%	38.79%	-0.58%

Source: FTSE Russell Research, data as of July 2024.

*In the October 2023 Consultation, the semi-annual simulation had an additional +/- 5 basis points band at the bottom of the Russell 3000, which is no longer applied to this simulation, and not currently in scope. Therefore, the bottom of the Russell 3000 Index does not have a band, however other bands, e.g. the +/-2.5% based on cumulative market cap percentile between the Russell 1000 and Russell 2000 remain in place.

Transaction cost analysis

Estimated transaction costs are in line with index turnover analysis calculated by FTSE Russell research: slightly lower transaction costs in June, and higher transaction costs in the fourth quarter from adding a semi-annual reconstitution.

Exhibit 8. Estimated transaction costs – annual vs. semi-annual reconstitution

Transaction Cost Analysis									
Index	Cost as % of turnover 2022.11.11	Difference	Cost as % of turnover 2023.06.23	Difference	Cost as % of turnover 2023.11.10	Difference	Cost as % of turnover 2024.06.24	Difference	
RU1000	0.33%		0.55%	-	0.37%		0.92%	-	
RU1000_semi	1.39%	1.06%	0.50%	-0.05%	1.16%	0.79%	0.80%	-0.12%	
RU1000G	0.30%		1.27%	-	0.30%		1.36%	-	
RU1000G_semi	1.69%	1.39%	1.27%	0.00%**	1.34%	1.04%	1.36%	0.00%**	
RU1000V	0.37%		1.11%	-	0.45%		1.10%	-	
RU1000V_semi	1.18%	0.81%	1.11%	0.00%**	0.93%	0.48%	1.09%	-0.01%	
RU2000	2.67%		5.42%	-	2.85%		5.46%	-	
RU2000_semi	6.01%	3.34%	4.56%	-0.86%	6.37%	3.52%	5.38%	-0.08%	
RU2000G	1.48%		2.11%	-	1.46%		2.70%	-	
RU2000G_semi	3.25%	1.77%	2.30%	0.19%	2.90%	1.44%	2.66%	-0.04%	
RU2000V	1.70%		2.32%	-	1.54%		2.59%	-	
RU2000V_semi	3.46%	1.76%	2.34%	0.02%	3.03%	1.49%	2.58%	-0.01%	

Source: JP Morgan Global Quantitative and Derivatives Strategy Team, data as of October 2024. Difference is calculated by subtracting annual from semi-annual turnover.

** Differences observed from the third decimal place.

Major US exchanges will be able to support semi-annual Russell reconstitution

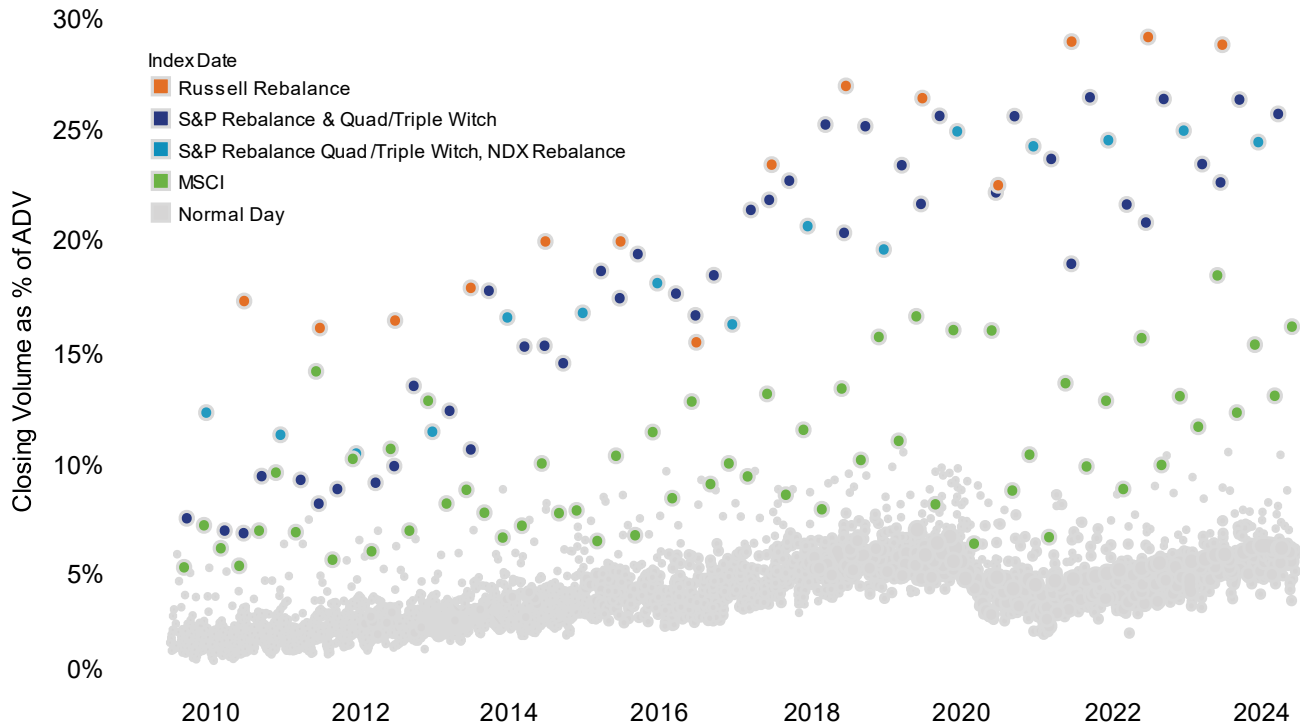
Historically, **NYSE** has not experienced issues executing Russell reconstitution trades in its closing auction.

