

# FTSE UK Index Series:

1. Fast Entry Thresholds
  2. Sterling Requirement
- v1.0

## Overview of changes

FTSE Russell is introducing two changes to the FTSE UK Index Series, effective from the Q3 2025 review in September:

1. **Fast Entry Thresholds:** The thresholds for Fast Entry will be lowered to allow more companies, particularly those conducting significant IPOs, to be included intra-quarter. Companies with a market capitalisation ranking of 225th or above and a minimum investable market capitalisation of GBP 1 billion will now be eligible.
2. **Sterling Requirement:** The requirement for securities to trade exclusively in GBP will be removed. Securities trading in Euros or USD, will now be eligible, provided they meet all other index eligibility criteria including the UK nationality of a company.



# Contents

## Section 1: Lowering the Fast Entry Threshold

1. What is the history and background of the Fast Entry Threshold? .....	3
2. What are the current Fast Entry Thresholds? .....	3
3. What change has FTSE Russell announced regarding the Fast Entry Thresholds? .....	3
4. How does FTSE Russell calculate the investable market capitalisation for the purposes of evaluating a potential Fast Entry addition? .....	4
5. Will the new Fast Entry Thresholds be published on a quarterly basis? .....	4
6. When will this change come into effect? .....	4
7. Why is FTSE Russell making this change to the Fast Entry Thresholds? .....	4
8. Has FTSE Russell conducted any historical analysis on the new thresholds, and if so, what was the illustrative impact? .....	5
9. Will the Fast Entry thresholds be reviewed in the future? .....	5

## Section 2: Removal of the Sterling requirement

10. What is the history and background of the Sterling trading currency requirement? .....	6
11. What is the current eligibility criterion relating to the trading currency? .....	6
12. What change has FTSE Russell announced regarding the sterling trading currency requirement? .....	6
13. When will this change come into effect? .....	6
14. Are any of the other inclusion criteria for the FTSE UK Index Series changing? .....	7
15. Will other currencies such as JPY be considered? .....	7
16. What are the advantages of including Euros and US Dollar denominated securities, in addition to Sterling? .....	7
17. Will this change mean more international companies will be included in the FTSE 100 and FTSE 250 indices? .....	7
18. How does FTSE Russell define a UK nationality for the purposes of index inclusion? .....	8
19. What currency impact will this change have on the index? .....	8
20. For the FTSE UK Expiry Indices, which exchange rate will be used to calculate the GBP price for constituents which trade in Euros or US Dollars for the purposes of calculating the final expiry value which is calculated intra-day on the third Friday of every month? .....	8
21. What is the expected impact to the index composition consequent to allowing Euro and US Dollar denominated securities into the FTSE UK Index Series? .....	8

## Section 1

# Lowering the Fast Entry Threshold

---

## 1. What is the history and background of the Fast Entry Threshold?

FTSE Russell permits “Fast Entry” Initial Public Offering (“IPO”) additions across many of its indices, with some large IPO companies being added to an index, subject to meeting a materiality threshold, five days after listing. IPO companies which do not satisfy the materiality threshold are instead reviewed during the review process, which takes place quarterly for the FTSE UK Index Series.

The concept of Fast Entry was first implemented in the FTSE UK Index Series in 1984, with British Telecom being the first company to be added under this rule. Since then, only two additional companies have been added as fast entrants to the FTSE 100 (British Gas in 1986, and Glencore in 2011). The original Fast Entry Threshold was based on 1% of the FTSE All-Share market capitalisation, which became increasingly prohibitive as the size of the FTSE All-Share index grew.

## 2. What are the current Fast Entry Thresholds?

In 2021, the fast entry thresholds were amended so that:

- A company must have a full market capitalisation that ranks 75th or above on the FTSE UK Monitored List<sup>1</sup>
- The security’s investable market capitalisation must be at least GBP two billion, based on the IPO offering shares minus any restricted holdings, if applicable.
- Fast entry results in an eligible security being added to the FTSE 100 index if it satisfies all inclusion criteria and the above thresholds.

