

# ISTOXX® GLOBAL 5G & NEXGEN TELECOMMUNICATION COMPONENTS INDEX

## Index description

The iSTOXX Global NexGen Communication Innovative Technology Index is comprised of companies that stand to benefit from the continuous technological advancement in the telecommunications industry. The index focuses specifically on companies providing the network equipment, infrastructure and semiconductors required for the rollout of telecommunications services.

The index selects profitable companies that derive significant revenues from 32 sectors associated with the innovative communications technology theme, based on FactSet Revere (RBICS) data. Companies with the lowest investments in research and development are excluded, as are those that fail to meet thresholds of size and liquidity. Final selection into the index is determined by company size.

The investment universe consists of all stocks in France, Germany, Japan, Netherlands, South Korea, United Kingdom, United States, Hong Kong and Taiwan. Also included are China A shares listed in Shanghai/Shenzhen that are participants of the Stock Connect Program, as well as Chinese ADRs and so-called P Chips, Red Chips and H-Shares. The index is free-float market-

## Key facts

»Index allows targeted investment in the NextGen Communication Innovative Technology theme

»Detailed FactSet Revere (RBIC) data helps identify and select companies with a revenue exposure above 30% to sectors linked to the theme

»Liquidity filter ensures replicability

»Profitability screen strengthen investment proposal

»Filter based on R&D expenses filters out companies that are not investing in innovation

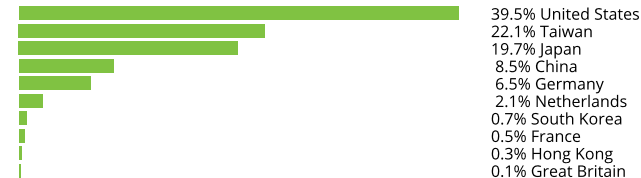
## Descriptive statistics

| Index  | Market cap (EUR bn.) |            | Components (EUR bn.) |        |         |          | Component weight (%) |          | Turnover (%)   |
|--|----------------------|------------|----------------------|--------|---------|----------|----------------------|----------|----------------|
|  | Full                 | Free-float | Mean                 | Median | Largest | Smallest | Largest              | Smallest | Last 12 months |
| iSTOXX Global 5G & NexGen Telecommunication Components Index | 970.0                | 816.7      | 8.2                  | 3.3    | 62.7    | 0.5      | 7.7                  | 0.1      | 14.6           |
| STOXX Global Total Market Index                              | 78,025.4             | 65,872.1   | 5.8                  | 0.6    | 2,660.8 | 0.0      | 4.0                  | 0.0      | 2.5            |

## Supersector weighting (top 10)



## Country weighting



## Risk and return figures<sup>1</sup>

| Index returns  | Return (%)                |      |      |      |       | Annualized return (%)                |      |      |      |      |
|--|---------------------------|------|------|------|-------|--------------------------------------|------|------|------|------|
|  | Last month                | YTD  | 1Y   | 3Y   | 5Y    | Last month                           | YTD  | 1Y   | 3Y   | 5Y   |
| iSTOXX Global 5G & NexGen Telecommunication Components Index | 2.8                       | 23.5 | 17.9 | 59.6 | 125.8 | N/A                                  | N/A  | 17.9 | 16.9 | 17.8 |
| STOXX Global Total Market Index                              | 3.4                       | 11.5 | 12.8 | 44.1 | 59.6  | N/A                                  | N/A  | 12.9 | 13.0 | 9.9  |
| Index volatility and risk                                    | Annualized volatility (%) |      |      |      |       | Annualized Sharpe ratio <sup>2</sup> |      |      |      |      |
| iSTOXX Global 5G & NexGen Telecommunication Components Index | 11.8                      | 15.5 | 18.8 | 19.1 | 20.4  | N/A                                  | N/A  | 0.6  | 0.8  | 0.8  |
| STOXX Global Total Market Index                              | 8.8                       | 11.3 | 14.0 | 13.9 | 17.0  | N/A                                  | N/A  | 0.7  | 0.9  | 0.6  |
| Index to benchmark   | Correlation               |      |      |      |       | Tracking error (%)                   |      |      |      |      |
| iSTOXX Global 5G & NexGen Telecommunication Components Index | 0.7                       | 0.6  | 0.7  | 0.7  | 0.8   | 8.2                                  | 12.4 | 13.8 | 13.5 | 13.3 |
| Index to benchmark   | Beta                      |      |      |      |       | Annualized information ratio         |      |      |      |      |
| iSTOXX Global 5G & NexGen Telecommunication Components Index | 1.0                       | 0.8  | 0.9  | 1.0  | 0.9   | -0.9                                 | 1.5  | 0.2  | 0.2  | 0.5  |

<sup>1</sup> For information on data calculation, please refer to STOXX calculation reference guide.

