

# FTSE RAFI NORDIC INDEX

The FTSE RAFI Nordic Index is part of the FTSE RAFI Index Series, launched in association with Research Affiliates. As part of FTSE Group's range of non-market cap weighted indices, the FTSE RAFI Index Series weights index constituents using four fundamental factors, rather than market capitalization. These factors include total cash dividends, free cash flow, total sales and book equity value.

## FEATURES

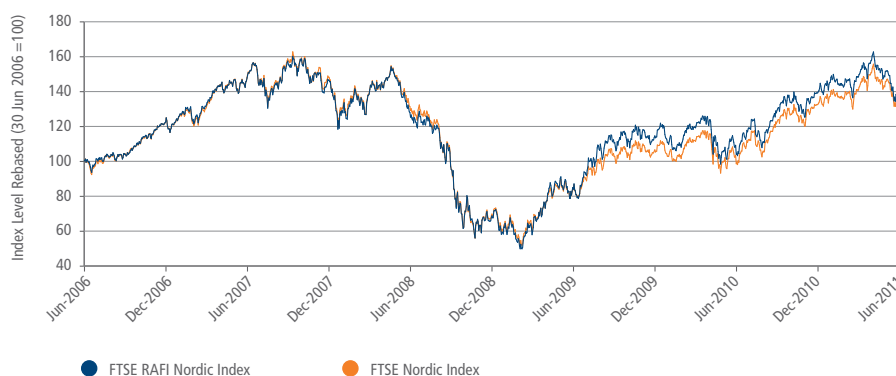
- Comprises stocks from four Nordic countries (Denmark, Norway, Sweden and Finland) derived from the FTSE RAFI Country Indices, a subset of the FTSE RAFI Developed ex US 1000 Index
- Offers the advantages of an active management strategy with the highlights of passive investment: lower turnover costs and transparent rules-based selection, whilst retaining high investment capacity
- By using fundamental factors rather than prices to weight stocks, reviews of the FTSE RAFI Indices take advantage of price movements by reducing the index's holdings in constituents whose prices have risen relative to other constituents, and increasing holdings in companies whose prices have fallen behind
- Fundamentals weighting does not increase exposure to high P/E stocks during episodes of unsustainable P/E expansion. It therefore avoids overexposure to the more overvalued stocks
- Stocks are free-float weighted to ensure that only the investable opportunity set is included within the indices
- Stocks are liquidity screened to ensure that the index is tradable
- The index is calculated in accordance with the Industry Classification Benchmark, the global standard for industry sector analysis
- The index is designed for trading of derivatives, index-tracking funds, exchange traded funds and performance benchmarks

## FTSE RAFI NORDIC INDEX TOP 10 CONSTITUENTS

Rank	Constituent name	Country	ICB Supersector	FTSE RAFI Nordic Index Weight (%)	FTSE Nordic Index Weight (%)	Difference (%)
1	Nokia	Finland	Technology	6.37	3.24	3.13
2	Statoil ASA	Norway	Oil & Gas	5.70	4.34	1.36
3	Nordea Bank AB	Sweden	Banks	5.42	4.34	1.07
4	Ericsson B	Sweden	Technology	5.22	5.82	-0.59
5	TeliaSonera	Sweden	Telecommunications	4.02	2.13	1.90
6	Hennes & Mauritz B	Sweden	Retail	3.84	2.70	1.14
7	Danske Bank A/S	Denmark	Banks	3.01	2.30	0.71
8	Volvo B	Sweden	Industrial Goods & Services	2.99	3.39	-0.40
9	Investor B Free	Sweden	Financial Services	2.46	1.39	1.07
10	Sampo Oyj	Finland	Insurance	2.37	2.42	-0.05
<b>Total</b>				<b>41.41</b>	<b>32.07</b>	

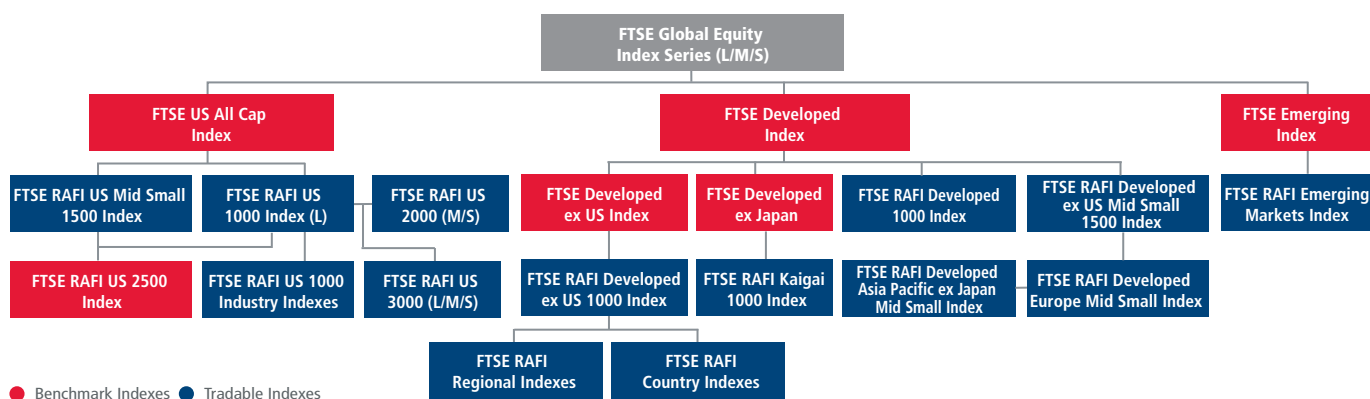
SOURCE: FTSE Group, data as at 30 June 2011