Nasdaq is comfortable supporting liquidity if FTSE Russell decides to move Russell US Indexes to a semi-annual reconstitution. Nasdaq and Russell pioneered the use of the Closing Cross mechanism for an index rebalance during the 2004 Russell index annual reconstitution, executing all shares for each stock at a single price. Nasdaq supports major equity rebalances throughout the year.

Exhibit 9. Closing Cross % of Daily Volume on Index Rebalance Days

Closing Cross % of Daily Volume on Expiration Days

Note: Daily data from July 1, 2009 to June 13, 2024. Size of dot based on whether data represents a major rebalance date or not. S&P DJI March 2020 index rebalances were postponed and are not marked in March 2020.



Source: [Russell Recon Is a Big Day for Small-Cap Companies | Nasdaq](https://www.nasdaq.com/news/russell-recon-is-a-big-day-for-small-cap-companies)

FTSE Russell has invested in upgrading operational capabilities and client deliverables, which will also support a transition to semi-annual Russell reconstitution

The planned free float simplification (consultation in Q4 2024³) will significantly streamline the free float research process, a key input into index rebalances: FTSE Russell plans to incorporate LSEG Data & Analytics “Ownership & Profiles” shareholder data to supplement currently manual research processes, to reduce the number of hours spent manually researching filings as well as the number of queries received during FTSE Russell’s equity index rebalance query periods.

Additional technology and operational investments will enhance FTSE Russell’s index operational capabilities.

Additional data products such as Russell Monitor List (RML) and Russell Enhanced Indicative Review (REIR) support clients’ research data and processes around the Russell US index rebalances.

FTSE Russell continues to enhance client deliverables, such as providing Russell US index data in enhanced file formats used historically to deliver FTSE equity index data.

Considerations regarding potential risks stemming from operational implementation and client communication issues

Operational implementation: Feedback indicates that a second Russell reconstitution should be well-supported by the markets, and that additional liquidity is expected to be available to support the second reconstitution, especially if FTSE Russell provides ample notice (approximately two years) to plan for the initial semi-annual reconstitution trade in November 2026.

³ Technical Notice: research.ftserussell.com/products/index-notices/home/getnotice/?id=2614565

Communication: FTSE Russell is planning comprehensive client outreach to ensure clients are aware of the change and have ample time to prepare for the changes in their processes to accommodate the semi-annual Russell index reconstitution.

For example, FTSE Russell has undertaken a significant change across its equity indexes successfully, such as the ICB migration across all FTSE Russell equity indexes in 2020-2021.

