



DEUTSCHE BÖRSE  
MARKET DATA



**DAX** **MDAX** **TecDAX** **SDAX**

Deutsche Börse Blue Chip  
Indices

The index family for the  
German equity market

## Deutsche Börse Index Products

### Benchmarks and Underlyings for International Financial Products

Deutsche Börse develops, calculates and disseminates over 3,000 indices under the umbrella brands DAX®, DAXplus® and DAXglobal®, thus making it one of the world's most innovative and renowned index providers. The well known domestic indices DAX®, MDAX® and DivDAX® offer transparency and a clear breakdown for the German market.

The DAXglobal® family, which entails market specific international indices, allows investors to participate, amongst others, in the development of global emerging markets. The DAXplus® strategy indices were

developed to offer an attractive risk/return profile compared to the overall market. Above all, this family includes indices based on modern portfolio theory and indices that integrate derivative components, representing the advancement of traditional indices and covering new investment opportunities.

## Deutsche Börse Indices

### Innovation strength

With our innovative indices, we are continually expanding the range of options available to investors, helping them to react to specific market situations, or to make systematic investments based on their individual requirements.

Our product development focuses on the use of concepts and approaches that ensure an optimal implementation of market demands. This approach has led the investment industry to reward our efforts – for the second year running – with the “Most innovative ETF Index Provider Europe” award. This prize is given to individuals and companies that have made a valuable contribution to the advancement of the global ETF industry.

Receiving this award again in 2009 confirms Deutsche Börse AG's position as an innovative leader in the international index business and honors the numerous product innovations developed in the past years.



## Blue Chip indices

### German indices with global importance

#### **DAX® – Deutsche Börse's top index**

Deutsche Börse has been calculating the DAX® Index since 1 July 1988 (when we were still known as the Frankfurt Stock Exchange). The index was developed together with the Association of German stock exchanges (Arbeitsgemeinschaft der Deutschen Wertpapierbörsen) and the Börsen-Zeitung newspaper. The launch made available a representative German index that could serve as an underlying for innovative financial instruments, which were still relatively new at the time.

DAX® includes the share prices of the 30 largest German companies (known as blue chips) listed on the Frankfurt Stock Exchange. Being an extremely well known index, it is often seen as the benchmark index for the German equity market. The main function of the DAX® Index is to provide investors with easy, transparent and fast access to investments in the German equity market via index derivatives. Accordingly, the index is designed to be ideally suited as an underlying for derivatives and, at the same time, to provide a representative picture of the German equity market.

The index constituents are not chosen at will, but according to clearly defined, rule-based criteria: market capitalization and exchange turnover.

The 30 stocks contained in DAX® represent around 80 percent of the market capitalization listed in Germany. In addition to the construction industry, all sectors with influence on the German economy are represented, for example the automotive industry, banks, the technology sector and utilities companies. But right from the start, another objective was a key consideration: The DAX® Index was designed to be used as an underlying for financial products.

One of the first was the DAX®-Future FDAX®, which was launched on 23 November 1990. Today, there are almost 50,000 financial products based on the DAX® Index, ranging from exchange traded funds (ETFs) through structured products to futures and options.

#### **MDAX® – focusing on traditional sectors**

The MDAX® Index contains 50 medium-sized German companies, as well as foreign companies operating primarily in Germany from traditional industrial sectors. These companies come in behind the 30 DAX® stocks in terms of market capitalization and exchange turnover. Therefore, the index tracks the performance of mid caps, the medium-sized industrial stocks.

MDAX® companies are strong, solid brand names or highly specialized leaders in their field with constant earnings development. No company is allowed to account for more than 10 percent of the index. The MDAX® has returned constant above-average performance, and became the first German stock exchange index to exceed the 10,000 point mark in February 2007.

#### **SDAX® – a platform for small caps**

SDAX® is the selection index for the 50 stocks that follow the companies included in the MDAX® in terms of market capitalization and order book turnover. A total of twelve sectors is represented on the SDAX®, including the media, chemical and transport industries. The industrial and financial services sectors each make up one third of the index.

