



**FTSE
RUSSELL**
An LSEG Business

FTSE Russell for wealth advisors

Know your index



Russell US Indexes

Who is this for?

Investors seeking
comprehensive
coverage of the US
equity market

What does the index family do?

99% COVERAGE

of US equities, with logical and modular design

COMPREHENSIVE, TRANSPARENT

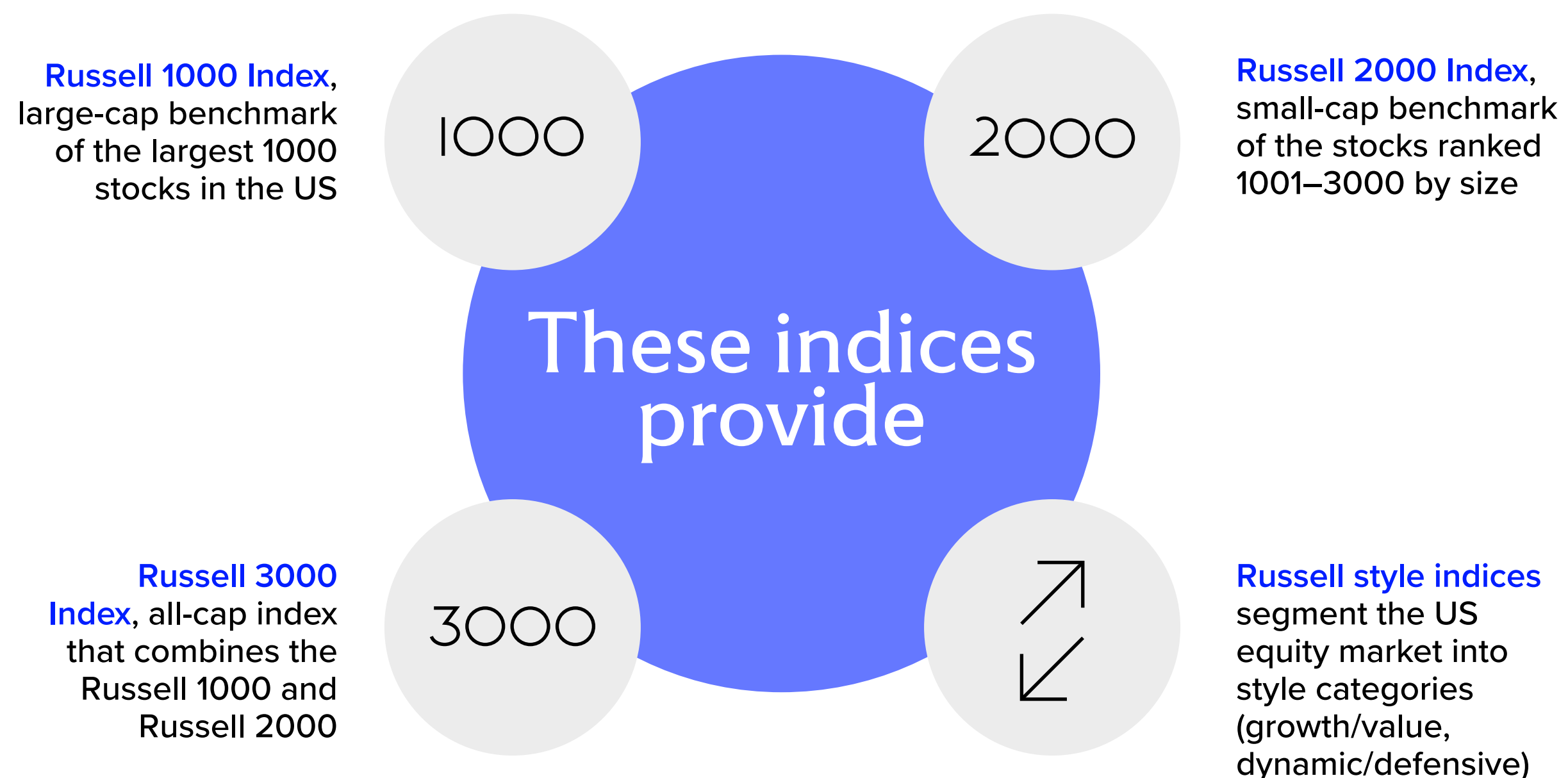
one-stop access to the large-cap, small-cap, broad market and style segments of the US equity market



Russell US Indexes

Our flagship family of indices for the US equity market, these benchmarks are preferred by institutional investors for this asset class. A modular design allows strategists to use different indices as portfolio building blocks.

With approximately \$12.1 trillion of linked assets under management¹, these indices provide around 99% coverage of the US equity market's investable market capitalisation. Discover more about this index family on our [spotlight page](#).



