

# FTSE Global Equity Shariah Index Series

Data as at: 31 May 2022

The FTSE Global Equity Shariah Index Series has been designed to be used as the basis of Shariah compliant investment products that meet the requirements of Islamic investors globally.

Using the FTSE Global All-Cap index as a base universe, constituents are then screened against a clear set of Shariah principles. Shariah screening is undertaken by Yasaar Limited, to create a Shariah compliant index series. Their approach is described below.

## Business Activity Screening

Initially, companies involved in any of the following activities will be filtered out as non Shariah-compliant:

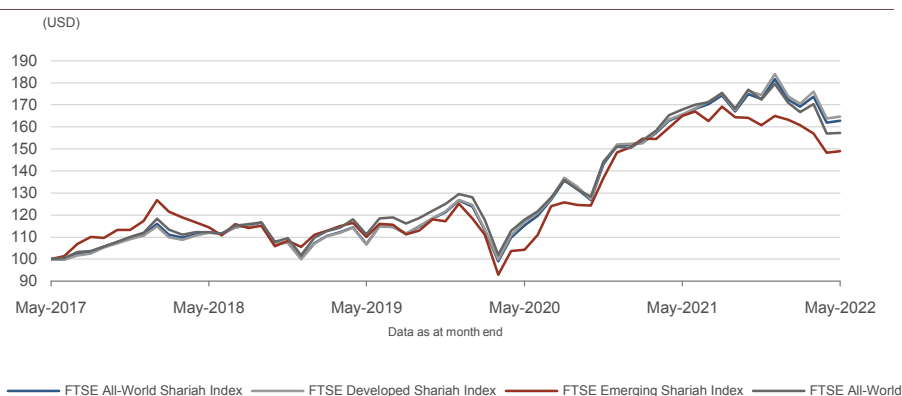
- Conventional finance (non-Islamic banking, finance and insurance, etc.);
- Alcohol;
- Pork related products and non-halal food production, packaging and processing or any other activity related to pork and non-halal food;
- Entertainment (casinos, gambling and pornography);
- Tobacco; weapons, arms and defence manufacturing.

## Financial Ratios Screening

The remaining companies are then further screened on a financial basis. The following financial ratios must be met for companies to be considered Shariah-compliant:

- Debt is less than 33.333% of total assets;
- Cash and interest bearing items are less than 33.333% of total assets;
- Accounts receivable and cash are less than 50% of total assets;
- Total interest and non compliant activities income should not exceed 5% of total revenue.

## 5-Year Performance - Total Return



## FEATURES

### Coverage

The FTSE Global Equity Shariah Index Series covers all regions across both developed and emerging markets, to create a comprehensive Shariah indexing solution.

### Impartial

By partnering with Yasaar Ltd, an impartial consultancy and leading authority on Shariah, FTSE remains neutral and fully up to date with latest practices.

### Fatwa-certified

The FTSE Global Equity Shariah Index Series has been fully certified as Shariah-compliant through the issue of a Fatwa (Islamic legal opinion) by Yasaar's principals.

### Asset-based debt screening

Unlike other competitor methodologies, a more conservative approach to Shariah compliance is ensured by rating debt ratio limits that are measured as a percentage of total assets, rather than more volatile measures that use 12 month trailing market capitalisation. This ensures companies do not pass the screening criteria due to market price fluctuation, allowing the methodology to be less speculative and more in keeping with Shariah principles.

### School-neutral

Yasaar Limited scholars represent all of the major Shariah schools of thought, creating a best practices approach that has credibility across the Islamic world.

### Industry Classification Benchmark (ICB)

Index constituents are categorised in accordance with the Industry Classification Benchmark (ICB), the global standard for industry sector analysis.

**Performance and Volatility - Total Return**

Index (USD)	Return %						Return pa %*		Volatility %**		
	3M	6M	YTD	12M	3YR	5YR	3YR	5YR	1YR	3YR	5YR
FTSE All-World Shariah Index	-3.8	-5.7	-10.4	-1.6	52.3	62.7	15.1	10.2	13.8	19.7	15.9
FTSE Developed Shariah Index	-3.3	-5.5	-10.5	-0.6	54.5	64.7	15.6	10.5	14.5	20.0	16.1
FTSE Emerging Shariah Index	-7.3	-7.4	-9.7	-9.7	35.4	48.9	10.6	8.3	15.2	20.1	16.7
FTSE All-World	-5.7	-8.8	-12.4	-6.4	41.3	57.2	12.2	9.5	14.4	19.8	15.7

