

# Dow Jones Islamic Market Titans Indexes

**Dow Jones Islamic Market U.S. Titans 50 Index**

**Dow Jones Islamic Market Europe Titans 25 Index**

**Dow Jones Islamic Market Asia/Pacific Titans 25 Index**

**Dow Jones Islamic Market Titans 100 Index**

The Dow Jones Islamic Market Titans family includes three regional blue-chip indexes that together make up a 100-stock global blue-chip index.

## INDEX UNIVERSE

The index universe is defined as all component stocks of the Dow Jones Islamic Market Index (DJIM), a global index that is constructed to comply with Islamic investment guidelines. The DJIM itself is derived from the Dow Jones World Index, a broad-based index that represents approximately 95% of developed markets (except Europe) at the country level, 95% of Europe at the regional level and 95% of emerging markets as a group. To determine their eligibility for the DJIM, stocks are screened based on industry type and financial ratios:

- ▶ Industry Type: Excluded are companies that represent the following lines of business: alcohol, tobacco, pork-related products, financial services, defense/weapons and entertainment.
- ▶ Financial Ratios: Excluded are companies whose total debt divided by trailing 12-month average market capitalization is 33% or more; those whose cash plus interest-bearing securities divided by trailing 12-month average market capitalization is 33% or more; and those whose accounts receivables divided by 12-month average market capitalization is 33% or more.

## SELECTION LISTS

The selection list for each of the three regional indexes is established by aggregating all current index component companies plus an equal number of noncomponent companies selected top-down based on float-adjusted market capitalization from the subset of DJIM components traded on the region's exchanges.

## STOCK SELECTION

For each regional index, stocks are chosen as components from the selection list based on the following steps:

1. Companies on the selection list are ranked in terms of each of the following factors:
  - ▶ Float-adjusted market capitalization
  - ▶ Sales/revenue
  - ▶ Net profit

2. For each company, Sales/revenue rank is weighted at 20%, the Net Profit rank is weighted at 20%, and the Float-adjusted Market Capitalization rank is weighted at 60%.
3. The three ranks are combined to produce a final rank.
4. Stocks are selected top-down by final rank until the target component number has been reached.

### BUFFER RULES

The regional indexes' component lists are finalized based on the following buffer ranges:

INDEX	BUFFER RANGE
DJIM U.S. Titans 50	40-60
DJIM Europe Titans 25	20-30
DJIM Asia/Pacific Titans 25	20-30

For example, any component stock of the DJIM Europe Titans 25 Index with a final rank of 31 or lower is replaced by the highest-ranked noncomponent stock on the selection list. Any noncomponent stock with a final rank of 20 or higher replaces the lowest-ranked current index component.

The DJIM Titans 100 Index is constructed by combining the components of the three regional indexes.

### REVIEW FREQUENCY

The indexes are reviewed annually in June.

### WEIGHTING

The indexes are weighted by float-adjusted market capitalization. Each component's weight capped at 10% of the index's total free-float market capitalization. Weights are reviewed quarterly.