¹ Source: Data as of December 31, 2021 as reported on April 1, 2022 by eVestment for institutional assets, Morningstar for retail mutual funds, insurance products, and ETFs, and additional passive assets directly collected by FTSE Russell. AUM data includes blended benchmarks and excludes futures and options. Passive assets directly collected by FTSE Russell have been removed from third party sources to prevent double counting. No assurances are given by FTSE Russell as to the accuracy of the data.

Five reasons to consider this index family

1. Comprehensive

This index family offers comprehensive coverage of around 99% of the US equity market by market capitalisation, providing exposure to the largest US companies, mid-, small- and micro-caps within a single index family.

2. Objective & transparent

Based on index rules, it provides exposure to fast-growing stocks soon after they are listed on US exchanges. It does not wait for an index committee to include them, sometimes several years too late. Its transparent methodology is ideal as a performance benchmark for ETFs, exchange-traded derivatives and other tracker products.

3. Modular

Indices within the series 'roll up' seamlessly to form their parent index. This means there are no gaps and overlaps between adjacent indices. For example, the Russell 1000 index and the Russell 2000 index, added together, make up the Russell 3000 index. Learn more about our [modular approach here](#).

4. Reliable

Meticulously maintained according to transparent rules and a predictable timetable, meaning no surprises for index users. The indices are updated quarterly updated quarterly for new listings (IPOs), free float and share changes. In June each year we conduct the annual index reconstitution, making sure each company is in the right size and/or style index.

5. Practical

Easy for investors to build US equity portfolios. They can combine the large-, medium- and small-cap indices and the Russell style indices in the proportions they need.

How we build and maintain these indices

Start with the full market

We start with a broad universe of all listed US equity securities (c. 7,000 individual names).

Remove ineligible securities

Securities are removed if they have a market capitalisation below a set threshold, trade below a minimum price, or lack sufficient liquidity. (Reduced to around 5,000 securities.)

Rank and capture top 4000

We capture and rank the largest 4,000 stocks with a total market capitalisation above \$30 million. If there are fewer than 4,000 eligible companies above \$30 million in size, the Russell 3000E will contain fewer than 4,000 companies.

Build Russell 3000

The largest 3000 stocks then form the Russell 3000 Index.

Build Russell 2000 and 1000

Largest 1,000 stocks in the Russell 3000 Index become the large-cap Russell 1000 Index. The next 2,000 stocks become the small-cap Russell 2000 Index. After membership is determined, a security's shares are adjusted to include only those shares available to the public (i.e., 'free float'). Afterward, to create the style indices, we assign growth/value and dynamic/defensive characteristics to all the members of the two indices. Read more about [our methodology and how styles are created here](#).

Annual reconstitution

We reconstitute the Russell 3000 each **June**.

Reconstitution refers to the addition and deletion of securities to and from the index and the adjustments of the weights among the securities in the index. This is important because the stock market is dynamic. Successful companies grow and their stock prices rise. Consequently, their capitalisation increases. Other companies are less successful and their prices decline. Reconstitution ensures our indices reflect these changes on a predictable schedule.

A true picture of the market

Think of our index data as being something like a computer chip: It powers what happens inside the investment products you buy. So it's important to distinguish between the index (data) and the investment product itself.

WHAT WE DO

We collect information on shares and bonds, as well as other financial market data. We then cleanse and organise it into groups of securities that have a stated objective. We call these groups of securities an index (or a benchmark, for indices that are broad and widely used in performance measurement).

OUR DIFFERENCE

How we design and calculate financial market indices then becomes our intellectual property (IP). We provide the IP for thousands of indices that cover the global equity and fixed income markets in different ways.

But we don't use this IP to manage assets ourselves, nor do we offer any investable products. We work with asset managers and other product providers who use our indices in their ETFs, mutual funds, and structured products.

By operating at arm's length from product providers, and with a multi-decade track record in calculating indices fairly and objectively, we help give confidence to investors and traders from around the world.

We measure the markets in your universe



UNIVERSE OF MARKET DATA

Data about securities exists. FTSE Russell is an expert at collecting, cleansing, and organising that data into useful indices.

FTSE RUSSELL IP

Our unique value is in how we measure the world's investment themes (markets, asset classes, sectors, etc.) to create and maintain an increasing number of available indices.

THE POWER OF CHOICE

With an incredible number of different market slices available, we can help you find the index that fits your product approach. Or we can build a custom index to meet your goals.

CREATE INVESTABLE PRODUCTS

Put our flexibility to work. If your US small cap equity mandate does not allow it to hold REITs, we can remove them from an index to create a better measurement for that investment vehicle.

MARKET CONFIDENCE

Not all benchmarks are created equal. Products built on FTSE Russell indices can offer peace of mind that your data is being measured in an objective and reliable way.

About FTSE Russell

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 35 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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