Furthermore, FTSE Russell has an established reputation with regards to its transparent and orderly Russell reconstitution and client communication process during annual reconstitution, and FTSE Russell will apply the same standards when moving to a semi-annual reconstitution.

Proposed Russell semi-annual reconstitution from November 2026

Semi-annual reconstitution methodology overview

The November semi-annual reconstitution will apply the Russell US Indexes construction rules across the size indexes such as the Russell 1000 and Russell 2000, however Russell US Style Index changes will be made only to new additions or membership movements (such as for a stock moving from the Russell 1000 Index to the Russell 2000 Index and vice versa) due to the higher projected turnover of Growth and Value Style changes (Russell US Style indexes will continue to be rebalanced completely in June).

The quarterly December IPO inclusion and float/share changes will be incorporated into the November semi-annual Russell reconstitution.

Derived indexes, e.g. Russell factor indexes, which rebalance in December will also be rebalanced in November instead of December.

The non-Russell, FTSE equity indexes will continue with their quarterly December reviews, however cut-off dates will be aligned with those of the Russell US Indexes semi-annual reconstitution in November.

Progressing the November 2026 semi-annual Russell reconstitution plan is contingent on a successful parallel test run in November 2025

Rationale for the second Friday in November as the semi-annual Russell reconstitution date

Feedback indicates that the fourth Friday in June date should remain as the first Russell reconstitution of the year, so the June reconstitution date will remain unchanged.

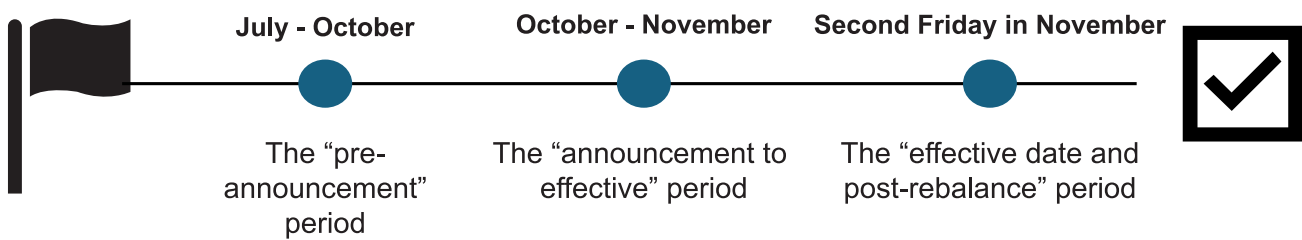
The second Friday in November gives approximately half a year distance to the second reconstitution date. The second Friday in November is also two weeks before the US Thanksgiving holiday on the fourth Thursday in November, so it is anticipated to provide sufficient liquidity for the markets to absorb a second Russell reconstitution.

December liquidity is too low to implement a second Russell reconstitution, and we also cannot coincide a significant event such as a semi-annual Russell reconstitution with the options expiry on the third Friday, which already sees elevated trading volume.

Potential impact to market participants

Market participants may need to begin preparing for a semi-annual reconstitution in November as early as July, immediately following the June reconstitution

Exhibit 10. Stages of the proposed November Russell semi-annual index reconstitution



Liquidity providers

Active managers continue to be a critical part of the Russell US Indexes user base. They also provide liquidity to the market, and they may benefit from the additional trading opportunity that semi-annual index reconstitution will provide.

