



## NDX Continues to Climb

Powered by strong fundamentals and a growth premium in the macroeconomic environment, the [NASDAQ-100 Index \(NDX\)](#) is at an 11 year high and is approaching the 2700 mark for the first time since January 2001.

Earnings of NDX companies have been very strong and continue to show increasing momentum. Just behind Apple's pace-setting performance and monumental year of \$108 billion in revenue and \$25 billion in earnings, the other leading components have shown fundamental strength and impressive growth results.

Ticker	Name	FY'11 EPS	FY'11 Earnings	YoY Growth
DELL	Dell Inc.	1.35	2,425,287,810.15	70.84%
NFLX	Netflix, Inc.	4.16	230,302,733.44	48.89%
GOOG	Google Inc.	29.76	7,618,576,635.84	42.72%
WFM	Whole Foods Market, Inc.	1.93	346,435,667.78	40.07%
ORCL	Oracle Corp.	1.67	8,424,485,340.00	38.50%
QCOM	QUALCOMM Inc.	2.52	4,236,080,753.52	33.60%
SBUX	Starbucks Corp.	1.62	1,207,548,000.00	31.40%
COST	Costco Wholesale Corp.	3.30	1,430,104,995.00	13.28%

On top of strong earnings throughout Q1 2012, the calming effect of macroeconomic events has helped the price appreciation of the NASDAQ-100. The implied volatility of NDX has dropped from an average of 30 through Q4 2011 to an average of 20 thus far in 2012. The realized volatility has seen significantly low levels in 2012 and the rolling month average is at 10.5%

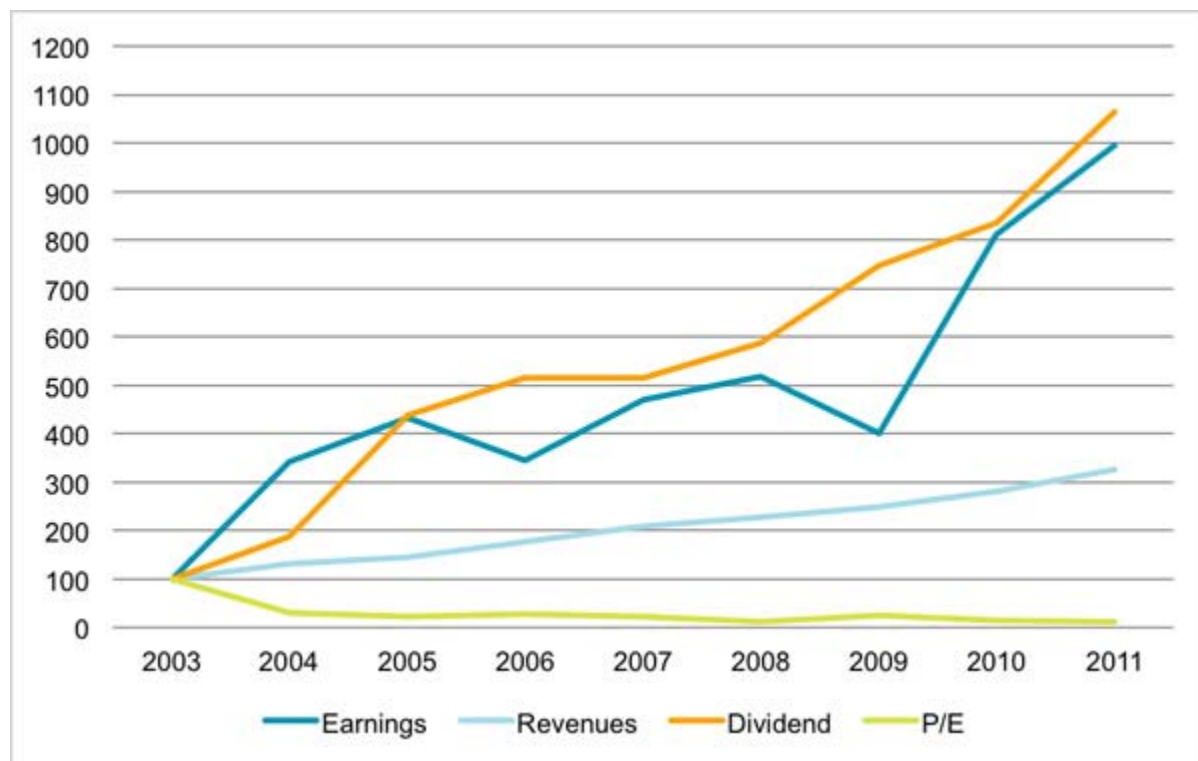
NDX companies have also seen strong price returns year-to-date, further supporting its impressive performance. Here are the top 10 names by year-to-date performance:

Ticker	Name	Return	2/29/2012 Weight
SHLD	Sears Holdings Corp.	119.19%	0.26%
STX	Seagate Technology	60.12%	0.42%
NFLX	Netflix, Inc.	59.81%	0.21%
FOSL	Fossil, Inc.	53.70%	0.27%
GMCR	Green Mountain Coffee Roasters, Inc.	44.86%	0.35%
MU	Micron Technology Inc.	35.93%	0.29%
PCLN	priceline.com Inc.	34.06%	1.08%
AAPL	Apple Inc.	33.94%	17.52%
CA	CA, Inc.	33.71%	0.46%
AVGO	Avago Technologies Ltd.	30.32%	0.32%

Throughout the past 10 years, the NDX companies have significantly increased revenues, earnings and dividend payments, as well as lowered their P/E multiples. On average, companies in NDX are now sitting on significant cash stakes and have begun to distribute this to

shareholders in the form of increased dividend payments. The yield on NDX has increased from 0.1% in 2003 to 0.93% in 2011.

The chart below illustrates the story behind its significant value creation over the past seven years. P/E has collapsed while dividends and earnings have increased at increasing rates.



Data scaled to 100 as of 12/31/2003

NDX includes 100 of the largest domestic and international non-financial securities listed on The NASDAQ Stock Market based on market capitalization. The Index reflects companies across major industry groups including computer hardware and software, telecommunications, retail/wholesale trade and biotechnology. It does not contain securities of financial companies including investment companies.

Learn more about the NDX methodology and other NASDAQ OMX Indexes at [www.nasdaqomx.com/indexes](http://www.nasdaqomx.com/indexes). We welcome any questions or feedback at [globalindexes@nasdaqomx.com](mailto:globalindexes@nasdaqomx.com). For licensing opportunities, please contact [Rob Hughes](#) at +1 212 401 8987.

Source: NASDAQ OMX and FactSet Research Systems; Data as of 02/29/12

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