CRSP Count™
Q4 2020 Update

Calculated based on data from
CRSP US Stock Databases
Center for Research in Security Prices, LLC (CRSP), © 2021

2020 YEAR REVIEW

- ## CRSP Count™ Key Trends:
  - The total number of companies grew the most since 2000
  - Large Companies reversed the course, growing ~3% year-over-year, recovering from the second biggest decline in March 2021 since 2000
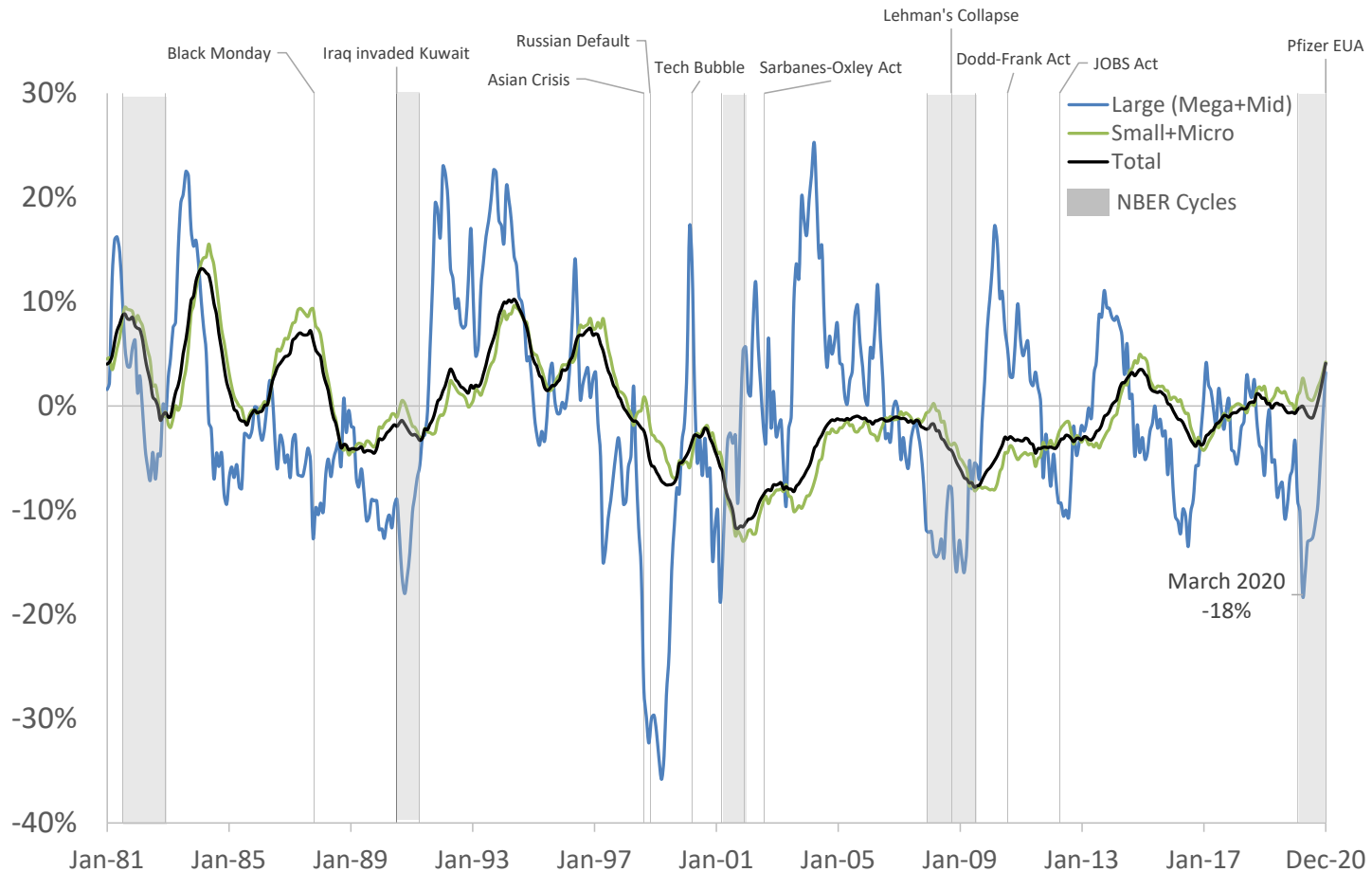
Changes in CRSP Count ™		
Cap Category	Year-over-Year	From Peak[1]
Mega	2%	-42%
Mid	4%	-47%
Small	4%	-56%
Micro	4%	-47%
Total	**4%**	**-50%**