In short, the SDAX® Index tracks the small-cap segment from the industrial sectors of the German market.

## Blue Chip indices

### German indices with global importance

#### **TecDAX® – the leading index for German technology companies**

The TecDAX® Index comprises 30 of the biggest technology stocks. As with MDAX®, foreign technology companies which operate predominately in Germany can also be admitted to TecDAX®. The stocks are selected based on market capitalization and order book turnover, and no stock can account for more than 10 percent of the index. The index composition is reviewed twice a year in March and September. The TecDAX® Index charts the segment that encompasses the small and medium-sized technology stocks listed on the German equity market. It was launched in March 2003 to replace the NEMAX 50 and is the leading barometer gauging the development of Germany's technology stocks.

The TecDAX® serves as an underlying for a whole range of derivatives (from ETFs to futures and options) and remains extremely popular with investors across the globe.

#### **ÖkoDAX® – invest in renewable energy**

In view of high oil prices and the global debate on environmental protection, companies that focus on alternative energy sources such as the sun, the wind, hydropower or biomass are becoming increasingly interesting from an investor perspective. But the interest in green electricity is also increasingly drawing more of the sector's companies to the stock exchange, as the current climate debate and rising oil price steers investor attention towards this segment. As Germany is a leader in renewable energies, there is a great deal of investor interest in this market. There is also great demand among banks and asset managers for corresponding underlyings.

The ÖkoDAX® reflects this trend and tracks the ten largest German companies (based on market capitalization) in the renewable energies sector. The index composition is adjusted on a quarterly basis. ÖkoDAX® offers a strictly rule-based, transparent and liquid underlying for renewable energy investments in Germany. The ÖkoDAX® Index companies hail from the solar, wind, hydropower and bioenergy sectors.

#### **HDAX® – a broad benchmark for the German market**

The HDAX® comprises all 110 companies contained in the DAX®, MDAX® and TecDAX® selection indices. Its composition changes when the underlying indices are adjusted. It represents over 95% of total market capitalisation, making it the benchmark for the German equity market.

#### **GEX – the index for small to medium sized enterprises**

The German Entrepreneurial Index GEX® concentrates on owner-run companies with a relatively new capital market presence. Between 25 percent and 75 percent of the companies represented by the GEX® are owned by the companies' current managers, and have been listed on the stock exchange for no more than 10 years. This means that they act as a peer group for companies that are not yet listed on the stock exchange.

The GEX® Index serves its constituents as a showcase for investors. In this case it provides greater visibility to owner-run companies. Therefore, GEX® makes this important segment of the German economy accessible to investors and the general public.

# DAX® sector indices

## 18 sectors in 9 supersectors

Deutsche Börse calculates sector indices for the Prime Segment and for a larger portfolio comprising all companies listed in the Prime, General and Entry Standard. Deutsche Börse aggregates 18 sectors in nine supersectors: Utilities, Telecommunications, Financials, Industrials, Information Technology, Pharma & Healthcare, Basic Materials, Consumer Goods and Consumer Services with a daily exchange turnover of at least €1 million. Sector allocation is based on the companies' respective sales focus. If this focus changes, the company in question can be removed from one sector and included in another at the next rebalancing.

With consistent naming and transparent rules, Deutsche Börse offers investors access to Germany's most attractive sectors.

### The most important sectors of the German economy

The DAXsupersector indices offer investors the first fully investible sector indices for the German market.

The nine supersector indices meet the statutory requirements for fund investments (UCITS) and are specifically geared to the tradability of the index portfolio.

DAX® sector indices

9 supersectors	DAXsubsector				Selection indices
18 sectors	DAXsector	DAXsector All			All-share indices
63 sub-sectors	DAXsubsector	DAXsubsector All			All-share indices
	Prime Standard	Prime Standard	General Standard	Entry Standard	

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