\* Compound annual returns measured over 3 and 5 years respectively

\*\* Volatility – 1YR based on 12 months daily data. 3YR based on weekly data (Wednesday to Wednesday). 5YR based on monthly data

**Return/Risk Ratio and Drawdown - Total Return**

Index (USD)	Return/Risk Ratio				Drawdown (%)			
	1YR	3YR	5YR	10YR	1YR	3YR	5YR	10YR
FTSE All-World Shariah Index	-0.1	0.7	0.6	0.8	-16.3	-33.9	-33.9	-33.9
FTSE Developed Shariah Index	0.0	0.7	0.7	0.8	-16.1	-33.8	-33.8	-33.8
FTSE Emerging Shariah Index	-0.6	0.4	0.5	0.3	-19.9	-34.9	-34.9	-39.5
FTSE All-World	-0.4	0.5	0.6	0.8	-18.0	-33.7	-33.7	-33.7

Return/Risk Ratio – based on compound annual returns and volatility in Performance and Volatility table

Drawdown - based on daily data

**Year-on-Year Performance - Total Return**

Index % (USD)	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
FTSE All-World Shariah Index	13.4	20.4	3.9	-4.2	8.5	24.1	-9.8	26.2	19.6	19.9
FTSE Developed Shariah Index	13.3	23.7	4.7	-3.2	8.1	23.1	-9.7	27.0	19.8	21.0
FTSE Emerging Shariah Index	14.2	-6.4	-3.9	-16.2	13.2	33.4	-10.0	18.6	18.5	11.2
FTSE All-World	17.1	23.3	4.8	-1.7	8.6	24.6	-9.1	27.2	16.6	18.9

**Top 10 Constituents - FTSE Shariah All-World**

Constituent	Country	ICB Sector	Net MCap (USDm)	Wgt %
Apple Inc.	USA	Technology Hardware and Equipment	2,294,852	8.60
Tesla	USA	Automobiles and Parts	630,387	2.36
Johnson & Johnson	USA	Pharmaceuticals and Biotechnology	472,485	1.77
Taiwan Semiconductor Manufacturing	Taiwan	Technology Hardware and Equipment	463,021	1.73
Exxon Mobil Corporation	USA	Oil Gas and Coal	406,083	1.52
Procter & Gamble	USA	Personal Care Drug and Grocery Stores	355,485	1.33
Chevron	USA	Oil Gas and Coal	337,511	1.26
Nestle	Switzerland	Food Producers	335,719	1.26
Pfizer	USA	Pharmaceuticals and Biotechnology	295,759	1.11
Lilly (Eli) & Co	USA	Pharmaceuticals and Biotechnology	265,377	0.99
<b>Totals</b>			<b>5,856,679</b>	<b>21.94</b>

**INFORMATION****Index Universe**

FTSE Global All-Cap Index

**Index Launch**

29 October 2007

**Base Date**

22 September 2003

**Base Value**

1000

**Investability Screen**

Actual free float applied and liquidity screened

**Index Calculation**

Real-time and end-of-day index available

**End-of-Day Distribution**

Via FTP and email

**Review Dates**

Quarterly in March, June, September, December

**Currency**

EUR, GBP, USD, Yen and Local (where specified)

## ICB Supersector Breakdown

ICB Code	ICB Supersector	FTSE All-World Shariah Index			FTSE All-World		
		No. of Cons	Net MCap (USDm)	Wgt %	No. of Cons	Net MCap (USDm)	Wgt %
1010	Technology	233	6,500,796	24.35	412	13,322,080	21.66
1510	Telecommunications	74	742,256	2.78	144	1,972,281	3.21
2010	Health Care	236	5,262,726	19.71	351	7,324,098	11.91
3010	Banks	12	112,212	0.42	269	4,487,692	7.30
3020	Financial Services	6	18,619	0.07	211	2,653,733	4.31
3030	Insurance	2	3,386	0.01	124	1,924,261	3.13
3510	Real Estate	86	435,895	1.63	255	1,806,725	2.94
4010	Automobiles and Parts	86	1,116,525	4.18	127	1,754,250	2.85
4020	Consumer Products and Services	120	814,193	3.05	197	1,843,028	3.00
4030	Media	16	119,814	0.45	56	666,934	1.08
4040	Retailers	44	430,344	1.61	112	2,984,143	4.85
4050	Travel and Leisure	28	53,366	0.20	118	1,033,967	1.68
4510	Food Beverage and Tobacco	79	781,815	2.93	218	2,640,233	4.29
4520	Personal Care Drug and Grocery Stores	50	912,772	3.42	106	1,417,774	2.31
5010	Construction and Materials	118	667,851	2.50	138	743,372	1.21
5020	Industrial Goods and Services	352	2,824,132	10.58	580	6,988,720	11.36
5510	Basic Resources	142	1,344,058	5.03	178	1,411,809	2.30
5520	Chemicals	145	1,119,397	4.19	172	1,236,938	2.01
6010	Energy	127	2,811,194	10.53	156	3,283,016	5.34
6510	Utilities	85	623,408	2.34	204	2,011,158	3.27
<b>Totals</b>		<b>2041</b>	<b>26,694,759</b>	<b>100.00</b>	<b>4128</b>	<b>61,506,212</b>	<b>100.00</b>

