

# IBEX35

## Banco Sabadell to Replace Sacyr Vallehermoso

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- On June 8, the IBEX Committee made public its decision to replace Sacyr Vallehermoso with Banco Sabadell in the IBEX35 index. The changes will be effective from July 1. The IBEX Committee bases its decisions on the volumes traded in the last six months (from December 1 to May 31).
- Banco Sabadell to enter the IBEX35.** The IBEX Committee has chosen Banco Sabadell for inclusion in the index due to the high volumes traded after its capital increase in April (102mn shares, or 50% of the previous share capital) and the stock's good quality liquidity (ie, excluding special operations). Considering a free float factor (FFF) of 100% for Banco Sabadell, its weighting will be in the region of 1.21% and IBEX35 tracking funds will have to buy the equivalent of 14.2 days of trading volume, according to our estimates.
- Sacyr Vallehermoso to leave the index.** After much market speculation about the possible candidates to leave the index, the committee decided to exclude Sacyr Vallehermoso after the low volumes traded in the past six months, especially in April and May.
- Amadeus' and Sogecable's FFFs upgraded.** Amadeus' FFF will increase to 100% from 80% with an increase in weighting to 1.03% (from 0.84%). Sogecable's FFF will rise to 80% from 60%, with its weighting up from 0.88% to 1.14%.
- FFF downgraded for Gas Natural and Enagás.** Gas Natural's FFF was reduced to 60% from 80%, and its weighting was downgraded to 1.78% from 2.43%. Enagás' FFF also dropped to 60% from 80% while its weighting decreased to 0.44% from 0.60%.

### IBEX35 Revision – Main Changes, July 1

		Volume Traded (€mn)						FFF (%)	Weighting (%)
		Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04		
Banco Sabadell	Entry	56.8	76.9	117.2	520.8	166.9	144.9	100	1.21
Sacyr Vallehermoso	Exit	101.2	89.6	81.3	131.5	98.4	101.1	-	-

Source: Sociedad de Bolsas and Santander Central Hispano Bolsa.

### IBEX35 Revision – Free-Float Factor Changes, July 1

	FFF Change	Old FFF (%)	New FFF (%)	Old Weighting (%)	New Weighting (%)
Amadeus	Up	80	100	0.84	1.03
Sogecable	Up	60	80	0.88	1.14
Enagás	Down	80	60	0.60	0.44
Gas Natural	Down	80	60	2.43	1.78

Source: Sociedad de Bolsas and Santander Central Hispano Bolsa

Figure 1. IBEX35 – Ranking by Total Adjusted Volume, December 2003-May 2004 (€mn)