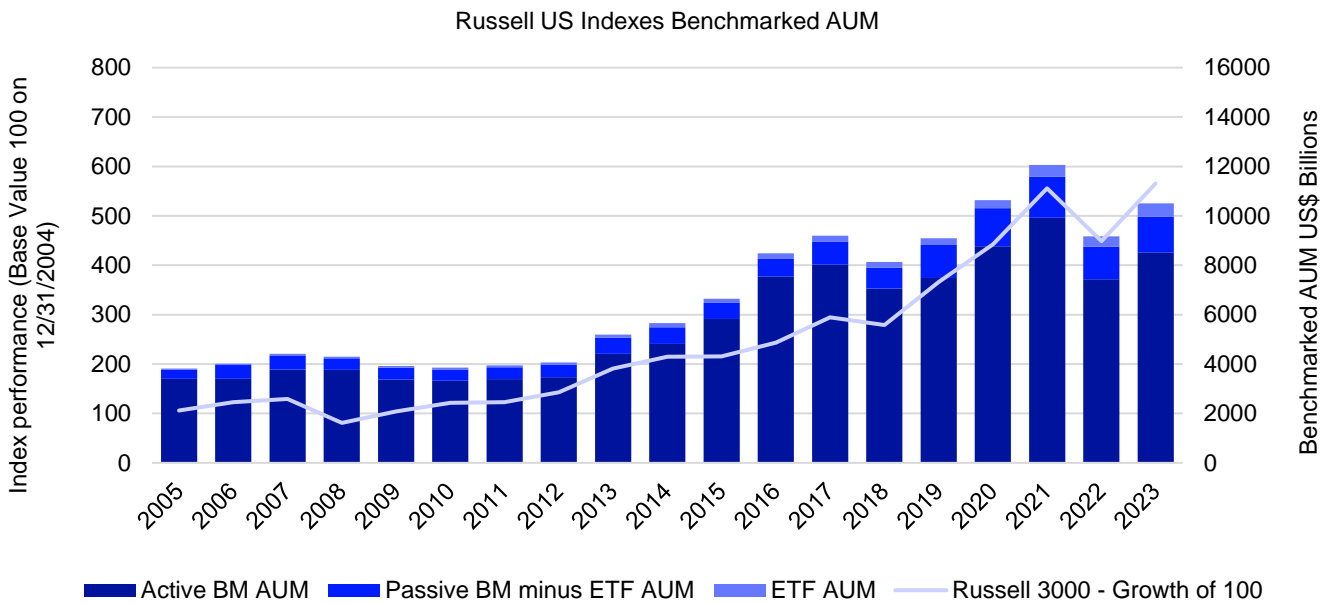
Similarly for **hedge funds**, although the June Russell reconstitution trade opportunity may be reduced due to the move to semi-annual reconstitution, traders may welcome the second reconstitution opportunity. This market segment will benefit from additional data products like Russell Monitor Lists (RML). Therefore, the impact of semi-annual Russell index reconstitution to this market segment is perceived as neutral to positive.

The semi-annual Russell reconstitution would provide **corporations** a second opportunity to be considered for index eligibility, if they fail to meet index eligibility criteria at the June reconstitution.

The securities lending market – an already active ecosystem especially for the Russell 2000⁴ – may see more activity due to the second Russell reconstitution, supporting market liquidity.

⁴ [Enhancing Returns on the Russell 2000 Index | Securities Lending Programs](#)

Exhibit 11. Growth of Russell US Indexes Benchmarked AUM, 2005-2023



Source: FTSE Russell. Data as of December 31, 2023 as reported on April 1, 2024 by eVestment for active institutional funds, Morningstar for active mutual funds, insurance products, and ETFs, and passive assets directly collected by FTSE Russell. AUM includes blended benchmarks and excludes futures and options. AUM data does not include active and passive assets not reported to a 3rd party source or FTSE Russell. For funds where the AUM was not reported as of December 31, 2023, the previous period AUM was used as an estimate. No assurances are given by FTSE Russell as to the accuracy of the data.

