



# Top Reasons

to license the  
Dow Jones **Industrial Average**<sup>SM</sup>

**DOWJONES**

# 1. A Name Your Clients Know and Trust

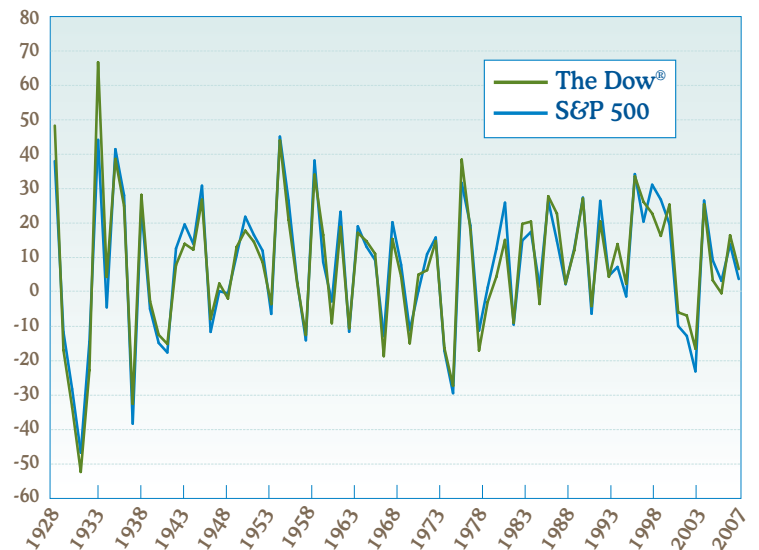
Research indicates that 97% of U.S. investors have heard of The Dow®. That's compared with just 89% who have heard of the S&P 500 and 42% who are aware of the Russell 2000 – making The Dow® the most recognized measure of the U.S. market<sup>1</sup>. Indeed, with a history of 110-plus years, The Dow® has become more than a financial market tradition. It appears daily in most newspapers, nightly on the news, and prominently throughout the day on TV, radio and financial Web sites. Although there now are dozens of alternatives, The Dow® is still the index that investors and financial professionals instinctively check first to see how the market is doing.

# 2. Performance vs. S&P 500

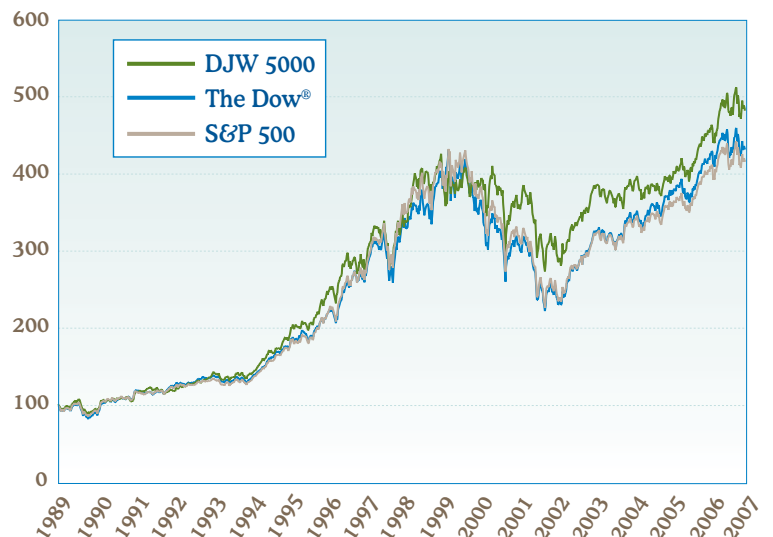
As the accompanying chart shows, The Dow® and the S&P 500 generally move in the same direction. Every Dow component also is in the S&P 500, and The Dow's® market cap (\$4.3 trillion) accounts for 33% of the value of the S&P 500 (\$12.9 trillion).

Furthermore, The Dow® accounts for 24% of the investable U.S. market, \$17.8 trillion as measured by the Dow Jones Wilshire 5000 (full-cap). As a result, The Dow's® long-term historical performance is highly correlated not only with the S&P 500 but also with the overall U.S. market.

**Annual Percentage Change: The Dow® vs. S&P 500**  
December 31, 1928 – December 31, 2007



**Total Return Performance:  
The Dow® vs. the S&P 500 & the DJW 5000**  
December 31, 1989 – December 31, 2007



# 3. Diversification

One of the major lessons of modern portfolio theory is that even a small amount of diversification goes a long way toward reducing a stock portfolio's risk. Although all stock portfolios are subject to market fluctuations, numerous studies have shown that a portfolio's unsystematic risk — the effects of company-specific events and industry-wide developments on its value — can drop significantly when the portfolio contains 30 stocks spread among a wide variety of industries, as The Dow® does. The Dow® currently covers nine of the ten major U.S. industries - all except Utilities.

