



## The PHLX Semiconductor Sector Index<sup>SM</sup> (SOX<sup>SM</sup>) – Potential Methodology Change

### Potential Change

Nasdaq is seeking feedback regarding the proposal to lower the maximum weight applied to any constituent in the SOX index at the time of each quarterly rebalance from 8% down to 7%. Everything else with the index and weighting would remain exactly the same.

Please let us know if you are supportive of the proposed change from 8% to 7% or have any other feedback to provide.

For reference, here is a link to the current index methodology.

[https://indexes.nasdaqomx.com/docs/methodology\\_SOX.pdf](https://indexes.nasdaqomx.com/docs/methodology_SOX.pdf)

Attached to this consultation ([click here](#)) are official values from the live index and a simulated backtest. Over the past 5 years, it is evident that the performance of the live index (8% security max weight at each quarterly rebalance) and backtest (7% security max weight at each quarterly rebalance) are very similar. In addition, concentration has come down slightly as a result of this potential change.

Nasdaq is considering having this change take effect at the upcoming rebalance in December 2023.

### Feedback

Please provide your responses here: [https://nd.nasdaq.com/GIGWR23-10-20SOXIndex-PotentialMethodologyChange\\_ProposalforDeletionPolicyUpdateforOMRXIndexes.html](https://nd.nasdaq.com/GIGWR23-10-20SOXIndex-PotentialMethodologyChange_ProposalforDeletionPolicyUpdateforOMRXIndexes.html)

This consultation will remain open for comment until the close of business on **November 3, 2023**. Once a final determination has been made, a summary of the results will be published. Stakeholders will not be identified in the summary.

To submit attachments with this consultation response, please e-mail [IndexConsultations@nasdaq.com](mailto:IndexConsultations@nasdaq.com)

Questions should be directed to Nasdaq Global Indexes at +1 844 717 0708 (for US Callers) or +1 301 978 8311 (for International Callers) or via email at [INDEXSERVICES@Nasdaq.com](mailto:INDEXSERVICES@Nasdaq.com)

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