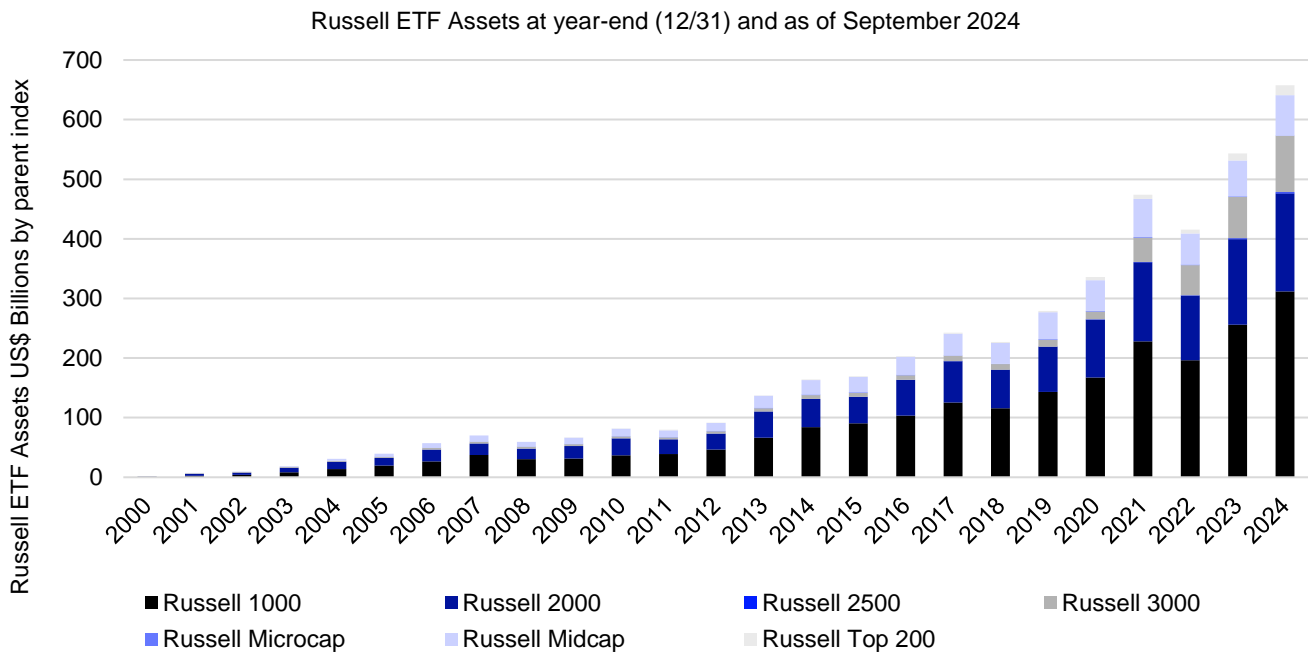
Index fund managers

Russell semi-annual reconstitution will help index fund managers better manage the risk of larger changes between annual reconstitutions.

Russell ETF assets have grown significantly since 2019, supporting the case to reflect market changes more frequently than once a year.

The increase in reconstitution frequency will improve the timeliness of membership updates to the Russell US Indexes. Updating the indexes' representativeness sooner may expand the use cases for the Russell US Indexes and unlock future opportunities for index fund managers.

Exhibit 12. Growth of Russell US Indexes-linked ETF AUM, December 2000 - September 2024



Source: Morningstar Direct, as of September 30, 2024 © 2024 Morningstar. All Rights Reserved. For institutional use only. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.

