

# Dow Jones Islamic Market Greater China Index<sup>SM</sup>

# Methodology

## Introduction

The Dow Jones Islamic Market Greater China Index<sup>SM</sup> (DJIM Greater China Index<sup>SM</sup>) represents companies whose primary operations are in mainland China, Hong Kong and Taiwan. The stocks are traded on the Hong Kong Stock Exchange, Taiwan Stock Exchange or U.S. exchanges. The components of the index are consistent with the Islamic principles.

## Index Universe

The index universe is defined as all companies in the Dow Jones Total Stock Market (TSM) China Offshore Index<sup>SM</sup>, the Dow Jones TSM Hong Kong Index<sup>SM</sup> and the Dow Jones TSM Taiwan Index<sup>SM</sup>. The Dow Jones TSM China Offshore Index<sup>SM</sup> represents approximately 95% of the float-adjusted market capitalization of all the companies whose primary operations are in mainland China but that trade in Hong Kong and the U.S. The Dow Jones TSM Hong Kong Index<sup>SM</sup> and the Dow Jones TSM Taiwan Index<sup>SM</sup> represent approximately 98% of the float-adjusted market capitalization of Hong Kong market and Taiwan market, respectively.

## Stock Selection

The DJIM Greater China Index<sup>SM</sup> includes all securities in the index universe that pass the following screens for Islamic compliance:

### Industry Type

Excluded are companies that represent the following lines of business: alcohol, tobacco, pork-related products, conventional financial services, defense/weapons and entertainment.

### Financial Ratios

Excluded are companies whose:

- Total debt divided by trailing 24-month average market capitalization is 33% or more.
- Cash plus interest-bearing securities divided by trailing 24-month average market capitalization is 33% or more.
- Accounts receivables divided by trailing 24-month average market capitalization is 33% or more.

## Review Frequency

The index composition is reviewed quarterly in March, June, September and December. The index is also reviewed on an ongoing basis to account for corporate actions such as mergers, delistings or bankruptcies.

## Weighting

The index is weighted by float-adjusted market capitalization. The total weight of all Taiwan companies in the index is capped at 30% and the weight of each individual component is capped at 10%.

## Historical Data Availability

Calculation of the Dow Jones Islamic Market Greater China Index<sup>SM</sup> began on August 28, 2009. Real index history is available daily from this date forward. Back-tested historical data have been calculated daily back to December 31, 2005, the date at which the index base value is set at 1000.

Estimated back-tested historical data represents calculations of how the index might have performed in the past if it had existed. Back-tested performance information is purely hypothetical and is solely for informational purposes. Back-tested performance does not represent actual performance, and should not be interpreted as an indication of actual performance. Past performance is not indicative of future results. Index performance is not the same as fund performance as it does not reflect management and other fees.

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For more information on the **Dow Jones Islamic Market Greater China Index**<sup>SM</sup>,  
email [djindexsupport@dowjones.com](mailto:djindexsupport@dowjones.com) or call U.S. +1.609.520.7249; Asia +86.10.8400.7774;  
Europe +49.69.29.725.180. Learn more at [www.djindexes.com](http://www.djindexes.com).

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