



instaforex
Instant Forex Trading

THE STOCK INDICES

THE TABLE OF CONTENTS

PART I

THE AMERICAN INDICES	3
DOW JONES (Dow Jones Industrial Average)	5
S&P 500 (Standard & Poor's)	6
NASDAQ 100 (NDX)	7

PART II

THE EUROPEAN INDICES	8
DAX 40 (Deutscher Aktienindex)	9
FTSE 100 (Financial Times Stock Exchange)	10
CAC 40 (Cotation Assistée en Continu)	11
IBEX 35	12
MIB 40 (Milano Indice di Borsa)	13

PART III

THE ASIAN INDICES	14
NIKKEI 225 (Nikkei Stock Average)	15
HSI 50 (Hang Seng Index)	16

The background features a large white circle centered on the page, with a red triangle positioned at the bottom right corner. The text is contained within the white circle.

PART I

THE AMERICAN INDICES



What are the stock indices?

The stock indices are instruments consisting of publicly traded shares which reflect the situation of a given market area. This area can be sector-defined - for example, the technology stock index shows how the technology sector is doing, etc. The price of the index moves as a result of the price movement of individual companies. This does not mean, however, that if, for example, an index rises, all stocks of a given index will rise as well. Likewise, some stocks may decline, but the index will continue to trend upwards. It is also worth knowing that each stock market has its own main index and usually several other sub-indices.

Stock index features:

- they provide comprehensive data on the current market situation or its selected segments
- they are a reference point that allows you to re-assess the effectiveness of investing
- they are also the underlying instrument for derivatives (options, futures, forward contracts).

DOW JONES (Dow Jones Industrial Average)

One of the most important stock indices of companies listed on the New York Stock Exchange and NASDAQ. It is the oldest working index in the USA.

Country	The USA
Founders	Charles Dow and Edward Jones
Start	1896 - 40.94 points
Trading hours (Polish time)	15:30 - 22:00
Number of companies	30 largest American companies
Major companies	Apple, Boeing, Cisco, Coca Cola, Goldman Sachs, JP Morgan, Microsoft, The Walt Disney, Intel, IBM

Do you know that?

Dow Jones was first published on May 26, 1896. At that time, it consisted of shares in 12 companies. In 1916, the share portfolio was increased to 20, and in 1928 to 30 companies.

S&P 500 (Standard & Poor's)

The stock market index which includes 500 companies with the highest capitalization, these are mainly American companies. The index is listed on the New York Stock Exchange and NASDAQ.

Country	The USA
Start	1950
Trading hours (Polish time)	15:30 - 22:00
Number of companies	500
Major companies	Amazon, Apple, Bank of America, Berkshire Hathaway, Facebook, General Motors, Google, Johnson & Johnson, Microsoft, McDonald's, Tesla, Visa.

Do you know that?

The top 10 index companies account for 26.5% of the market capitalization of the index

NASDAQ 100 (NDX)

It includes the 100 largest, non-financial companies listed on the NASDAQ stock market. It covers both US and foreign companies, representing industries such as technology, IT, retail, healthcare, media and biotechnology.

Country	The USA
Start	1985
Trading hours (Polish time)	15:30 - 22:00
Number of companies	100 largest companies, mostly from the IT industry
Major companies	Amazon, Apple, Facebook, Google, Marriott, Microsoft, Netflix, Starbucks, Tesla

Do you know that?

The Nasdaq 100 index is basically a subset of the Nasdaq Composite index. While the Nasdaq Composite covers all NASDAQ-listed titles, the Nasdaq 100 selects only the 100 "most interesting" ones.



PART II

THE EUROPEAN INDICES

DAX 40 (Deutscher Aktienindex)

The most important German stock index and one of the most important indices in Europe. The index is calculated using the XETRA electronic trading system. The indicator is listed on the Frankfurt Stock Exchange.

Country	Germany
Start	1988 - 1163.52 points
Trading hours (Polish time)	09:00 - 17:30
Number of companies	40 largest companies in terms of capitalization and turnover
Major companies	Adidas, Allianz, Bayer, BMW, Deutsche Bank, Deutsche Telekom, E.ON, Siemens, Volkswagen, Lufthansa

Do you know that?

On November 24, 2020, Deutsche Börse announced the expansion of the DAX from 30 to 40 companies and the tightening of regulations in response to the Wirecard accounting scandal.

FTSE 100 (Financial Times Stock Exchange)

An index of stock exchange listed on the London Stock Exchange. The index covers the top 100 companies that meet many requirements for liquidity, capitalization, etc.

The FTSE index is considered to be a barometer of the British economy. Apart from the DAX and CAC 40 indices, it is one of the largest in Europe.

Country	The United Kingdom
Start	1984 - 1000 points
Trading hours (Polish time)	09:00 - 17:30
Number of companies	100
Major companies	Barclays, BP, Royal Dutch/Schell, HSBC, Vodafone, Royal Bank of Scotland, GlaxoSmithKline, Tesco

Do you
know that?