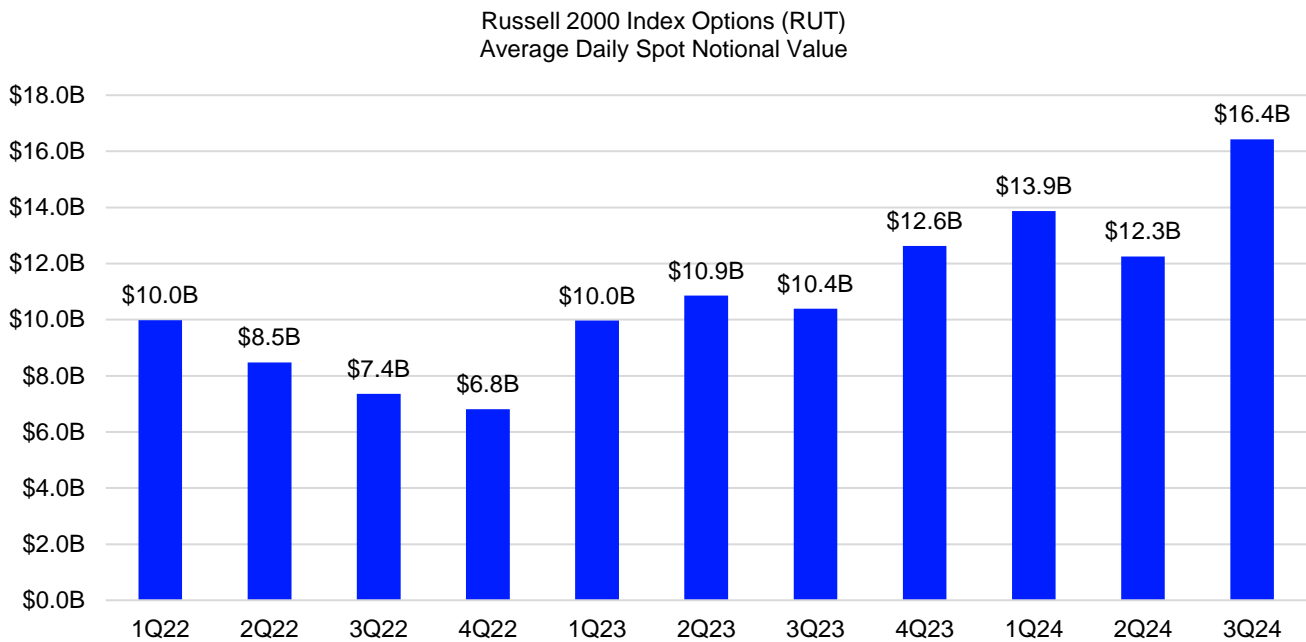
Derivatives

The robust derivatives ecosystem around Russell US Indexes is anticipated to support increased volatility due to semi-annual reconstitution.

The semi-annual Russell index reconstitution will enhance the growing liquidity we have observed within options and futures volumes, which will benefit benchmark users managing assets linked to the Russell US Indexes.

Cboe options: Estimated notional value of average daily volume for cash-settled Russell 2000 Index options (RUT) reached \$16.4 billion in the third quarter of 2024, up 58% when compared to the same period in 2023.

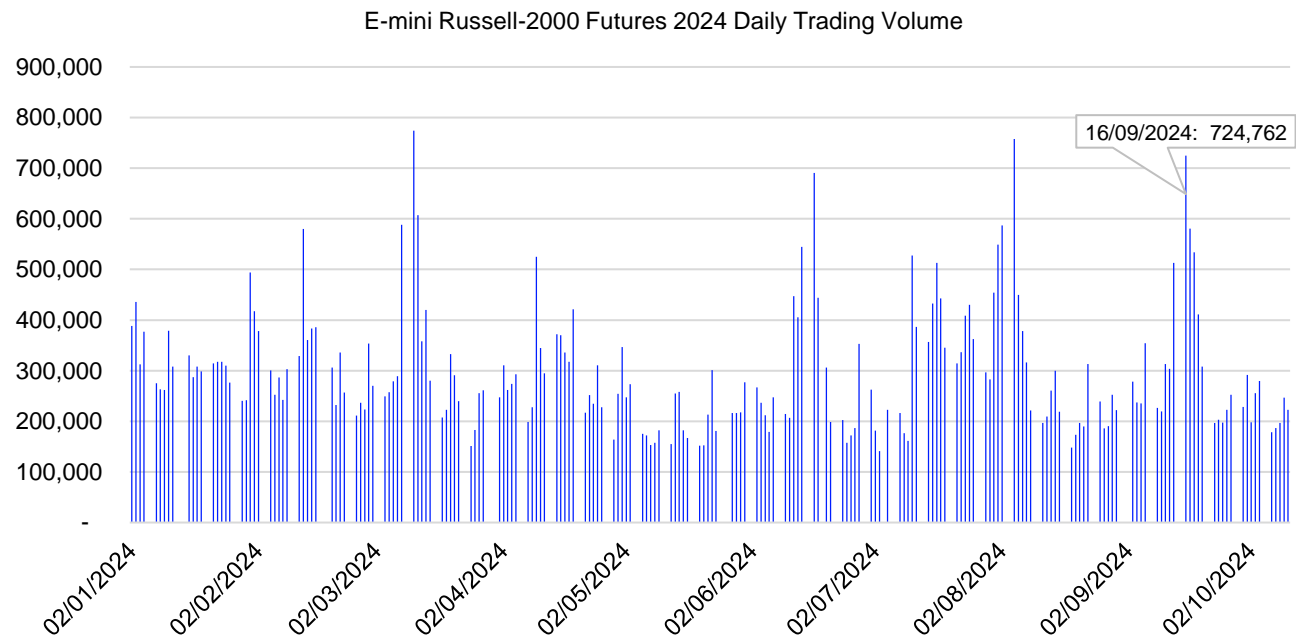
Exhibit 13. Russell 2000 Index Options (RUT) average daily spot notional value



Source: Cboe Global Markets. Past performance is no guarantee of future results. Please see the end for important disclosures.

