

# Morningstar Indexes US Index Market Comparison



	<b>Morningstar</b>	<b>Russell 3000</b>	<b>S&amp;P</b>	<b>CRSP</b>
<b>Headline Index</b>	<b>Morningstar US Market Index</b>	<b>Russell 3000</b>	<b>S&amp;P United States BMI</b>	<b>CRSP U.S. Total Market Index</b>
<b>Index Inception Date</b>	July 3, 2002	Dec. 31, 1978	Dec. 31, 1992	Dec. 31, 2012
<b>Market Capitalization Coverage</b>	97%	98%	Securities with float market capitalization > US \$100 million	Companies with total market capitalization > US \$15 million for new and US \$10 for existing index securities
<b>Total Number of Stocks (As of Aug 31, 2016)</b>	1,605	2,967	2,968	3,570
<b>Minimum Trading Frequency Requirement</b>	No more than 10 non-trading days in the preceding quarter for both new and current constituents	N/A	No more than 4 non-trading days in each of the two preceding quarters	No more than 9 consecutive non-trading days in the preceding quarter. Suspension by exchange does not count
<b>Liquidity Requirements</b>	Top 75% by liquidity score for new and current constituents. Score based on average dollar traded value and worst monthly dollar traded value—calculated over the preceding six month period	ADDTV (Average Daily Dollar Trading Value) must exceed that of the global median, which is determined each reconstitution rank day by ranking all securities in investable countries by ADDTV.	Annual dollar traded value > US \$50 million/\$35 million over preceding 12-month period for new/current constituents	Ratio of Average trading volume over preceding 125 day period to float shares > .001 for new and .0008 for existing index constituents (over two consecutive quarters). To be considered for index inclusion at ranking, a security must not have a sequence of 10 or more consecutive non-trading (zero volume) days during the previous quarter.
<b>Free-Float Requirements</b>	Free float >= 10%	Free float >= 5%	N/A	Free float >= 12.5% for new and 10% for existing index constituents and fast track IPOs additions
<b>Free-Float Market Capitalization Requirements</b>	N/A	N/A	Float adjusted market capitalization should not fall below \$75 million for existing securities and should be above \$100 million for inclusion	The total company market capitalization must be greater than \$15 million to be added to an index at ranking. If, at ranking, the total company market capitalization for a security in the index has fallen below \$10 million, the security will be removed from the index.
<b>Industry Classification Methodology</b>	Global Equity Classification Structure (GECS)	Industry Classification benchmark (ICB)	Global Industry Classification Standard (GICS®)	Industry Classification Benchmark (ICB®)
<b>Market Size Breakdown</b> Large-Capitalization Mid-Capitalization Small-Capitalization	Top 70% 70–90% 90–97%	There are fixed number of stocks in the bands. Russell 1000-Largest 1000 stocks Russell 2000-Smallest 2000 stocks	Top 70% 70–85% 85–100%	Top 70% (Mega) 70–85% (Mid) 85–98% (Small)
<b>Rebalance</b>	Quarterly	Annual	Quarterly	Quarterly
<b>Reconstitution</b>	Semi-Annually	Annual	Semi-Annually	Quarterly
<b>Intra-rebalance Total Outstanding Share (TOS)/Float Update</b>	TOS changes > 10% and absolute free float change > 10% are effected weekly	N/A	Float adjusted share changes > 5% are effected weekly	N/A
<b>Style Box</b> Value Factors	1) Price-to-Projected Earnings Ratio 2) Price-to-Book Ratio 3) Price-to-Sales Ratio 4) Price-to-Cash Flow Ratio 5) Dividend Yield	1) Book to price ratio	1) Book Value per Share-to-Price Ratio 2) Sales per Share-to-Price Ratio 3) Cash Flow per Share-to-Price Ratio 4) Dividend Yield	1) Price-to-Projected Earnings Ratio 2) Price-to-Book Ratio 3) Price-to-Sales Ratio 4) Price-to-Historical Earnings Ratio 5) Dividend Yield
Growth Factors	1) Long-Term Projected Earnings Growth 2) Book Value Growth 3) Sales Growth 4) Cash Flow Growth 5) Historical Earnings Growth	1) IBES(Institutional Brokers' Estimate System) 2) Earning Growth Rate 3) Sales per share	1) Five-year Historical Earnings per Share Growth Rate 2) Five-year Historical Sales per Share Growth Rate 3) Five-year average annual internal growth rate (IGR) defined as (ROE) * (1–Payout Ratio)	1) Analyst Long Term Earnings Growth 2) Analyst Short Term Earnings Growth 3) Three-Year Average growth in Sales 4) Three-Year Average Growth in Earnings 5) ROA 6) Investment to Asset Ratio