Since introduction, these thresholds have resulted in no fast entry additions to the FTSE UK Index Series. The current ranking requirement also prevents fast entry additions to the FTSE 250 index.

## 3. What change has FTSE Russell announced regarding the Fast Entry Thresholds?

FTSE Russell has announced that it will lower the Fast Entry thresholds within the FTSE UK Index Series. This will ensure that Initial Public Offerings (IPOs) of a certain size and which are eligible for inclusion to the applicable indices are included in a timely manner. The updated rules will require that at the close on the first day of official unconditional dealings:

---

<sup>1</sup> The FTSE UK Monitored List, which is available to subscribers, comprises of equity securities and the underlying data which are listed on the Main Market of the London Stock exchange and are potentially eligible for inclusion in the FTSE UK Index Series.

- A company must have a full market capitalisation that ranks 225th or above on the FTSE UK Monitored List. This was previously 75th ranking or above.
- A security's investable market capitalisation must be at least GBP one billion. This was previously GBP two billion.

An IPO company, which satisfies all inclusion criteria and the above thresholds, will be added to the FTSE 100 if it ranks at the index review auto-include level of 90 or above; otherwise, it will be added to the FTSE 250. Previously, only fast entry additions to the FTSE 100 were considered. If the thresholds and all other eligibility criteria are satisfied, the index changes will be implemented after the close on the fifth day of official unconditional dealings.

#### 4. How does FTSE Russell calculate the investable market capitalisation for the purposes of evaluating a potential Fast Entry addition?

Only shares being offered for sale in the IPO are considered when evaluating whether the investable market capitalisation requirement has been met and if so, only the IPO shares will be included within the index weighting at the time of fast entry inclusion. The free float is then evaluated at the following index review. The offering shares multiplied by the closing price on the first day of official non-conditional trading will determine whether the IPO company satisfies the investable market cap threshold.

Note, if there is public disclosure that a restricted holder ([as defined by FTSE Russell](#)) has committed to participating in the offering for a set number of shares, these shares will be removed from the investable market capitalisation calculation for the purposes of fast entry evaluation and inclusion.

#### 5. Will the new Fast Entry Thresholds be published on a quarterly basis?

Consistent with current practice ([example](#)), the total market capitalisation fast entry thresholds for the FTSE 100 (rank 90) and FTSE 250 (rank 225) will be set and published at the time of the quarterly reviews in March, June, September and December, using data from the close of business on the Tuesday before the first Friday of the review month.

For example, in September 2025, the Fast Entry thresholds will be published on Wednesday 3 September 2025.

#### 6. When will this change come into effect?

This change will be implemented from the September 2025 index review and therefore will take effect from the open on Monday 22 September 2025.

#### 7. Why is FTSE Russell making this change to the Fast Entry Thresholds?

The change aims to include companies that come to the market through an IPO are included faster in the FTSE UK Index Series, so that material changes to the underlying market are reflected in a timely manner. The previous threshold that would allow companies to be included was set too high. The new threshold is expected to capture more companies under the Fast Entry rules and enable investors to participate in IPOs.

## 8. Has FTSE Russell conducted any historical analysis on the new thresholds, and if so, what was the illustrative impact?

Based on historical data and applying the new fast entry rules, 11 IPOs would have retrospectively been included faster as set out in the table below: three fast entries to the FTSE 100 and eight to the FTSE 250 would have occurred between 2013-2024. All these IPOs were included at the next index review following their IPO, to the same indices as they would have been if added as fast entry additions. There were no reverse turnover changes.