<sup>2</sup> Based on EURIBOR1M

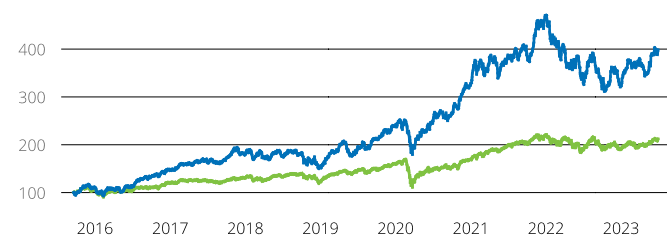
(EUR, gross return), all data as of Jun. 30, 2023

## THEME INDICES

## ISTOXX® GLOBAL 5G &amp; NEXGEN TELECOMMUNICATION

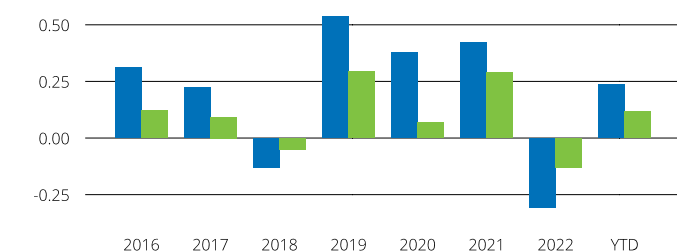
## Fundamentals (for last 12 months)

| Index  | Price/earnings<br>incl. negative |           | Price/earnings<br>excl. negative |           | Price/<br>book | Dividend<br>yield (%) <sup>3</sup> | Price/<br>sales | Price/<br>cash flow |
|--|----------------------------------|-----------|----------------------------------|-----------|----------------|------------------------------------|-----------------|---------------------|
|  | Trailing                         | Projected | Trailing                         | Projected | Trailing       | Trailing                           | Trailing        | Trailing            |
| iSTOXX Global 5G & NexGen Telecommunication Components Index | 17.8                             | 18.6      | 17.5                             | 18.5      | 3.3            | 2.9                                | 2.3             | 23.5                |
| STOXX Global Total Market Index                              | -0.9                             | 15.2      | 13.8                             | 14.5      | 0.2            | 2.5                                | 1.3             | 0.4                 |

Performance and annual returns<sup>4</sup>

— iSTOXX® Global 5G & NexGen Telecommunication Components Index

— STOXX® Global Total Market Index



■ iSTOXX® Global 5G & NexGen Telecommunication Components Index

■ STOXX® Global Total Market Index

## Methodology

The parent universe consists of companies from a combination of STOXX Country Total Market indices: France, Germany, Japan, Netherlands, South Korea, United Kingdom, United States, Hong Kong, Taiwan and China (ADRs, P chips, Red Chips, H Shares and A Shares that are accessible through Stock Connect).

Only companies with revenue exposure of more than 30% to the sectors associated with the theme are selected. FactSet Revere (RBICS) data allow a detailed breakdown of the revenue sources of the eligible companies, helping this index to select companies with substantial exposure to the theme.

Illiquid stocks are excluded, alongside companies with negative ROE and/or EPS in the last year. Companies with the lowest investments in R&D are then also excluded. Finally, the 100 remaining companies with the highest free-float market capitalization are selected for inclusion in the index. The index

## Versions and symbols

| Index            | ISIN         | Symbol    | Bloomberg       | Reuters   |
|------------------|--------------|-----------|-----------------|-----------|
| Gross Return EUR | CH0521174521 | .IXNGCITG |                 | .IXNGCITG |
| Net Return EUR   | CH0521174513 | .IXNGCITN |                 | .IXNGCITN |
| Price EUR        | CH0521174505 | .IXNGCITP |                 | .IXNGCITP |
| Gross Return USD | CH0521174554 | .IXNGCITU | .IXNGCITU INDEX | .IXNGCITU |
| Net Return USD   | CH0521174547 | .IXNGCITV | .IXNGCITV INDEX | .IXNGCITV |
| Price USD        | CH0521174539 | .IXNGCITL | .IXNGCITL INDEX | .IXNGCITL |

