

# ISTOXX GLOBAL 5G & NEXGEN TELECOMMUNICATION COMPONENTS

## 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

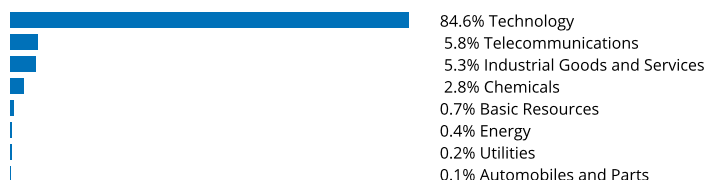
»Profitability screen strengthen investment proposal

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

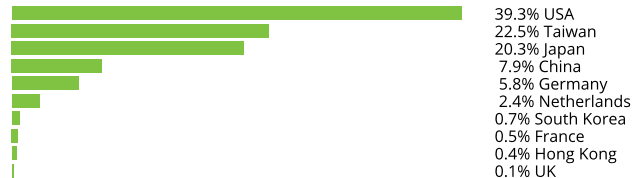
## Descriptive statistics

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	951.8	806.9	8.1	3.2	66.6	0.4	8.3	0.1	14.8
STOXX Global Total Market	78,733.6	66,517.3	5.9	0.6	2,590.6	0.0	3.9	0.0	2.8

## 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	-3.6	22.0	8.9	52.8	105.4	N/A	N/A	8.9	15.2	15.6
STOXX Global Total Market	-1.2	19.8	5.5	37.8	51.4	N/A	N/A	5.6	11.4	8.8
Index volatility and risk	Annualized volatility (%)					Annualized Sharpe ratio				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
iSTOXX Global 5G & NexGen Telecommunication Components	N/A	N/A	17.3	19.0	20.5	N/A	N/A	0.2	0.7	0.7
STOXX Global Total Market	N/A	N/A	13.0	13.8	17.0	N/A	N/A	0.1	0.7	0.5
Index to benchmark	Correlation					Tracking error (%)				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
iSTOXX Global 5G & NexGen Telecommunication Components	0.7	0.6	0.7	0.7	0.8	10.4	12.2	12.8	13.2	13.4
Index to benchmark	Beta					Annualized information ratio				
	Last month	YTD	1Y	3Y	5Y	Last month	YTD	1Y	3Y	5Y
iSTOXX Global 5G & NexGen Telecommunication Components	1.0	0.9	0.9	1.0	0.9	-2.7	0.8	0.1	0.2	0.4

<sup>1</sup> For information on data calculation, please refer to [STOXX calculation reference guide](#).

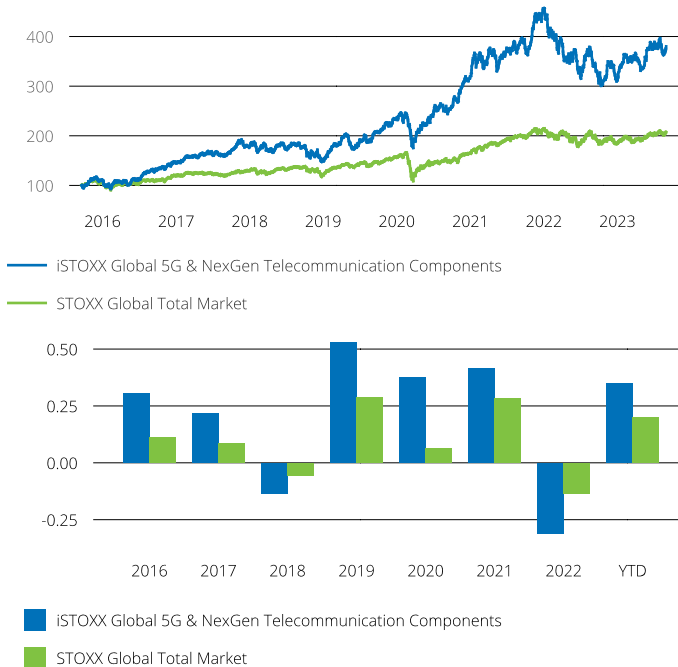
(EUR, net return), all data as of Aug. 31, 2023

## THEME INDICES

## ISTOXX GLOBAL 5G &amp; NEXGEN TELECOMMUNICATION

## Fundamentals (for last 12 months)

Index	Price/earnings incl. negative		Price/earnings excl. negative		Price/book	Dividend yield (%) <sup>3</sup>	Price/sales	Price/cash flow
	Trailing	Projected	Trailing	Projected	Trailing	Trailing	Trailing	Trailing
ISTOXX Global 5G & NexGen Telecommunication Components	19.3	19.3	18.7	19.1	3.3	2.0	2.3	5.2
STOXX Global Total Market	17.5	14.7	14.7	14.0	0.2	1.8	1.3	0.2

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

## 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 USD	CH0521174554	IXNGCITU	IXNGCITU INDEX	.IXNGCITU
Price EUR	CH0521174505	IXNGCITP		.IXNGCITP
Net Return EUR	CH0521174513	IXNGCITN		.IXNGCITN
Gross Return EUR	CH0521174521	IXNGCITG		.IXNGCITG
Price USD	CH0521174539	IXNGCITL	IXNGCITL INDEX	.IXNGCITL
Net Return USD	CH0521174547	IXNGCITV	IXNGCITV INDEX	.IXNGCITV

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/>

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## 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> Net dividend yield is calculated as net return index return minus price index return

<sup>4</sup> STOXX data from Sep. 18, 2015 to Aug. 31, 2023

(EUR, net return), all data as of Aug. 31, 2023

ISTOXX GLOBAL 5G & NEXGEN TELECOMMUNICATION COMPONENTS

Top 10 Components<sup>5</sup>

Company	Supersector	Country	Weight (%)
Applied Materials Inc.	Technology	USA	8.25
Lam Research Corp.	Technology	USA	8.20
TSMC	Technology	Taiwan	5.85
Tokyo Electron Ltd.	Technology	Japan	5.75
INFINEON TECHNOLOGIES	Technology	Germany	5.34
TE CONNECTIVITY LTD.	Technology	USA	4.78
Qualcomm Inc.	Technology	USA	4.60
MediaTek Inc	Technology	Taiwan	4.04
Murata Manufacturing Co. Ltd.	Technology	Japan	4.04
Corning Inc.	Technology	USA	2.89

<sup>5</sup> Based on the composition as of Aug. 31, 2023