## Country Breakdown

Country	FTSE All-World Shariah Index			FTSE All-World		
	No. of Cons	Net MCap (USDm)	Wgt %	No. of Cons	Net MCap (USDm)	Wgt %
Australia	62	719,584	2.70	111	1,368,589	2.23
Austria	5	22,332	0.08	7	33,588	0.05
Belgium	3	26,437	0.10	16	152,935	0.25
Brazil	41	227,274	0.85	99	447,276	0.73
Canada	14	479,537	1.80	51	1,741,328	2.83
Chile	8	11,389	0.04	20	46,989	0.08
China	571	606,211	2.27	1054	2,151,634	3.50
Colombia	2	4,625	0.02	9	19,086	0.03
Czech Rep.	1	7,671	0.03	3	11,108	0.02
Denmark	14	332,718	1.25	21	395,831	0.64
Egypt	2	563	0.00	7	6,154	0.01
Finland	11	125,027	0.47	17	208,409	0.34
France	38	981,480	3.68	78	1,653,832	2.69
Germany	53	787,416	2.95	85	1,277,184	2.08
Greece	5	8,842	0.03	12	22,479	0.04
Hong Kong	36	132,601	0.50	90	520,770	0.85
Hungary	2	5,292	0.02	4	11,136	0.02
India	96	472,518	1.77	193	995,931	1.62
Indonesia	20	41,230	0.15	35	124,457	0.20
Ireland	2	14,602	0.05	4	32,590	0.05
Israel	1	637	0.00	42	118,774	0.19
Italy	20	223,063	0.84	38	396,415	0.64
Japan	274	1,869,906	7.00	507	3,804,632	6.19
Korea	86	670,099	2.51	161	901,408	1.47
Kuwait	7	30,095	0.11	11	62,554	0.10
Malaysia	26	61,907	0.23	42	118,855	0.19
Mexico	14	51,916	0.19	37	173,869	0.28
Netherlands	13	345,569	1.29	30	647,560	1.05
New Zealand	13	45,953	0.17	15	49,735	0.08
Norway	10	91,890	0.34	17	133,660	0.22
Pakistan	1	382	0.00	4	1,234	0.00
Philippines	7	10,739	0.04	29	55,114	0.09
Poland	5	17,346	0.06	13	40,534	0.07
Portugal	3	26,769	0.10	4	32,385	0.05
Qatar	11	35,669	0.13	18	72,974	0.12
Romania	-	-	-	3	4,714	0.01
Saudi Arabia	44	246,661	0.92	53	336,430	0.55
Singapore	15	51,151	0.19	39	215,732	0.35
South Africa	23	94,936	0.36	61	286,465	0.47
Spain	13	215,107	0.81	26	396,210	0.64
Sweden	35	295,861	1.11	61	523,690	0.85
Switzerland	36	1,178,076	4.41	52	1,538,228	2.50
Taiwan	63	868,156	3.25	114	1,149,940	1.87
Thailand	17	70,146	0.26	51	164,958	0.27
Turkey	9	11,467	0.04	27	27,161	0.04
UAE	12	57,048	0.21	18	103,446	0.17
UK	62	1,439,592	5.39	117	2,572,998	4.18
USA	235	13,677,271	51.24	622	36,355,229	59.11
<b>Totals</b>	<b>2041</b>	<b>26,694,759</b>	<b>100.00</b>	<b>4128</b>	<b>61,506,212</b>	<b>100.00</b>

## Index Characteristics

Attributes	FTSE All-World Shariah Index	FTSE All-World
Number of constituents	2041	4128
Net MCap (USDm)	26,694,759	61,506,212
Dividend Yield %	2.29	2.16
Constituent Sizes (Net MCap USDm)		
Average	13,079	14,900
Largest	2,294,852	2,294,852
Smallest	35	31
Median	2,500	2,828
Weight of Largest Constituent (%)	8.60	3.73
Top 10 Holdings (% Index MCap)	21.94	14.92



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