



DEUTSCHE BÖRSE
GROUP

Omnient

Omnient[®] Big Data and Cloud Computing 60 Index Methodology Guide

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Omnient[®]

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1. Introduction to the Omnient Index guides

- The **Omnient General Principles guide** provides an overview of the general principles, coverage and the **Omnient General Principles and Calculation guide** provides an overview of the general principles, coverage and characteristics governing the Omnient indices, as well as an overview of their calculation, dissemination, the index formulas and adjustments due to corporate actions.
- The series of **Omnient Index Methodology guides** contain index-specific rules regarding the construction and derivation of the respective portfolio-based indices, the individual component selection process and weighting schemes. Index-specific exceptions to the **Omnient General Principles and Calculation guide** will also be described in the relevant **Omnient Index Methodology guide**.
- The Version history of the present **Omnient Index Methodology guide** is available in section 3.
- All rulebooks are available on <https://www.omnient.com/resources> in the Rulebook section

2. Omnient Big Data and Cloud Computing 60 index

2.1 Index methodology

2.1.1 Overview

The Omnient Big Data and Cloud Computing 60 Index comprises a selection of stocks from the STOXX Global 1800 Index that can be associated with big data and cloud computing. Companies are categorized based on their Industry Classification Benchmark (ICB) nomenclature. The final universe of companies is selected based on their profitability and financial health.

Universe: The index universe is defined by the STOXX Global 1800.

Weighting scheme: Price weighted, with weight-factors proportional to Low-Volatility, i.e. the inverse of the minimum between the 3-month and 12-month volatility.

Base values and dates: 100 as of 19/09/2008.

Index types and currencies: Price, Net Return, Gross Return in EUR and USD.

2.2.1 Index review

Selection list: For all companies available in the universe, those which fulfil the following criteria are included in the selection list:

- companies which are classified in one of the following ICB subsectors: Media Agencies (5555), Investment Services (8777), Computer Services (9533), Software (9537), Broadline Retailers (5373), Internet (9535)
- companies whose free-float market capitalization is greater than 0.2 billion EUR
- companies whose 3-month average daily traded value (3m ADTV) is greater than 1 million EUR

Component selection: For all securities in the selection list, two separate ranks are calculated, one based on their Current Ratio and the other based on their Return on Equity, both in descending order.

A composite score is calculated for all the stocks using the previously calculated individual attribute ranks as simple average of the two:

$$\frac{\text{Rank (Current Ratio)} + \text{Rank (Return on Equity)}}{2}$$

All the stocks are again ranked in ascending order based on their composite score, with Rank 1 being the best. The company with the lowest composite score receives Rank 1. The top 60 ranked constituents based on the composite rank are selected for the final index composition. If multiple constituents have the same composite score, the larger company based on free float market capitalization would receive the higher rank.

Review procedure: The reviews are conducted on a semi-annual basis. The review cut-off date for the underlying data is the last trading day of the month prior to the review month.

Weighting factors:

$$w_i = \frac{1/\sigma_i}{\sum_{j=1}^n 1/\sigma_j}$$

$$wf_i = \frac{w_i}{p_i} \cdot K$$

With:

n: Number of stocks in the index

w_i : Weight of stock i

σ_i : minimum between the 3-month and 12-month volatility for stock i

wf_i : Weight factor of stock i

p_i : Adjusted closing price in EUR of stock i as of the Thursday preceding the second Friday of the review month

K: Numeraire (10,000,000)

Components are capped at a maximum weight of 15.00%. The weighting factors are published on the second Friday, one week prior to the semi-annual review implementation date

2.2 Ongoing maintenance

The index is maintained following the rules outlined in section 7 **Corporate actions and adjustments** of the [Omnient General Principles and Calculation guide](#).

Replacements: Deleted companies are not replaced.

Fast exit: Not applicable.

Fast entry: Not applicable.

3. Version history of the present Omnient Index Methodology guide

Version	Date	Changes
1	12/03/2018	Rulebook Creation
2	15/05/2018	Updates the index name and number of constituents to 60