

S&P 500 VEQTOR Switch Index Launched by S&P Dow Jones Indices

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NEW YORK and LONDON, Dec. 2, 2014 /[PRNewswire](#)/ -- S&P Dow Jones Indices ("S&P DJI"), one of the world's leading providers of financial market indices, today announced the launch of the S&P 500® VEQTOR Switch Index, an innovative index that seeks to simulate a dynamic portfolio that allocates between equity and the CBOE Volatility Index® (VIX® Index) based on realized volatility in the broad equity market. Today's launch expands S&P Dow Jones Indices family of asset allocation indices that utilizes the VIX as a signal.

The allocation to the equity component of the S&P 500 VEQTOR Switch Index is dynamically adjusted to gain exposure to the S&P 500 with a target volatility of 10%. The remainder of the Index is allocated to the S&P 500 VIX Futures Long/Short Switch Index which allocates between cash and one-month VIX futures with the aim of capturing:

1. VIX futures roll yield and volatility drops ("short") when volatility declines, and
2. VIX futures upside when volatility spikes ("long")

The S&P 500 VIX Futures Long/Short Switch Index monitors the curvature of the VIX futures term structure and allocates to cash and VIX futures, which could be either a long or a short position in the one-month S&P 500 VIX futures contracts.

"The S&P 500 VEQTOR Switch Index provides the potential benefits of using the VIX as an 'intelligent' hedge for the S&P 500," says Vinit Srivastava, Senior Director, Index Strategy, S&P Dow Jones Indices. "The Index has an innovative mechanism that dynamically allocates between the S&P 500 and the VIX Futures Long/Short Switch Index."

To learn more about the S&P 500 VEQTOR Switch Index, please visit: www.spdji.com.

About S&P Dow Jones Indices

S&P Dow Jones Indices LLC, a part of McGraw Hill Financial, is the world's largest, global resource for index-based concepts, data and research. Home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®, S&P Dow Jones Indices LLC has over 115 years of experience constructing innovative and transparent solutions that fulfill the needs of investors. More assets are invested in products based upon our indices than any other provider in the world. With over 1,000,000 indices covering a wide range of asset classes across the globe, S&P Dow Jones Indices LLC defines the way investors measure and trade the markets. To learn more about our company, please visit www.spdji.com.

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