Rank	Code	Company	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Total (6M)	Membership
1	TEF	Telefónica	7,421.4	10,214.2	7,800.9	12,021.3	8,279.2	10,319.8	56,056.8	IBEX
2	SAN	Grupo Santander	4,135.4	5,770.8	4,920.0	5,734.5	4,622.0	5,955.2	31,138.0	IBEX
3	BBVA	BBVA	3,352.0	4,580.6	5,199.5	4,968.6	3,841.4	4,036.8	25,978.8	IBEX
4	REP	Repsol YPF	2,480.4	2,869.4	2,501.9	2,883.5	3,354.8	2,914.2	17,004.2	IBEX
5	ELE	Endesa	1,857.4	2,031.2	1,575.6	3,673.0	2,005.6	1,774.2	12,917.0	IBEX
6	IBE	Iberdrola	1,345.5	1,316.1	1,200.0	1,928.1	1,421.6	1,393.2	8,604.5	IBEX
7	ALT	Altadis	668.4	823.8	1,141.5	1,396.0	1,251.9	1,138.9	6,420.6	IBEX
8	POP	Banco Popular	671.4	1,007.8	641.9	854.7	737.5	609.8	4,523.1	IBEX
9	ITX	Inditex	943.2	534.2	831.7	1,041.1	593.6	560.0	4,503.8	IBEX
10	SGC	Sogecable	399.5	671.3	762.7	807.2	648.5	446.7	3,735.8	IBEX
11	AMS	Amadeus	322.6	519.8	926.6	514.7	424.7	493.9	3,202.3	IBEX
12	UNF	Unión Fenosa	302.3	667.2	544.4	543.8	342.2	322.4	2,722.3	IBEX
13	ACS	ACS	360.1	483.1	441.2	541.1	394.4	334.2	2,554.1	IBEX
14	ACX	Acerinox	257.7	328.4	370.7	537.5	538.9	403.3	2,436.4	IBEX
15	IBLA	Iberia	143.4	376.0	320.7	463.0	208.7	435.2	1,947.0	IBEX
16	TEM	Telefónica Móviles	314.1	371.2	368.8	378.8	221.9	223.2	1,877.9	IBEX
17	GAS	Gas Natural	274.0	283.3	301.8	433.4	259.4	323.0	1,874.9	IBEX
18	ABE	Abertis	207.0	190.2	171.0	281.8	295.2	239.3	1,384.5	IBEX
19	FER	Ferrovial	192.5	257.1	180.2	366.0	206.1	169.8	1,371.7	IBEX
20	TPI	TPI	67.7	164.9	344.6	331.2	218.8	229.0	1,356.2	IBEX
21	GAM	Gamesa	169.1	184.5	194.3	325.3	182.3	237.3	1,292.9	IBEX
22	LOR	Arcelor	105.1	129.7	160.3	225.1	296.5	312.1	1,228.8	IBEX
23	PRS	Prisa	163.8	171.8	172.8	270.1	274.2	148.5	1,201.0	IBEX
24	ANA	Acciona	135.4	317.0	204.0	211.1	149.3	124.9	1,141.7	IBEX
25	IDR	Indra	170.0	191.0	204.7	259.5	173.6	126.6	1,125.4	IBEX
<b>26</b>	<b>SAB</b>	<b>Banco Sabadell</b>	<b>56.8</b>	<b>76.9</b>	<b>117.2</b>	<b>520.8</b>	<b>166.9</b>	<b>144.9</b>	<b>1,083.4</b>	<b>TO ENTER</b>
27	FCC	FCC	134.0	123.7	186.0	253.9	173.4	137.8	1,008.8	IBEX
28	A3TV	Antena 3	130.1	180.7	218.8	173.4	156.9	113.1	973.0	
29	MAP	Corp. Mapfre	87.9	71.9	73.2	149.8	237.4	162.5	782.7	IBEX
30	ENG	Enagás	107.6	119.5	137.7	163.1	102.6	141.5	772.1	IBEX
31	REE	REE	154.3	118.3	116.8	145.4	86.4	110.0	731.2	IBEX
32	MVC	Metrovacesa	69.3	79.7	94.4	110.2	117.7	204.3	675.6	IBEX
33	BKT	Bankinter	110.3	115.9	79.6	159.2	113.5	80.8	659.3	IBEX
34	NHH	NH Hoteles	128.8	119.7	90.1	128.6	106.7	80.4	654.1	IBEX
35	BTO	Banesto	113.4	136.2	73.3	134.8	86.2	102.5	646.2	IBEX
36	ZEL	Zeltia	115.3	116.8	50.7	126.4	85.0	110.3	604.5	IBEX
<b>37</b>	<b>SYV</b>	<b>Sacyr Vallehermoso</b>	<b>101.2</b>	<b>89.6</b>	<b>81.3</b>	<b>131.5</b>	<b>98.4</b>	<b>101.1</b>	<b>603.1</b>	<b>TO EXIT</b>
38	EVA	Ebro Puleva	40.8	47.2	82.4	141.9	114.1	75.5	501.9	
39	AGS	Aguas de Barcelona	46.0	47.2	59.2	57.5	43.6	66.7	320.2	
40	JAZ	Jazztel	42.6	66.7	62.6	71.2	27.3	26.6	297.0	
41	TRR	Terra	93.2	43.5	48.0	38.0	22.6	40.4	285.7	
42	TPZ	TelePizza	28.9	26.3	33.3	78.8	62.7	39.5	269.5	
43	SOL	Sol Meliá	21.1	44.4	35.7	82.6	32.4	29.2	245.3	

Source: Sociedad de Bolsas and Santander Central Hispano Bolsa.