CME futures: Futures contracts have grown in popularity as a potentially liquid, capital efficient, and transparent solution for investors seeking Russell 2000 Index exposure. For example, CME Group’s E-mini Russell 2000 Index futures (RTY) average daily trading volume has risen more than four-fold since 2017—offering growing liquidity to index futures investors.

Exhibit 14. E-mini Russell 2000 Index Futures (RTY) 2024 Daily Trading Volume



Source: CME Group. Past performance is no guarantee of future results. Please see the end for important disclosures.

Operational considerations

Preliminary 2026 Russell index review schedule and impact to FTSE GEIS review process

2026 fourth quarter FTSE GEIS review cut-off and announcement dates will be moved to accommodate the earlier cut-off date required to implement Russell semi-annual reconstitution.

Russell and FTSE GEIS will not be aligned in terms of shares/float, ICB, etc. during the period between Russell (second Friday in November) and FTSE (third Friday in December) effective dates.

Exhibit 15. Preliminary 2026 Russell index review schedule, including impact to FTSE GEIS dates

	Quarterly IPO March 2026	Semi-Annual Reconstitution June 2026	Quarterly IPO September 2026	Semi-Annual Reconstitution November 2026
Index Rebalance Market Capitalisation data cut-off ¹	30-Jan-26	30-Apr-26	31-Jul-26	30-Sep-26
ICB Review Cut-Off Date ¹	30-Jan-26	30-Apr-26	31-Jul-26	30-Sep-26
Quarterly free float and Share changes cut-off (only updates captured up to and including this date will be processed at the index review) ²	30-Jan-26	30-Apr-26	31-Jul-26	30-Sep-26
IPO Review Period ³	1-Oct-25 to 30-Jan-26	2-Feb-26 to 30-Apr-26	1-May-26 to 31-Jul-26	3-Aug-26 to 30-Sep-26
IPO Market Cap cut-off ⁴	30-Jan-26	30-Apr-26	31-Jul-26	30-Sep-26
Release of Russell Monitor List ^{***}	4-Feb-26	5-May-26	5-Aug-26	5-Oct-26
Indicative Review Products circulated (including REIR at Reconstitution) ^{***}	20-Feb-26	22-May-26	21-Aug-26	23-Oct-26 ****
Query Period (window for clients to query the data visible within files)	20-Feb-26 to 06-Mar-26	22-May-26 to 5-Jun-26	21-Aug-26 to 4-Sep-26	23-Oct - 30-Oct-26 ****
Lock-Down Period (open of)	9-Mar-26	8-Jun-26	7-Sep-26	2-Nov-26
Review Effective Date (open of)	23-Mar-26	29-Jun-26	21-Sep-26	16-Nov-26
COMMENTS				
<i>Russell Semi Annual Query Period</i>		<i>Two Weeks</i>		<i>One Week</i>
<i>Russell Lock Down to Effective Date (time needed to run Russell dependent reviews)</i>		<i>Three Weeks</i>		<i>Two Weeks</i>
<i>GEIS Indicative Files</i>	<i>Semi Annual: 20-Feb-26</i>	<i>Quarterly: 22-May-26</i>	<i>Semi Annual: 21-Aug-26</i>	<i>Quarterly: 20-Nov-26</i>
<i>GEIS Query Period</i>	<i>20-Feb-26 - 6-Mar-26</i>	<i>22-May-26 - 5-Jun-26</i>	<i>21-Aug-26 - 4-Sep-26</i>	<i>20-Nov-26 - 4-Dec-26 ****</i>
<i>GEIS Effective</i>	<i>23-Mar-26</i>	<i>22-Jun-26</i>	<i>21-Sep-26</i>	<i>21-Dec-26</i>
<i>SI Impact</i>	<i>No Impact</i>	<i>No Impact</i>	<i>No Impact</i>	<i>TBD: Impact - Exclusion list and research reviews. SI data capture timings will need to change</i>
<i>Share In Issue and Free Float</i>	<i>No Impact</i>	<i>No Impact</i>	<i>No Impact</i>	<i>Russell Clients will receive FF/SII updates prior to GEIS. ****</i>

2024 Russell Index Review schedule. For footnote references please refer to [Russell US Equity - Index Review Reference Data cut-off dates](#).