IPO security	Listing date	Gross market cap on listing date	Net market cap on listing date	Rank on listing date	Index impacted
Royal Mail	15/10/2013	£4.89bn	£2.59bn	71	FTSE 100
AutoTrader Group	24/03/2015	£2.65bn	£1.64bn	140	FTSE 250
Worldpay Group	16/10/2015	£5.3bn	£2.3bn	74	FTSE 100
CYBG	08/02/2016	£1.33bn	£1.33bn	198	FTSE 250
Metro Bank	10/03/2016	£1.76bn	£1.64bn	173	FTSE 250
ConvaTec Group	31/10/2016	£4.87bn	£1.6bn	87	FTSE 100
Pershing Square Holdings	02/05/2017	£2.9bn	£2.9bn	139	FTSE 250
Trainline	26/06/2019	£2bn	£1.1bn	171	FTSE 250
Dr Martens	03/02/2021	£4.4bn	£1.5bn	100	FTSE 250
Bridgepoint Group	26/07/2021	£4.1bn	£1.1bn	112	FTSE 250
Petershill Partners	01/10/2021	£4bn	£1bn	116	FTSE 250

## 9. Will the Fast Entry thresholds be reviewed in the future?

Yes, FTSE Russell will continue to monitor the Fast Entry thresholds on an annual basis to ensure they remain fit for purpose.

## Section 2

# Removal of the Sterling requirement

---

### 10. What is the history and background of the Sterling trading currency requirement?

Before 1999, only securities trading in Sterling were eligible for the FTSE UK Index Series, as it was considered appropriate for a UK domestic index. In 1999, the criteria were updated to allow Euro traded securities, consequent to the onset of the European Monetary Union. Further changes were made in 2008, requiring a Sterling trading price, although secondary lines trading in Euros or US Dollars were still allowed. In 2014, the requirement was updated to prohibit non-Sterling lines entirely, following comments that the negligible exposure to non-Sterling traded securities at that time led to unnecessary currency risk within the derivative markets.

### 11. What is the current eligibility criterion relating to the trading currency?

As set out in the FTSE UK Index Series ground rules, only securities which have been admitted to trading to the London Stock Exchange with a Sterling denominated trading price on SETS, are eligible for inclusion in the FTSE UK Index Series.

### 12. What change has FTSE Russell announced regarding the sterling trading currency requirement?

FTSE Russell has announced that the current requirement for securities to trade in Sterling to be eligible for inclusion in the FTSE UK Index Series will be removed.

The change will allow securities that trade in Sterling, Euros or US Dollars, to be considered for inclusion in the FTSE UK Index Series, if they meet all other eligibility criteria. The base currency of the FTSE UK Index Series will remain GBP, but non-GBP securities will have their market price converted to GBP for index calculations, using the end-of-day exchange rate for daily calculations and the real-time exchange rate for intra-day calculations.

### 13. When will this change come into effect?

This change will come into effect starting with the September 2025 index review, effective on Monday 22<sup>nd</sup> September 2025. From this point onwards, securities that trade in Sterling, Euros or US Dollars, will be considered for inclusion in the FTSE UK Index Series, provided they meet the other eligibility criteria. Any changes to the associated deliverables will be announced in due course, with a minimum of three months' notice prior to the September 2025 effective date.

## 14. Are any of the other inclusion criteria for the FTSE UK Index Series changing?

No – all other inclusion criteria will remain the same as per the [FTSE UK Index Series Ground Rules](#). For the avoidance of doubt, index inclusion will still require a UK Nationality as defined in section 5 of the [FTSE UK Index Series Ground Rules](#), and only companies trading on the London Stock Exchange on the Equity Shares (Commercial Companies) and Closed-ended investment fund categories will be eligible for potential inclusion to the index series.

## 15. Will other currencies such as JPY be considered?

No. The rule change will only permit Euros and US Dollars in addition to Sterling. The London Stock Exchange permits electronic trading on book in Sterling, Euros, and US Dollars on its SETS Trading Services and consequently the FTSE UK Index Series will reflect this.

## 16. What are the advantages of including securities which trade in Euros and US Dollar denominations, in addition to Sterling?