The companies included in the index account for approximately 80% of the capitalization of the LSE exchange.

CAC 40 (Cotation Assistée en Continu)

A French index, which brings together 40 of the strongest companies, out of 100 with the highest capitalization on the Paris Stock Exchange (Bourse de Paris).

Country	France
Start	1987 - 1000 points
Trading hours (Polish time)	09:00 - 17:30
Number of companies	40
Major companies	Total, Sanofi-Aventis, BNP Paribas, AXA, Carrefour, Crédit Agricole, Danone, L'Oreal, LVMH, Orange

Do you know that?

The French CAC 40 index is the benchmark of the Euronext exchange. The index also includes companies from stock exchanges in Amsterdam, Brussels and Lisbon

IBEX 35

A stock index grouping 35 of the largest and most liquid stock companies of the Madrid Stock Exchange.

Country	Spain
Start	1987 - 3000 points
Trading hours (Polish time)	09:00 - 17:30
Number of companies	35
Major companies	Telefónica, Banco Santander, BBVA, Iberdrola, Repsol

Do you know that?

Between 2000 and 2007, the index outperformed many of its Western counterparts, fueled by relatively strong domestic economic growth, which has helped construction and real estate companies in particular.

MIB 40 (Milano Indice di Borsa)

A major stock market index that tracks the performance of 40 of the leading and most liquid companies listed on Borsa Italiana in Milan.

Country	Italy
Start	1992 - 100 points
Trading hours (Polish time)	09:00 - 17:30
Number of companies	40
Major companies	Enel, Ferrari, Generali, UniCredit, Pirelli

Do you know that?

Borsa di commercio di Milano (Milan Stock Exchange) was founded by Eugène de Beauharnais, viceroy of the Napoleonic Kingdom of Italy, by decrees of January 16 and February 6, 1808, and until 1997 it was in the public domain.



PART III

THE ASIAN INDICES

NIKKEI 225 (Nikkei Stock Average)

The most important stock exchange index in Asia listed on the Tokyo Stock Exchange. It has been counted daily by the Nihon Keizai Shimbun newspaper since 1971.

Country	Japan
Start	1950 - 100 points
Trading hours (Polish time)	01:00 - 07:00
Number of companies	225
Major companies	Canon, Fuji Electric Holdings Co., Mitsubishi, Toyota, Softbank, Nikon, Sony

Do you know that?

The American stock exchanges NYSE and Nasdaq are the two largest in the world (in terms of market capitalization of listed companies), the Tokyo Stock Exchange (TSE) is the third largest one

HSI 50 (Hang Seng Index)

An index of shares of companies listed on the Hong Kong Stock Exchange. The companies included in the index account for approximately 70% of the stock exchange capitalization.

Country	Hong Kong Special Administrative Region of the People's Republic of China
Start	1969
Trading hours (Polish time)	02:30 - 09:00
Number of companies	50
Major companies	HSBC Holdings, Li & Fung, China Mobile, Lenovo Group Ltd, Bank of China

Do you know that?

China Mobile is the largest of the companies listed on the Hong Kong Stock Exchange. The company is on the 25th place of the largest companies in the world.

Summary:

Stock indices are one of the most popular trading instruments among traders due to their characteristics, mainly the constantly maintained tendency to gradual growth and relatively high transparency, which allows for easier understanding of their behaviour.

The guide has been prepared by: Lukasz Klufczynski, the analyst at Insta Forex in Poland

A longtime observer and enthusiast of the stock exchange and currency markets. Author of many webinars in the field of technical and fundamental analysis, investment psychology and MT4 platform service. He puts emphasis on fundamental elements, based on technical analysis, and his goal is safe investing and money management. In his opinion, it is best to make money where there is big money, and this is what sparked his interest in the subject of markets and investment.



CFDs are complex instruments and come with a high risk of rapid money loss due to leverage. **83.47% of retail investors lose money when trading CFDs with this CFD provider.** Consider whether you understand how CFDs work and whether you can afford the high risk of losing money.

Copyright © 2021

by Lukasz Klufczynski & Instant Trading EU Ltd.

The content of this e-book is for information purposes only and does not constitute commercial or investment advice.

Instant Trading EU Ltd. will not be responsible for any losses that may directly or indirectly result from the information contained in this e-book.

Trading Forex and CFDs involves a high degree of risk and may not be appropriate for all investors.

All rights reserved. No part of this publication may be reproduced, distributed or transmitted in any form or by any means, including copying, recording or other electronic or mechanical methods, without the prior written consent of the author, except for short notes in reviews and some other non-commercial uses permitted by copyright law

Insta Forex Poland
ul. Piekna 15
00-549 Warsaw
instaforex.eu
kontakt@instaforex.eu
+48223070940