

**STANDARD  
& POOR'S**

# S&P GSCI<sup>®</sup> ENHANCED INDEX

INDEX METHODOLOGY SUPPLEMENT

October 2009

# S&P GSCI<sup>®</sup> Enhanced Index Methodology Supplement

## S&P GSCI<sup>®</sup> Enhanced Index

The S&P GSCI<sup>®</sup> Enhanced Total Return Index (the Index) reflects the total return available through an unleveraged investment in specific commodity components of the S&P GSCI<sup>®</sup>. The index is calculated on a basis similar to the S&P GSCI<sup>®</sup>, but modified to apply certain dynamic, timing and seasonal rolling rules as discussed below.

## The S&P GSCI<sup>®</sup> Enhanced Index Methodology Supplement

This methodology supplement uses various terms from *the S&P GSCI<sup>®</sup> Index Methodology*. Where not specifically noted otherwise in this document, the rules of the S&P GSCI<sup>®</sup> Methodology will prevail. Where the terms in this document are also defined in the S&P GSCI<sup>®</sup> Methodology, the definitions in this document prevail.

## Value of the Index

On any given day, the value of the index is equal to the total dollar weight of the index divided by a normalizing constant, which assures the continuity of the index over time. The total dollar weight of the index is the total dollar weight of the underlying commodity components. The dollar weight of the underlying commodity component on any given day is equal to the product of:

- the daily contract reference price,
- the appropriate contract production weight (CPW) and,
- the appropriate “roll weights” needed during a roll period (discussed below).

On any given day, the daily contract reference price used in calculating the dollar weight of the commodity futures contract is the most recent daily contract reference price made available by the relevant trading facility. The daily contract reference price for the most recent prior day will be used if the trading facility is closed or otherwise fails to publish a daily contract reference price on that day. In addition, if the trading facility fails to make a daily contract reference price available or publishes a daily contract reference price that, in the reasonable judgment of Standard & Poor’s reflects manifest error, the relevant calculation will be delayed until the price is made available or corrected. However, if the price is not made available or corrected by 4:00 PM ET, Standard & Poor’s may determine the appropriate daily contract reference price for the applicable futures contract for purposes of the relevant calculation of the value of the index, if it deems such action to be appropriate under the circumstances.

## Calculation of the Index

The value of the index on any S&P GSCI business day is equal to the product of (i) the value of the index on the immediately preceding S&P GSCI business day, (ii) one plus the sum of the contract daily return and the Treasury bill return on the hypothetical investment in the index on the S&P GSCI business day on which the calculation is made, and (iii) one plus the Treasury bill return on the hypothetical investment in the index for each non S&P GSCI business day since the immediately preceding S&P GSCI business day. We use the term S&P GSCI business day to mean each day on

which Standard & Poor's offices in New York City are open for business. The value of the index has been normalized such that its hypothetical level on January 16, 1995 was 100.

### **Contract Daily Return**

On any given day, the contract daily return is equal to the applicable daily contract reference price on the specific commodity component contract multiplied by the CPW and the appropriate "roll weight," divided by the total dollar weight of the contract on the preceding day, minus one.

The S&P GSCI<sup>®</sup> Enhanced Total Return Index applies certain dynamic and seasonal rolling rules to specific commodity components of the S&P GSCI<sup>®</sup>. Although the S&P GSCI<sup>®</sup> Enhanced Total Return Index includes the same futures contracts as the S&P GSCI, the contract months will vary and the returns and values will differ from the S&P GSCI<sup>®</sup>. The five day roll begins on the first (1<sup>st</sup>) business day of the month, and the closing futures prices on the 3<sup>rd</sup> to last business day of the prior month are used to determine the dynamic roll check.

Most of the S&P GSCI<sup>®</sup> futures contracts in the S&P GSCI<sup>®</sup> Enhanced Index follow the normal schedule with the following exceptions:

- WTI crude oil rolls from the 1<sup>st</sup> contract month to the 6<sup>th</sup> contract month if the contango between 1<sup>st</sup> and 2<sup>nd</sup> contract month is more than 0.50%.
- Brent crude oil rolls from the 2<sup>nd</sup> to the 7<sup>th</sup> contract month if the contango between the 2<sup>nd</sup> and the 3<sup>rd</sup> contract month is more than 0.50%.
- Heating oil is rolled only to the December contract annually (during the November roll period).
- Natural gas is rolled only to the January contract annually (during the December roll period).
- Chicago Wheat is rolled only to the September and December contracts semiannually (September during the November roll, and December during the August roll).
- Corn is rolled only to the July contract annually (during the May roll period).
- Lean Hogs are rolled only to the April and August contracts semiannually (April during the July roll, and August during the March roll).
- Live Cattle is rolled only to the April and October contracts semiannually (April during the September roll and October during the March roll).

The table on the next page identifies the Contracts included in the 2009 S&P GSCI<sup>®</sup> Enhanced Total Return Index that have specifically different Designated Contract Expirations than the S&P GSCI<sup>®</sup>.

### Enhanced Contract roll Schedule for 2009

Trading Facility	Commodity (Contract)	Ticker	Month:	Designated Contract Expirations at Month Begin <sup>1</sup>											
				1	2	3	4	5	6	7	8	9	10	11	12
CBT	Wheat (Chicago)	W		U9	U9	U9	U9	U9	U9	U9	U9	Z9	Z9	Z9	U0
CBT	Corn	C		N9	N9	N9	N9	N9	N0	N0	N0	N0	N0	N0	N0
CME	Lean Hogs	LH		J9	J9	J9	Q9	Q9	Q9	Q9	J0	J0	J0	J0	J0
CME	Cattle (Live)	LC		J9	J9	J9	V9	V9	V9	V9	V9	V9	J0	J0	J0
NYM	Oil (#2 Heating)	HO		Z9	Z9	Z9	Z9	Z9	Z9	Z9	Z9	Z9	Z9	Z9	Z0
NYM / ICE	Natural Gas	NG		F0	F0	F0	F0	F0	F0	F0	F0	F0	F0	F0	F0

(1) Future Months included in the Enhanced Strategy Index at the beginning of each calendar month, starting with January 2009.

### Month Letter Codes

Month	Letter Code
January	F
February	G
March	H
April	J
May	K
June	M
July	N
August	Q
September	U
October	V
November	X
December	Z

### Tickers

Index	Bloomberg	Reuters
S&P GSCI Enhanced Index Spot	SPGSES	.SPGSES
S&P GSCI Enhanced Index Excess Return	SPGSESP	.SPGSESP
S&P GSCI Enhanced Index Total Return	SPGSESTR	.SPGSESTR

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