Figure 2. IBEX35 – Free Float Factor Changes and New Weightings, July 1

Rank	Code	Company	Old Adj FFF (%)	Adj Market Cap (€mn)	Old Adj Weighting (%)	New Adj FFF (%)	Adj Market Cap (€mn)	New Adj Weighting (%)
1	ABE	Abertis	100	6,971.27	2.40	100	6,971.27	2.34
2	ACS	ACS	100	4,902.27	1.69	100	4,902.27	1.65
3	ACX	Acerinox	100	3,066.28	1.06	100	3,066.28	1.03
4	ALT	Altadis	100	7,453.50	2.57	100	7,453.50	2.51
5	<b>AMS</b>	<b>Amadeus</b>	<b>80</b>	<b>2,435.52</b>	<b>0.84</b>	<b>100</b>	<b>3,044.40</b>	1.02
6	ANA	Acciona	80	2,671.64	0.92	80	2,671.64	0.90
7	BBVA	BBVA	100	37,740.18	13.00	100	37,740.18	12.69
8	BKT	Bankinter	100	2,378.51	0.82	100	2,378.51	0.80
9	BTO	Banesto	20	1,352.56	0.47	20	1,352.56	0.45
10	ELE	Endesa	100	16,378.90	5.64	100	16,378.90	5.51
11	<b>ENG</b>	<b>Enagás</b>	<b>80</b>	<b>1,743.72</b>	<b>0.60</b>	<b>60</b>	<b>1,307.79</b>	0.44
12	FCC	FCC	60	2,326.71	0.80	60	2,326.71	0.78
13	FER	Ferrovial	80	3,898.24	1.34	80	3,898.24	1.31
14	GAM	Gamesa	80	842.79	0.29	80	842.79	0.28
15	<b>GAS</b>	<b>Gas Natural</b>	<b>80</b>	<b>7,042.62</b>	<b>2.43</b>	<b>60</b>	<b>5,281.97</b>	1.78
16	IBE	Iberdrola	100	15,128.00	5.21	100	15,128.00	5.09
17	IBLA	Iberia	100	2,159.69	0.74	100	2,159.69	0.73
18	IDR	Indra	100	1,555.92	0.54	100	1,555.92	0.52
19	ITX	Inditex	60	7,083.53	2.44	60	7,083.53	2.38
20	LOR	Arcelor	40	2,960.42	1.02	40	2,960.42	1.00
21	MAP	Corp. Mapfre	80	1,430.73	0.49	80	1,430.73	0.48
22	MVC	Metrovacesa	100	1,826.55	0.63	100	1,826.55	0.61
23	NHH	NH Hoteles	100	1,039.94	0.36	100	1,039.94	0.35
24	POP	Banco Popular	100	10,675.80	3.68	100	10,675.80	3.59
25	PRS	Prisa	60	1,889.23	0.65	60	1,889.23	0.64
26	REE	REE	100	1,873.49	0.65	100	1,873.49	0.63
27	REP	Repsol YPF	100	21,243.02	7.32	100	21,243.02	7.14
28	SAB	Banco Sabadell	100	3,519.05	1.21	100	3,519.05	1.18
29	SAN	Grupo Santander	100	42,152.68	14.52	100	42,152.68	14.17
30	<b>SGC</b>	<b>Sogetecable</b>	<b>60</b>	<b>2,537.22</b>	<b>0.87</b>	<b>80</b>	<b>3,382.97</b>	1.14
31	TEF	Telefónica	100	60,114.96	20.70	100	60,114.96	20.21
32	TEM	Telefónica Móviles	10	3,789.23	1.30	10	3,789.23	1.27
33	TPI	TPI	80	1,696.82	0.58	80	1,696.82	0.57
34	UNF	Unión Fenosa	100	5,374.54	1.85	100	5,374.54	1.81
35	ZEL	Zeltia	100	1,134.11	0.39	100	1,134.11	0.38

