



S&P GSCI[®] ENHANCED INDEX

INDEX METHODOLOGY SUPPLEMENT

December 2010

S&P GSCI[®] Enhanced Index Methodology Supplement

S&P GSCI[®] Enhanced Index

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

The S&P GSCI[®] Enhanced Index Methodology Supplement

This methodology supplement uses various terms from *the S&P GSCI[®] Index Methodology*. Where not specifically noted otherwise in this document, the rules of the S&P GSCI[®] Methodology will prevail. Where the terms in this document are also defined in the S&P GSCI[®] 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[®] Enhanced Total Return Index applies certain dynamic and seasonal rolling rules to specific commodity components of the S&P GSCI[®]. Although the S&P GSCI[®] 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[®]. The five day roll begins on the first (1st) business day of the month, and the closing futures prices on the 3rd to last business day of the prior month are used to determine the dynamic roll check.

Most of the S&P GSCI[®] futures contracts in the S&P GSCI[®] Enhanced Index follow the normal schedule with the following exceptions:

- WTI crude oil rolls from the 1st contract month to the 6th contract month if the contango between 1st and 2nd contract month is more than 0.50%.
- Brent crude oil rolls from the 2nd to the 7th contract month if the contango between the 2nd and the 3rd 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 December contract annually (during the November roll period).
- 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 below identifies the Contracts included in the 2011 S&P GSCI® Enhanced Total Return Index that have specifically different Designated Contract Expirations than the S&P GSCI®.

Enhanced Contract Roll Schedule 2011

Trading Facility	Commodity (Contract)	Ticker	Month	Designated Contract Expirations at Months Begin (1)												
				1	2	3	4	5	6	7	8	9	10	11	12	
CBOT	Wheat (Chicago)	W		Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z2
CBOT	Corn	C		N1	N1	N1	N1	N1	N2	N2	N2	N2	N2	N2	N2	N2
CME	Lean Hogs	LH		J1	J1	J1	Q1	Q1	Q1	Q1	J2	J2	J2	J2	J2	
CME	Cattle (Live)	LC		J1	J1	J1	V1	V1	V1	V1	V1	V1	J2	J2	J2	
NYM	Oil (#2 Heating)	HO		Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z1	Z2
ICE	Natural Gas	NG		F1	F1	F1	F1	F1	F1	F1	F1	F1	F1	F1	F1	F1

(1) Future Months included in the Enhanced Strategy Index at the beginning of each calendar month, starting with January 2011.

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 Commodity Index	SPGSES	.SPGSES
S&P GSCI Enhanced Commodity Index ER	SPGSESP	.SPGSESP
S&P GSCI Enhanced Commodity Index TR	SPGSESTR	.SPGSESTR

S&P Contact Information

Index Management

David M. Blitzer, Ph.D. – Managing Director & Chairman of the Index Committee
david_blitzer@standardandpoors.com +1.212.438.3907

Mark Berkenhopf – Index Manager
mark_berkenhopf@standardandpoors.com +1.212.438.3244

Product Management

Michael G. McGlone – Senior Director of Commodity Indexing
mike_mcglone@standardandpoors.com +1.212.438.4127

Media Relations

David Guarino – Communications
dave_guarino@standardandpoors.com +1.212.438.1471

Index Operations & Business Development

North America

New York – Client Services
index_services@standardandpoors.com +1.212.438.2046

Europe

London
Susan Fagg +44.20.7176.8888

Asia

Tokyo
Masako Cox +813.4550.8564

Beijing
Andrew Webb +86.10.6569.2919

Sydney
Guy Maguire +61.2.9255.9822

Mumbai
Koel Ghosh +91.22.26598359

Middle East & North Africa

Dubai
Charbel Azzi +971.4.3727100

Disclaimer

Copyright © 2010 by The McGraw-Hill Companies, Inc. Redistribution, reproduction and/or photocopying in whole or in part is prohibited without written permission. All rights reserved. “S&P” and “Standard & Poor’s” are registered trademarks of Standard & Poor’s Financial Services LLC. This document does not constitute an offer of services in jurisdictions where Standard & Poor’s or its affiliates do not have the necessary licenses. Standard & Poor’s receives compensation in connection with licensing its indices to third parties. All information provided by Standard & Poor’s is impersonal and not tailored to the needs of any person, entity or group of persons. Standard & Poor’s and its affiliates do not sponsor, endorse, sell, promote or manage any investment fund or other vehicle that is offered by third parties and that seeks to provide an investment return based on the returns of any Standard & Poor’s index. Standard & Poor’s is not an investment advisor, and Standard & Poor’s and its affiliates make no representation regarding the advisability of investing in any such investment fund or other vehicle. A decision to invest in any such investment fund or other vehicle should not be made in reliance on any of the statements set forth in this presentation. Prospective investors are advised to make an investment in any such fund or other vehicle only after carefully considering the risks associated with investing in such funds, as detailed in an offering memorandum or similar document that is prepared by or on behalf of the issuer of the investment fund or other vehicle. Inclusion of a security within an index is not a recommendation by Standard & Poor’s to buy, sell, or hold such security, nor is it considered to be investment advice. Standard & Poor’s does not guarantee the accuracy and/or completeness of any Standard & Poor’s index, any data included therein, or any data from which it is based, and Standard & Poor’s shall have no liability for any errors, omissions, or interruptions therein. Standard & Poor’s makes no warranties, express or implied, as to results to be obtained from use of information provided by Standard & Poor’s and used in this service, and Standard & Poor’s expressly disclaims all warranties of suitability with respect thereto. While Standard & Poor’s has obtained information believed to be reliable, Standard & Poor’s shall not be liable for any claims or losses of any nature in connection with information contained in this document, including but not limited to, lost profits or punitive or consequential damages, even if it is advised of the possibility of same. These materials have been prepared solely for informational purposes based upon information generally available to the public from sources believed to be reliable. Standard & Poor’s makes no representation with respect to the accuracy or completeness of these materials, the content of which may change without notice. The methodology involves rebalancings and maintenance of the indices that are

made periodically during each year and may not, therefore, reflect real time information. Analytic services and products provided by Standard & Poor's are the result of separate activities designed to preserve the independence and objectivity of each analytic process. Standard & Poor's has established policies and procedures to maintain the confidentiality of non-public information received during each analytic process. Standard & Poor's and its affiliates provide a wide range of services to, or relating to, many organizations, including issuers of securities, investment advisers, broker-dealers, investment banks, other financial institutions and financial intermediaries, and accordingly may receive fees or other economic benefits from those organizations, including organizations whose securities or services they may recommend, rate, include in model portfolios, evaluate or otherwise address.

Analytic services and products provided by Standard & Poor's are the result of separate activities designed to preserve the independence and objectivity of each analytic process. Standard & Poor's has established policies and procedures to maintain the confidentiality of non-public information received during each analytic process.