

# MARKET CONSULTATION SOLACTIVE 3D PRINTING INDEX

04 December 2019



## Content of the Market Consultation

Solactive AG has decided to conduct a Market Consultation with regard to changing its Index Methodology of the following Index (the 'Index'):

NAME	RIC	ISIN
Solactive 3D Printing Index	.SOLDDD	DE000SLA3DP9
Solactive 3D Printing Index (CHF)	.SOLDDDC	DE000SLA3D23
Solactive 3D Printing Index (USD)	.SOLDDDU	DE000SLA3D15

## Rationale for Market Consultation

The rationale behind the proposed methodology change is to ensure that the underlyings with sufficient liquidity enter the index which results in improving and facilitating the index replication. The proposed changes will also ensure moderate turnover on the semi-annual rebalances while improving the underlying index liquidity.

## Changes to the Index Guideline

The following definitions will be updated with the new wording as follows:

### Section 1.5 Weighting:

#### o Old Wording:

On each Adjustment Day each Index Component of the Solactive 3D Printing Index (SOLDDD) is weighted equally. If the Market Capitalization of an Index Component is below 250 Million USD or the average daily trading volume is below 350,000 USD as of the corresponding Selection Day, the Index Component will be capped at 2.5%. Any excess weight will be allocated equally to all uncapped Index Components.

#### o New Wording:

On each Adjustment Day each Index Component of the Solactive 3D Printing Index (SOLDDD) is weighted equally. If the Market Capitalization of an Index Component is below 250 Million USD or the average daily trading volume is below 600,000 USD as of the corresponding Selection Day, the Index Component will be capped at 2.5%. Any excess weight will be allocated equally to all uncapped Index Components.



## Section 2.2 Ordinary adjustment:

- Old Wording:

The composition of the Index is ordinarily adjusted twice a year at the close of trading on the third Friday in March and September over a period of ten Business Days. If this happens to be no Business Day the adjustment is conducted on the preceding Business Day.

The composition of the Solactive 3D Printing Index (SOLDDD) is reviewed (see 2.1) on the Selection Day and the appropriate decision made is announced.

The first adjustment will be made in September 2013 based on the Trading Prices of the Index Components on the Adjustment Day.

Solactive AG shall publish any changes made to the Index composition on the Selection Day and consequently with sufficient notice before the Adjustment Day.

- New Wording:

The composition of the Index is ordinarily adjusted twice a year at the close of trading on the third Friday in March and September over a period of ten Trading Days. If this happens to be no Trading Day the adjustment is conducted on the next Trading Day.

The Index is rebalanced twice a year over a ten-day period to ensure that rebalance transactions stay below the Average Daily Value Traded. Beginning on the Trading Day immediately following the Adjustment Day, and continuing over the next 9 Trading Days, defined as the Rebalancing Period, the target weights of the constituents of the Index on the  $m^{th}$  day are set as follows:

$$w_i^{target}(t_0 + m) = w_i(t_0) + \frac{m * (w_i^{target} - w_i(t_0))}{M}, 0 < m \leq 10$$

where

$t_0$  = Adjustment Day

$w_i(t_0)$  = Percentage Weight of security i at the Adjustment Day. For the avoidance of doubt, if a security i is not an Index Component on the Adjustment Day,  $w_i(t_0)$  is zero.

$w_i^{target}$  = Target Weight of security i after the completion of the Rebalancing Period.

$w_i^{target}(t)$  = Target Weight of security i on Trading Day t.

$m$  =  $m^{th}$  day of the Rebalancing Period

$M$  = Total number of Trading Days in the Rebalancing Period, i.e. 10

The composition of the Solactive 3D Printing Index (SOLDDD) is reviewed (see 2.1) on the Selection Day and the appropriate decision made is announced.



The first adjustment will be made in September 2013 based on the Trading Prices of the IndexComponents on the Adjustment Day.

Solactive AG shall publish any changes made to the Index composition on the Selection Day and consequently with sufficient notice before the Adjustment Day.

#### Section 4. Definitions:

- Old Wording:

"Selection Pool" in respect of a Selection Day are those companies that fulfill the following conditions:

- (a) Significant business operations in the 3D printing industry (hardware or software).
- (b) Listing on a regulated stock exchange in the form of shares tradable for foreign investors without restrictions.
- (c) Market Capitalization of at least 50 million USD.
- (d) Average daily trading volume of at least 250,000 USD in the last three months for new IndexComponents.
- (e) Average daily trading volume of at least 150,000 USD in the last three months for a current IndexComponent.

- New Wording:

"Selection Pool" in respect of a Selection Day are those companies that fulfill the following conditions:

- (a) Significant business operations in the 3D printing industry (hardware or software).
- (b) Listing on a regulated stock exchange in the form of shares tradable for foreign investors without restrictions.
- (c) Market Capitalization of at least 50 million USD.
- (d) Average daily trading volume of at least 1,000,000 USD in the last three months for new IndexComponents.
- (e) Average daily trading volume of at least 500,000 USD in the last three months for a current IndexComponent.



Additionally, the following Definition will be added to Section 4

"Rebalance Period" is the period starting from (and including) the ADJUSTMENTDAY until and (including) the immediately following 10 Trading Days. The entire Rebalance Period lasts for 10 Trading Days.

Feedback on the proposed changes

If you would like to share your thoughts with Solactive, please use this consultation form and provide us with your personal details and those of your organization.

Name	
Function	
Organization	
Email	
Phone	
Confidentiality (Y/N)	

Solactive is inviting all stakeholders and interested third parties to evaluate the proposed changes to the Methodology for the Solactive 3D Printing Index and welcomes any feedback on how this may affect and/or improve their use of Solactive indices.



### Consultation Procedure

Stakeholders and third parties who are interested in participating in this Market Consultation, are invited to respond until December 18<sup>th</sup>, 2019 (cob).

Please send your feedback via email to [compliance@solactive.com](mailto:compliance@solactive.com), specifying "Market Consultation Solactive 3D Printing Index" as the subject of the email, or

via postal mail to: Solactive AG  
Platz der Einheit 1  
60327 Frankfurt am Main  
Germany

Should you have any additional questions regarding the consultative question in particular, please do not hesitate to contact us via above email address.