Please note that companies will still require a UK nationality as defined in the FTSE UK Index Series Ground Rules. UK companies can already list on the London Stock Exchange in Euros and USD. However, these UK companies were previously not index eligible. Expanding the eligibility criteria to include eligible UK listed companies with a trading currency in Euros or US Dollars will:

- Make the FTSE UK Index Series a more accurate representation of UK companies that can list on the London Stock Exchange.
- Align the FTSE UK Index Series with other FTSE Russell domestic indices that already allow non-local currencies.

## 17. Will this change mean more international companies will be included in the FTSE 100 and FTSE 250 indices?

Companies in the FTSE 100 currently derive approximately 86% of their revenues from outside the United Kingdom in non-sterling denominated currencies. Historically, the FTSE 100 has included companies with a global and international footprint, particularly in the energy and financial sectors. The FTSE 250 has historically had a more domestic focus than the FTSE 100 although it represents the mid-cap segment of the UK's international and domestic equity market listed on the London Stock Exchange. Companies will still require a UK nationality as defined by FTSE Russell for inclusion in the index.

## **18. How does FTSE Russell define a UK nationality for the purposes of index inclusion?**

UK incorporated companies which are listed on an eligible listing category on the London Stock Exchange, with a free float of 10% or above, and pass the FTSE UK Index Series liquidity test, will be assigned a UK nationality for the purposes of FTSE UK Index Series eligibility.

Non-UK incorporated companies with a sole listing on an eligible listing category on the London Stock Exchange are required to have a minimum free float of 25% and pass the FTSE UK Index Series liquidity test, and the company must publicly acknowledge adherence to the principles of the UK Corporate Governance Code, pre-emption rights, and the UK Takeover Code as far as practical, to be assigned a UK nationality for the purposes of FTSE UK Index Series eligibility.

In the event that a non-UK incorporated company which satisfies the above criteria but has multiple listings, nationality will be assigned as UK if liquidity is highest in the UK.

Full details are provided within Section 5 of the [FTSE UK Index Series ground rules](#). Please note that index inclusion is contingent on all other inclusion criteria as set out in the ground rules, being satisfied,

## **19. What currency impact will this change have on the index?**

As the base currency of the FTSE UK Index Series remains GBP, any non-GBP securities included in the index will have their market prices converted into GBP for index calculation purposes.

## **20. For the FTSE UK Expiry Indices, which exchange rate will be used to calculate the GBP price for constituents which trade in Euros or US Dollars for the purposes of calculating the final expiry value which is calculated intra-day on the third Friday of every month?**

To ensure certainty and transparency as the expiry approaches intra-day, the previous day's closing exchange rates used within the index calculation will be used to convert any non-GBP prices into GBP.

## **21. What is the expected impact to the index composition consequent to allowing securities with a Euro and US Dollar denominated trading price into the FTSE UK Index Series?**

The removal of the Sterling requirement allows for the potential inclusion of more companies with a listing in London, but the immediate turnover impact is negligible. If we look at the current situation, there are three securities listed in non-GBP currencies included within the FTSE UK Monitored List (listed on the Transition category) that could potentially become eligible for inclusion if they were to list on the Equity Shares (Commercial Companies) category and satisfy all other index inclusion criteria. The potential weight changes are minimal) and none are currently eligible for index inclusion regardless of the currency requirement.



Index	Number of Companies	Indicative Index Weight
FTSE 100	0	N/A
FTSE 250	1	0.02%
FTSE SmallCap	2	0.43%
FTSE All-Share	3	0.0114%

---

**For more information about our Indices, please visit [lseg.com/en/ftse-russell](https://lseg.com/en/ftse-russell).**

**Disclaimer**

© 2025 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) FTSE (Beijing) Consulting Limited ("WOFE"), (7) Refinitiv Benchmark Services (UK) Limited ("RBSL"), (8) Refinitiv Limited ("RL") and (9) Beyond Ratings S.A.S. ("BR"). All rights reserved.

FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. Refinitiv Benchmark Services (UK) Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL and BR. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "WMR™", "FR™", "Beyond Ratings®" and all other trademarks and service marks used herein (whether registered or unregistered) are trade marks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners, or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.