## FTSE RAFI NORDIC INDEX 5-YEAR PERFORMANCE (USD TOTAL RETURN)



SOURCE: FTSE Group, data as at 30 June 2011

## FAMILY TREE



## FTSE RAFI NORDIC COUNTRY WEIGHTS

Country Code	Country	FTSE RAFI Nordic Index		FTSE Nordic Index		Difference (%)
		Weight (%)	No. of Companies	Weight (%)	No. of Companies	
DEN	Denmark	10.49	9	18.78	13	-8.28
FIN	Finland	20.11	18	15.16	14	4.96
NOR	Norway	16.48	12	15.24	10	1.24
SWED	Sweden	52.91	43	50.83	36	2.08
<b>Total</b>		<b>100.00</b>	<b>82</b>	<b>100.00</b>	<b>73</b>	

SOURCE: FTSE Group, data as at 30 June 2011

## FTSE RAFI NORDIC INDEX ICB SECTOR BREAKDOWN

ICB Code	ICB Sector	FTSE RAFI Nordic Index		FTSE Nordic Index		Difference (%)
		Weight (%)	No. of Companies	Weight (%)	No. of Companies	
0530	Oil & Gas Producers	6.30	2	4.61	2	1.69
0570	Oil Equipment, Services & Distribution	1.21	3	2.13	2	-0.92
0580	Alternative Energy	0.62	1	0.75	2	-0.12
1350	Chemicals	0.93	1	1.65	1	-0.73
1730	Forestry & Paper	4.04	5	2.39	3	1.65
1750	Industrial Metals & Mining	4.18	5	2.25	5	1.93
1770	Mining	0.54	1	0.68	1	-0.14
2350	Construction & Materials	3.65	6	2.93	4	0.72
2710	Aerospace & Defense	0.39	1	-	-	0.39
2720	General Industrials	0.28	1	-	-	0.28
2730	Electronic & Electrical Equipment	0.35	1	-	-	0.35
2750	Industrial Engineering	13.83	14	18.45	12	-4.62
2770	Industrial Transportation	3.63	4	2.63	2	1.00
2790	Support Services	0.67	1	0.49	1	0.18
3350	Automobiles & Parts	0.48	1	0.86	1	-0.38
3530	Beverages	1.13	1	1.73	1	-0.60
3570	Food Producers	1.64	1	1.31	1	0.33
3720	Household Goods & Home Construction	1.52	3	1.35	2	0.17
3740	Leisure Goods	-	-	-	-	-
3760	Personal Goods	1.87	1	1.14	1	0.73
3780	Tobacco	0.39	1	0.94	1	-0.55
4530	Health Care Equipment & Services	0.47	1	1.71	3	-1.25
4570	Pharmaceuticals & Biotechnology	1.64	1	9.64	3	-8.01
5330	Food & Drug Retailers	0.99	2	0.42	1	0.57
5370	General Retailers	3.84	1	2.75	2	1.09
5550	Media	-	-	0.65	2	-0.65
5750	Travel & Leisure	0.43	1	-	-	0.43
6530	Fixed Line Telecommunications	0.53	1	-	-	0.53
6570	Mobile Telecommunications	6.62	3	5.06	3	1.56
7530	Electricity	1.54	1	1.72	1	-0.18
7570	Gas, Water & Multiutilities	-	-	-	-	-
8350	Banks	17.42	8	15.99	6	1.43
8530	Nonlife Insurance	2.37	1	2.61	2	-0.24
8570	Life Insurance	0.70	1	0.52	1	0.18
8630	Real Estate Investment & Services	-	-	-	-	-
8670	Real Estate Investment Trusts	-	-	-	-	-
8770	Financial Services	4.21	5	3.57	5	0.64
8980	Equity Investment Instruments	-	-	-	-	-
8990	Nonequity Investment Instruments	-	-	-	-	-
9530	Software & Computer Services	-	-	-	-	-
9570	Technology Hardware & Equipment	11.60	2	9.06	2	2.54
<b>Total</b>		<b>100.00</b>	<b>82</b>	<b>100.00</b>	<b>73</b>	

SOURCE: FTSE Group, data as at 30 June 2011

## INFORMATION

### Index Universe

FTSE Developed ex US Index

### Index Launch

20 November 2006

### Base Date

30 December 2005

### Base Value

5000

### Investability Screens

Free float adjusted and liquidity screened

### Index Calculation

Real-time (every 15 seconds) and end-of-day

### End-of-Day Distribution

Index available from 20:00 GMT via FTP and email

### Currency

US Dollars (USD)

### Review Dates

Annually in March

### Index Rules

Available at [www.ftse.com/rafi](http://www.ftse.com/rafi)

### Vendor Codes

Available at [www.ftse.com/Indices](http://www.ftse.com/Indices)

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