

Product highlights

FTSE
Russell

Russell Pure Style Indexes

A sharper approach to style

Innovation has been a key driver of Russell's success and has served as the foundation for Russell indexes. In 1987, Russell created the first U.S. style indexes after recognizing that some managers primarily purchased either 'value' or 'growth' stocks.

This innovation and leadership in style indexing continues with the launch of the Russell Pure Style Indexes, which include stocks that exhibit strong growth or value signals. Building upon Russell's standard cap-weighted style methodology, the Pure Style methodology is style-weighted, and effectively provides more tailored, 'pure' indexes including only those stocks considered fully value or growth.

The Pure Style indexes were designed as additional tools for investors employing size and style investing strategies. Whether the desired outcomes are to strike a balance between growth and value segments with large-, mid- and small-cap exposures, or to dynamically and tactically tilt portfolios, these indexes provide sharp, focused, non-overlapping growth and value indexes.

For an investor who has a strong conviction in value (or growth) style, a Pure Style index provides a more efficient tool to express this view.

Russell Style Index product comparison

Feature	Russell Pure Style Indexes	Russell Style Indexes
Use case	Concentrated passive style exposure	Benchmark or broad passive style exposure
Stock coverage	Selective coverage	Exhaustive coverage – Include all parent index stocks
Style overlap	No – Include stocks that exhibit distinct growth or value styles	Yes – Include stocks that have both growth and value characteristics
Weighting scheme	Style-weighted	Market cap-weighted
Breadth	Focused	Full coverage

Available indexes

Large Cap

Russell 1000® Pure Growth Index
Russell 1000® Pure Value Index

Small Cap

Russell 2000® Pure Growth Index
Russell 2000® Pure Value Index

Mid Cap

Russell Midcap Pure Growth Index
Russell Midcap Pure Value Index

Mega Cap

Russell Top 200® Pure Growth Index
Russell Top 200® Pure Value Index

Style factors

Growth variables

- Medium-term growth forecast (2 yrs)
- Sales-per-share growth (5 yrs)

Value variable

- Book/price ratio

Features of Russell Pure Style Indexes

Accurate

The construction of the Russell Pure Style indexes begins with the methodology of the standard benchmark Russell Growth and Value Style indexes. To focus exposure to growth or value stocks, the Pure Style indexes exclude stocks that are not considered fully growth or value. The Russell Pure Style indexes are reconstituted annually to align with the parent indexes.

Liquid

A liquidity screen removes the bottom 10% of the securities based on a 4-week average daily dollar trading value (ADDTV) of the Russell 2000 (applied to all indexes).

Precise

The stock universe is narrowed further to the top 50% of these remaining stocks (based on composite value scores) for all indexes except for the Top 200 indexes, which already capture a relatively narrow universe.

Style-weighted

Stocks are then weighted in accordance with their composite value scores. This means that the stock with the highest composite value score has the highest weight in the Pure Value index, and the stock with the lowest composite value score has the highest weight in the Pure Growth index.

Diversified

Sector weights are capped at 10% above those of the indexes' respective benchmark style index. For example, if the Russell Top 200 Value index holds a 15% weight in the Technology sector, the Technology sector will be capped at 25% in the Russell Top 200 Pure Value index.

Russell style index products

Since launching the industry's first growth and value indexes in 1987, Russell has transformed the index landscape with its innovative methodology. Russell's style-based indexes offer investors practical, robust tools for analyzing and benchmarking style performance and exposures.

FTSE Russell's innovation and leadership in style indexing continues with the Russell Defensive and Dynamic Indexes®, which offer the Third Dimension of Style®, and the Russell Pure Style Indexes, which offer style-weighted indexes that include stocks that exhibit the strongest growth or value signals.

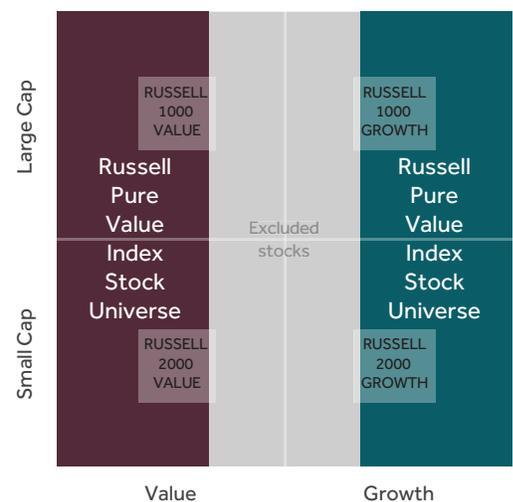
With these newer style index series, along with the standard Russell Style Indexes, FTSE Russell provides investors a robust set of index tools to express their style views effectively.

Russell Pure Style Index benefits

Leveraging the standard Russell Style Indexes as a foundation, the Pure Style Indexes offer:

- Concentrated indexes that include distinct growth or value stocks.
- Index tools that segment the market based on accurate style and size definitions.
- A set of style indexes that include only the most liquid securities.

Russell Pure Style Index Stock Universe



For more information about our indexes, please visit ftserussell.com.

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About FTSE Russell

FTSE Russell is a leading global provider of benchmarking, analytics and data solutions for investors, giving them a precise view of the market relevant to their investment process. A comprehensive range of reliable and accurate indexes provides investors worldwide with the tools they require to measure and benchmark markets across asset classes, styles or strategies.

FTSE Russell index expertise and products are used extensively by institutional and retail investors globally. For over 30 years, leading asset owners, asset managers, ETF providers and investment banks have chosen FTSE Russell indexes to benchmark their investment performance and create ETFs, structured products and index-based derivatives.

FTSE Russell is focused on applying the highest industry standards in index design and governance, employing transparent rules-based methodology informed by independent committees of leading market participants. FTSE Russell fully embraces the IOSCO Principles and its Statement of Compliance has received independent assurance. Index innovation is driven by client needs and customer partnerships, allowing FTSE Russell to continually enhance the breadth, depth and reach of its offering.

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EMEA

+44 (0) 20 7866 1810

North America

+1 877 503 6437

Asia-Pacific

Hong Kong +852 2164 3333

Tokyo +81 3 3581 2764

Sydney +61 (0) 2 8823 3521