*** The Russell Monitor List and the Russell Enhanced Indicative Review File (REIR) are available to subscribing clients only.

**** FTSE GEIS clients will need to be provided with an additional file during the Q4 review period, at the same time as the Russell US semi-annual reconstitution announcement, that provides float and shares review changes announced during the Russell semi-annual reconstitution that may also impact FTSE GEIS constituents.

Russell Factor, etc. indexes that rebalance twice a year will need to move its second rebalance from December to November

Exhibit 16. Russell-derived indexes that will need to move their December rebalance to November with Russell semi-annual reconstitution (FTSE series include impacted Russell index variants)

List of impacted indexes	
FTSE Dividend Select Equal Weight Index Series	Russell Dividend Growth Indexes
FTSE Global Factor Index Series (including Target Exposure)	Russell Equal Weight Indexes
FTSE Global Minimum Variance Index Series	Russell High Efficiency Defensive Index Series
FTSE IdealRatings Islamic Index Series	FTSE ESG Risk-Adjusted Index Series
FTSE Thematic Index Series	FTSE Green Revenues Index Series
Russell 1000 ICB Capped Indexes	FTSE Smart Sustainability Index Series
Russell Capped Indexes (RIC, UCITS, 40 Act)	Custom Indexes

2025 preliminary schedule for internal parallel testing

Exhibit 17. Preliminary review schedule for Q4 2025 internal parallel

Effective Date: second Friday November 2025 (E2E Internal Parallel)	Proposed dates
Index Rebalance Market Capitalization data cut-off	30-Sep-25
ICB Review Cut-Off Date	30-Sep-25
Quarterly Free Float and Share changes cut-off (only updates captured up to and including this date will be processed at the index review)	30-Sep-25
IPO Review Period	1-Aug-25 to 30-Sep-25
IPO Market Cap cut-off	30-Sep-25
Release of Russell Monitor List	03-Oct-25
Indicative Review Products circulated (including REIR)	24-Oct-25
Query Period (windows for clients to query the data visible within the files)	24-Oct to 31-Oct-25
Lock-Down Period (open of)	03-Nov-25
Review Effective Date (open of)	14-Nov-25

Conclusions and next steps: Modernizing the Russell US Indexes with the move to a semi-annual reconstitution

On the back of the enhancements being made to the operating framework of the Russell US Indexes, FTSE Russell recommends moving Russell US Indexes to a semi-annual reconstitution, beginning in November 2026.

In periods of greater volatility or dispersion, moving to a semi-annual reconstitution frequency will ensure that the Russell US Indexes maintain their representativeness by rebalancing twice a year.

Supported by operational and methodology enhancements to the Russell US Indexes, FTSE Russell seeks to strengthen relationships with market participants who rely on the Russell US Indexes to provide accurate benchmarks that reflect the ever-changing US equity markets.

In support of these changes, FTSE Russell is committed to investing in our operations and deliverables, to enhance the client experience of tracking the Russell US Indexes and unlock future opportunities for US equity indexes.

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FTSE Russell is a leading global provider of index and benchmark solutions, spanning diverse asset classes and investment objectives. As a trusted investment partner we help investors make better-informed investment decisions, manage risk, and seize opportunities.

Market participants look to us for our expertise in developing and managing global index solutions across asset classes. Asset owners, asset managers, ETF providers and investment banks choose FTSE Russell solutions to benchmark their investment performance and create investment funds, ETFs, structured products, and index-based derivatives. Our clients use our solutions for asset allocation, investment strategy analysis and risk management, and value us for our robust governance process and operational integrity.

For over 40 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

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