Note: [1] Peak occurred at the end of November 1997

- ## CRSP Count™ – What Is it?
  - A consistent way to segment US Total Market into market capitalization categories that is independent of changes in number of securities
  - Allows apples-to-apples comparison of the sizes of market segments through time
  - Based on CRSP US Stock Database data, used by more than 500 research/academic/government institutions
  - Uses CRSP Investment Indexes, that have over $1 trillion of AUMs, approach

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2

CRSP Count™ Year-over-Year Changes

Source: CRSP US Stock Databases, Center for Research in Security Prices, LLC (CRSP), ©2020; NBER US Business Cycle Expansions and Contractions
Note: Stocks are defined as share codes 10 and 11. The counts are done at the PERMCO level, and exclude securities that did not have market capitalization on the date of measurement. The categories are based on cumulative capitalization. Securities in the top 70% of cumulative market capitalization are defined as Mega Cap; securities in the next 15% of cumulative market capitalization are Mid Cap; the next 13% of cumulative market capitalization are Small Cap; the last 2% of market cap are called Micro Cap. Data is on a monthly frequency.
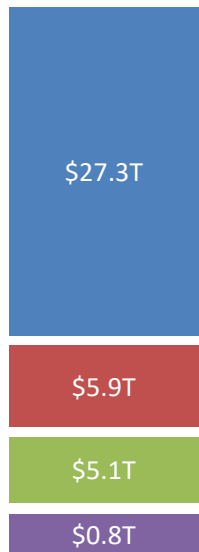
CRSP Count™ History
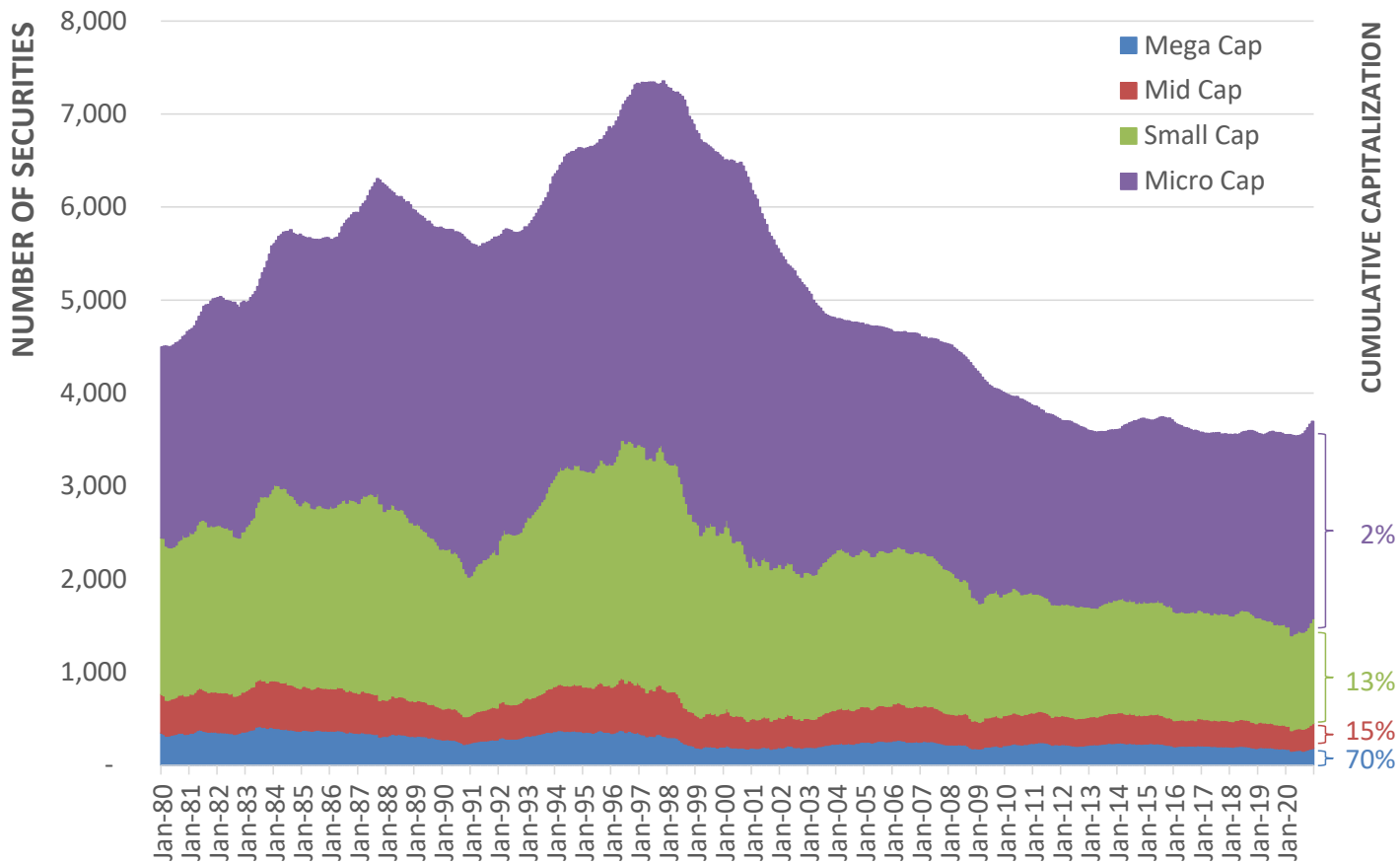
Source: CRSP US Stock Databases, Center for Research in Security Prices, LLC (CRSP), ©2020
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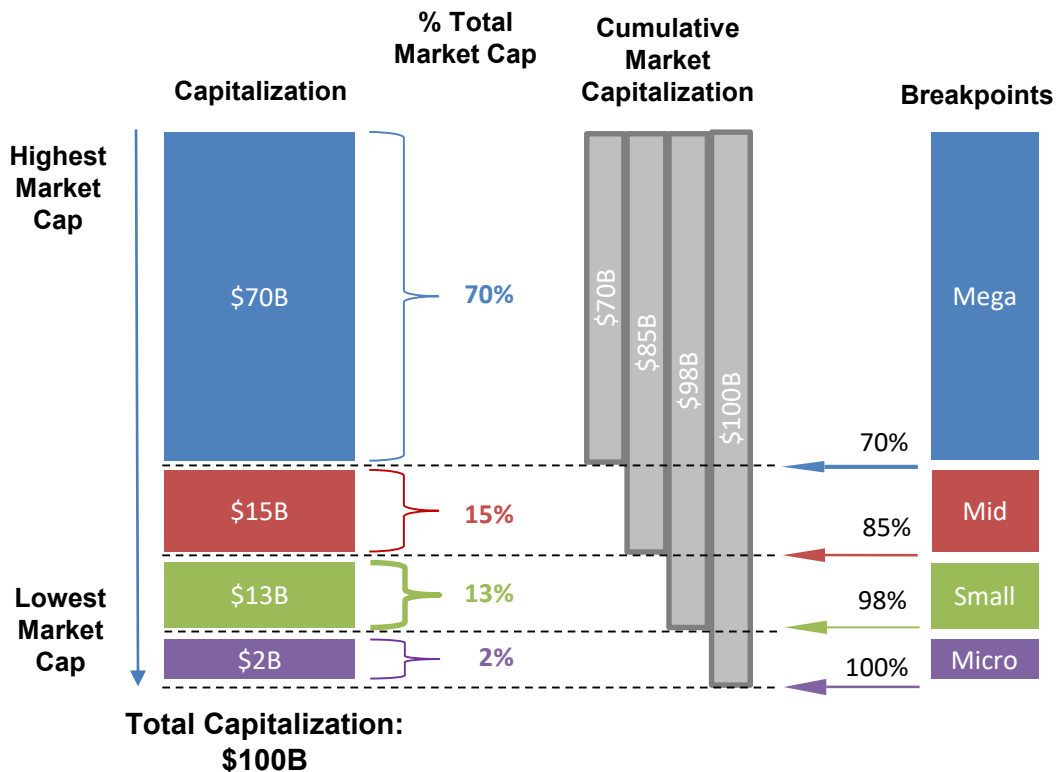
Illustrative Example: How to compute breakpoints using cumulative capitalization?

Market Capitalization 12/31/2020

$27.3T	
$5.9T	
$5.1T	
$0.8T	

Total Capitalization: $39.1T[1]

Capitalization | **% Total Market Cap** | **Cumulative Market Capitalization** | **Breakpoints**

Highest Market Cap

$70B	70%	$70B $85B $98B $100B
$15B	15%	
$13B	13%	
$2B	2%	

Lowest Market Cap

Total Capitalization: $100B

Breakpoints:
- Mega — 70%
- Mid — 85%
- Small — 98%
- Micro — 100%

Arrange securities from highest to lowest by market capitalization and compute total market capitalization by summing up all of the securities' cap

Compute the cumulative market capitalization

Use Breakpoints to categorize securities

Citing CRSP

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YYYY being the year the database was published.

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6