# The Conference Board Innovation $\alpha^{\circledR}$ Index Comparison Tool

The Index sector comparison tool developed by M·CAM® International demonstrates the sector performance of The Conference Board Innovation $\alpha^{\circledR}$ United States Index (INAU) and the Innovation $\alpha^{\circledR}$ Global Index (INAG) powered by M·CAM.

The INAU sector comparison tool is available at http://indexes.m-cam.com/INAU_sector_comparison_tool/, while the INAG tool is available at http://indexes.m-cam.com/INAG_sector_comparison_tool/.

The calculation methodology filters companies belonging to a specific sector for each quarter and thereby constructs a simulative portfolio of the sector from 2013 to 2019. The portfolio holdings don't change throughout a calendar year but will change by the end of the year when the index reconstitutes according to the index methodology.

Under the "INAU/INAG Sector Performance Chart" illustrates daily index price return performance from January 2013 to October 2019. Users could click on the buttons below the chart to select and compare performance for the whole index, benchmarks, and sectors. The "All Sectors" option illustrates the performance of the whole index.

The "INAU/INAG Sector Comparison by Quarterly Holdings" chart illustrates index quarterly holdings for each sector as a percentage (weight) of the total index holding. For example, in Q1 2013, the value of the bar chart for the Electronic Technology sector is 22.34, indicating that this sector represents 22.34% of the total weight of the index. The percentage of holdings changes every quarter since the indexes are rebalanced every quarter according to the index methodology.

The FactSet Industries and Economic Sectors Classification System is used to determine the sector classification. Descriptions of this system are shown in the Appendix.

**Appendix:** FactSet Industries and Economic Sectors Classification System

FactSet maintains a proprietary industry classification system in which every company carried in any of the fundamental databases on FactSet is assigned to a FactSet industry. The industries are organized into four general economic categories:

- Durables

- Non-durables

- Services

- Infrastructure

The first three of these (Durables, Non-durables, and Services) are cross-referenced into four economic sectors:

- Materials

- Producer

- Technology

- Consumer

The fourth general category, Infrastructure, incorporates services that are pervasive throughout the economy: transportation, utilities, finance, and communication services.

The resulting matrix generates a coherent and relevant organization of potentially investable corporations. One of the primary goals in this enterprise is to try to identify patterns of economic and industrial change that may not be as readily discernible elsewhere. The contact information for more details on the system is provided on the following website. https://www.factset.com/contact-us.