# 4. Large and Well-Known Component Companies

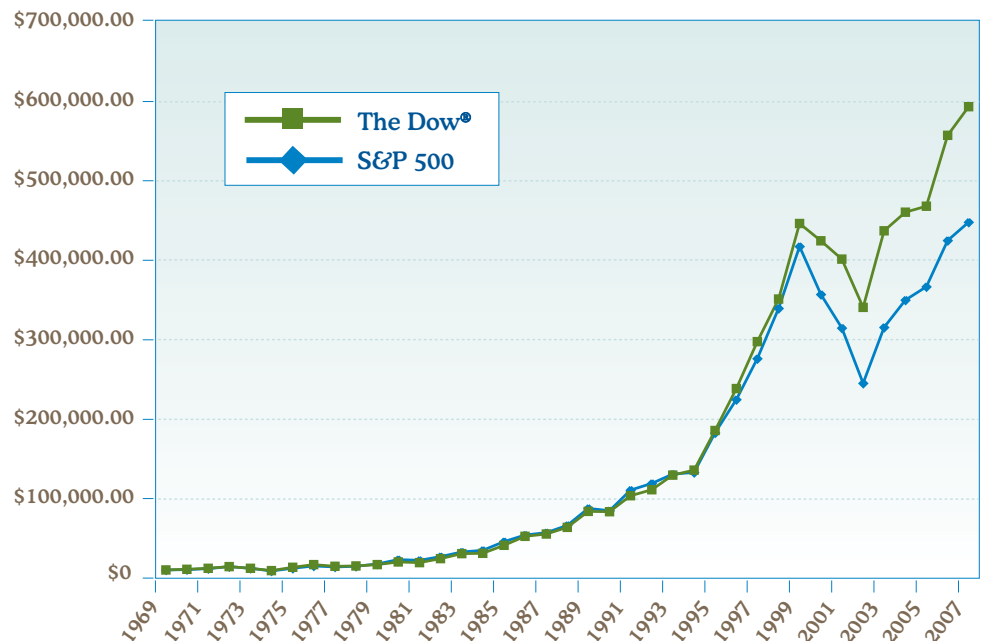
While there is no one definition of a "Blue Chip," most people would agree that the stocks in The Dow® would easily fit any appropriate description. The Dow's® 30 components are substantial companies that are renowned for the quality and wide acceptance of their products or services and have strong histories of successful growth. They have a wide following among investors - from the most sophisticated to those who are newer to the market.

# 5. Commitment to Indexing

Dow Jones has been providing investors with the tools to measure market performance for more than 100 years, offering the investment community indexes that go well beyond the Dow Industrial, Transportation and Utility Averages. Dow Jones Indexes now publishes benchmarks that literally cover the world. We are now working aggressively to create awareness of the indexes and to create licensing opportunities.

**Growth of \$10,000: The Dow® vs. S&P 500**

December 31, 1969 – December 31, 2007



## Components of The Dow<sup>®</sup>

Company	Ticker	Industry	USD Close
International Business Machines Corp.	IBM	Technology	116.21
Chevron Corp.	CVX	Oil & Gas	87.33
Exxon Mobil Corp.	XOM	Oil & Gas	78.88
3M Co.	MMM	Industrials	70.70
Johnson & Johnson	JNJ	Health Care	68.41
Procter & Gamble Co.	PG	Consumer Goods	68.04
Caterpillar Inc.	CAT	Industrials	64.60
McDonald's Corp.	MCD	Consumer Services	62.57
United Technologies Corp.	UTX	Industrials	61.62
Wal-Mart Stores Inc.	WMT	Consumer Services	58.89
Boeing Co.	BA	Industrials	58.81
Coca-Cola Co.	KO	Consumer Goods	51.38
Hewlett-Packard Co.	HPQ	Technology	47.16
E.I. DuPont de Nemours & Co.	DD	Basic Materials	45.39
JPMorgan Chase & Co.	JPM	Financials	40.80
American Express Co.	AXP	Financials	37.29
Bank of America Corp.	BAC	Financials	34.15
Kraft Foods Inc. CI A	KFT	Consumer Goods	33.09
Walt Disney Co.	DIS	Consumer Services	32.91
Verizon Communications Inc.	VZ	Telecommunications	32.03
Merck & Co. Inc.	MRK	Health Care	31.45
AT&T Inc.	T	Telecommunications	29.21
Alcoa Inc.	AA	Basic Materials	26.80
General Electric Co.	GE	Industrials	26.15
Home Depot Inc.	HD	Consumer Services	25.62
Microsoft Corp.	MSFT	Technology	25.40
Citigroup Inc.	C	Financials	20.01
Intel Corp.	INTC	Technology	18.50
Pfizer Inc.	PFE	Health Care	18.07
General Motors Corp.	GM	Consumer Goods	11.58

Data as of September 22, 2008.

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For more information on the Dow Jones Industrial Average<sup>SM</sup>,  
email [djindexsupport@dowjones.com](mailto:djindexsupport@dowjones.com) or call 609.520.7249. Learn more at [www.djindexes.com](http://www.djindexes.com).

Except where indicated, all data and information as of December 31, 2007.

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<sup>1</sup> Based on the results of a research study conducted in June 2007 by S. Radoff Associates. The study was administered to a Harris panel of 1,016 individual investors.