

EXCHANGE-TRADED PRODUCTS:

EXCHANGE-TRADED FUNDS (ETFs)

iShares S&P North American Natural Resources Sector

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For more information, including current data and index performance, visit our Web site:

www.indices.standardandpoors.com

About the Index Series

The S&P North American Sector Indices provide investors with a suite of equity benchmarks that represent U.S. traded securities across seven broadly defined economic sectors: Consumer, Cyclical, Financial Services, Health Care, Natural Resources, Technology, and Utilities.

Standard & Poor's uses the Global Industry Classification Standard (GICS®) to determine a company's sector classification.

Index Methodology

The S&P North American Sector Indices are maintained by the S&P Equity Industry Index Committee which consists of full-time professional members of Standard & Poor's staff. The Committee's goal is to ensure that the index suite remains an accurate measure of the market's industry sectors. Complete details of the methodology and the structure of GICS codes are available on our Web site at www.indices.standardandpoors.com.

Index Weighting

Each sector index is a modified capitalization weighted index, the constituents of which are selected according to the objective screening criteria below. The weight of a particular stock in each sector index is capped at a certain level which is determined on a sector-by sector basis. The caps for the different sectors are as follows:

- Technology – 8.5%.
- Consumer, Cyclical, Health Care, Natural Resources, and Utilities – 7.5%.
- Financial Services – 5.0%.

CRITERIA FOR INDEX ADDITIONS

- *Market Capitalization.* Stocks must have a total market capitalization above their sector cutoff to be added to the index. Information on the individual sector cutoffs is available on our Web site at www.indices.standardandpoors.com.

- *Liquidity.* Constituents must have a liquidity ratio of greater than 30%.
- *Public Float.* Companies must have a float of at least 20%.
- *Domicile.* The company's stock must trade on the NYSE Euronext (including NYSE Alternext and NYSE Arca), the NASDAQ Global Select Market, the NASDAQ Select Market or the NASDAQ Capital Market. Only common shares, not ADR's, are eligible.
- *Sector Classification.* Stocks are classified by the Global Industry Classification Standard.
- *Eligible Companies.* The company's stock must be a member of the S&P Total Market Index or the S&P/TSX Composite Index.
- *Stock Capping.* In addition to constituent level weight caps, at each semi-annual rebalancing, should the combined weight of all stocks with weights greater than 5% exceed 45% in any sector index, the weights for those stocks will be adjusted using a sliding scale.

CRITERIA FOR INDEX DELETIONS

Index rebalancings occur semi-annually after the closing on the third Friday of June and December. A stock will be deleted from a sector index if, its market capitalization is less than 50% of its sector market capitalization cutoff, its float is less than 10%, or its annualized liquidity ratio for the prior six calendar months is less than 15%.

S&P North American Sector Indices

December 31, 2008

Sector indices that represent the opportunity set of investable U.S. and Canadian equities across seven broadly defined sectors.

S&P Global Indices

S&P North American Sector Indices		
Consumer	Cyclical	Financial Services
Health Care	Natural Resources	Technology (S&P North American Technology Sector Index)
Utilities		

Number of Companies By Sector

Consumer	209
Cyclical	276
Financial Services	225
Health Care	123
Natural Resources	128
Technology	210
Utilities	100

Sector Performance

	S&P North American Sector Indices			
	YTD	1 Year	3 Years	5 Years
Consumer	-24.19%	-24.19%	-3.57%	-0.05%
Cyclical	-40.44%	-40.44%	-6.80%	0.11%
Financial Services	-51.96%	-51.96%	-21.75%	-9.99%
Health Care	-23.59%	-23.59%	-4.46%	0.77%
Natural Resources	-42.55%	-42.55%	-3.36%	8.96%
Technology	-43.33%	-43.33%	-10.28%	4.80%
Utilities	-32.26%	-32.26%	-1.30%	4.80%

Tickers

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S&P North American Sector Indices		
Consumer	SPGICN	SPGICNTR
Cyclical	SPGICY	SPGICYTR
Financial Services	SPGIFN	SPGIFNTR
Health Care	SPGIHC	SPGIHCTR
Natural Resources	SPGSSINR	SPGINRTR
Technology	SPGSTI	SPGICTR
Utilities	SPGIUT	SPGIUTTR