Complete list available here: [www.stoxx.com/data/vendor\\_codes.html](http://www.stoxx.com/data/vendor_codes.html)

## Quick facts

|                          |   |
|--------------------------|---|
| Weighting                | Free-float market cap                             |
| Cap factor               | 6% per component, 10% for total weight in China A |
| No. of components        | minimum 50, maximum 100 components                |
| Review frequency         | annually in September                             |
| Calculation/distribution | dayend  |
| Calculation hours        | 22:15:00 22:15:00                                 |
| Base value/base date     | 100 as of Sep. 18, 2015                           |
| History                  | Available since Sep. 19, 2015                     |
| Inception date           | Jan. 31, 2020                                     |

To learn more about the inception date, the currency, the calculation hours and historical values, please see our data vendor code sheet.

## CONTACT DETAILS

STOXX customer support | P +41 43 430 7272 | [customersupport@stoxx.com](mailto:customersupport@stoxx.com) | <https://qontigo.com/support/>

## DISCLAIMER

STOXX, Deutsche Boerse Group (DBAG) and their licensors, research partners or data providers do not make any warranties or representations, express or implied, with respect to the timeliness, sequence, accuracy, completeness, currentness, merchantability, quality or fitness for any particular purpose of its index data and exclude any liability in connection therewith. STOXX, DBAG and their licensors, research partners or data providers are not providing investment advice through the publication of indices or in connection therewith. In particular, the inclusion of a company in an index, its weighting, or the exclusion of a company from an index, does not in any way reflect an opinion of STOXX, DBAG or their licensors, research partners or data providers on the merits of that company. Financial instruments based on the STOXX® indices, DAX® indices or on any other indices supported by STOXX are in no way sponsored, endorsed, sold or promoted by STOXX, DBAG or their licensors, research partners or data providers.

## BACKTESTED PERFORMANCE

This document contains index performance data based on backtesting, i.e. calculations of how the index might have performed prior to launch if it had existed using the same index methodology and based on historical constituents. Backtested performance information is purely hypothetical and is provided in this document solely for information purposes. Backtested performance does not represent actual performance and should not be interpreted as an indication of actual performance.

## CUSTOMIZATION

The index can be used as a basis for the definition of STOXX® Customized Indices, which can be tailored to specific client or mandate needs. STOXX offers customization in almost unlimited forms for example in terms of component selection, weighting schemes and personalized calculation methodologies.

<sup>3</sup> gr. div. yield is calculated as gr. return index return minus price index return

<sup>4</sup> STOXX data from Sep. 18, 2015 to Jun. 30, 2023

(EUR, gross return), all data as of Jun. 30, 2023

## THEME INDICES

## ISTOXX® GLOBAL 5G &amp; NEXGEN TELECOMMUNICATION COMPONENTS INDEX

Top 10 Components<sup>5</sup>

| <b>Company</b>                | <b>Supersector</b>          | <b>Country</b> | <b>Weight (%)</b> |
|-------------------------------|-----------------------------|----------------|-------------------|
| Applied Materials Inc.        | Technology                  | United States  | 7.68              |
| Lam Research Corp.            | Technology                  | United States  | 7.38              |
| TSMC                          | Technology                  | Taiwan         | 6.17              |
| INFINEON TECHNOLOGIES         | Technology                  | Germany        | 6.04              |
| Tokyo Electron Ltd.           | Technology                  | Japan          | 5.42              |
| TE CONNECTIVITY LTD.          | Technology                  | United States  | 4.98              |
| Qualcomm Inc.                 | Technology                  | United States  | 4.70              |
| Murata Manufacturing Co. Ltd. | Technology                  | Japan          | 4.03              |
| MediaTek Inc.                 | Technology                  | Taiwan         | 3.97              |
| KEYSIGHT TECHNOLOGIES         | Industrial Goods & Services | United States  | 3.35              |

<sup>5</sup> Based on the composition as of Jun. 30, 2023