Source: Sociedad de Bolsas and Santander Central Hispano Bolsa

Figure 3. IBEX35 – Free Float Factors, Former and New Rules

Company's Free Float	FFF Applied New Rules	Companies in Each Range
≤ 10%	10%	TEM
> 10% and ≤ 20%	20%	BTO
> 20% and ≤ 30%	40%	LOR
> 30% and ≤ 40%	60%	ENAG, FCC, GAS, ITX, PRS
> 40% and ≤ 50%	80%	ANA, FER, GAM, MAP, SGC, TPI
> 50%	100%	ABE, ACS, ACX, ALT, AMS, BBVA, BKT, ELE, IBE, IBLA, IDR, MVC, NHH, POP, REE, REP, SAB, SCH, TEF, UNF, ZEL

Source: Sociedad de Bolsas and Santander Central Hispano Bolsa.

Figure 4. IBEX35 – Revision of Index Constituents, 2001-04

	2000		2001				2002				2003					2004				
	Jan 2 <sup>1</sup>	Apr 24 <sup>2</sup>	May 12 <sup>3</sup>	Jul 2 <sup>1</sup>	Nov 11 <sup>3</sup>	Jan 2 <sup>1</sup>	Feb 11 <sup>2</sup>	Feb 19 <sup>2</sup>	Jul 1 <sup>1</sup>	Jan 2 <sup>1</sup>	Jan 7 <sup>2</sup>	May 30 <sup>3</sup>	Jul 1 <sup>1</sup>	Jul 24 <sup>2</sup>	Ago 4 <sup>2</sup>	Dec 15 <sup>2</sup>	Jan 2 <sup>1</sup>	Jul 1 <sup>1</sup>		
1	ACE	ACE	ACE	ACE	ACE	ACE	ACE	ACE	ACE	ACE	ACE	ACE	ACE	ABE	ABE	ABE	ABE	ABE	ABE	ABE
2	ACR	ACR	ACR	ACR	ACR	ACR	ACR	ACS	ACS	ACS	ACS	ACS	ACS	ACS	ACS	ACS	ACS	ACS	ACS	ACS
3	ACS	ACS	ACS	ACS	ACS	ACS	ACS	ACX	ACX	ACX	ACX	ACX	ACX	ACX	ACX	ACX	ACX	ACX	ACX	ACX
4	ACX	ACX	ACX	ACX	ACX	ACX	ACX	ALB	ALB	ALB	ALB	ALT	ALT	ALT	ALT	ALT	ALT	ALT	ALT	ALT
5	AGS	ALB	ALB	ALB	ALB	ALB	ALB	ALT	ALT	ALT	AMS	AMS	AMS	AMS	AMS	AMS	AMS	AMS	AMS	AMS
6	ALB	ALT	ALT	ALT	ALT	ALT	ALT	AMS	AMS	AMS	ANA	ANA	ANA	ANA	ANA	ANA	ANA	ANA	ANA	ANA
7	ALT	AMS	AMS	AMS	AMS	AMS	AMS	ANA	ANA	ANA	BBVA	BBVA	BBVA	BBVA	BBVA	BBVA	BBVA	BBVA	BBVA	BBVA
8	AMS	ANA	ANA	ANA	ANA	ANA	ANA	BBVA	BBVA	BBVA	BKT	BKT	BKT	BKT	BKT	BKT	BKT	BKT	BKT	BKT
9	ANA	BBVA	BBVA	BBVA	BBVA	BBVA	BBVA	BKT	BKT	BKT	DRC	DRC	DRC	DRC	DRC	DRC	ELE	BTO	BTO	BTO
10	BBVA	BKT	BKT	BKT	BKT	BKT	BKT	CRF	CRF	CRF	ELE	ELE	ELE	ELE	ELE	ELE	ENG	ELE	ELE	ELE
11	BKT	CAN	CRF	CRF	CRF	CRF	CRF	DRC	DRC	DRC	FCC	ENG	ENG	ENG	ENG	ENG	FCC	ENG	ENG	ENG
12	CAN	CRF	CTG	DRC	DRC	DRC	DRC	ELE	ELE	ELE	FER	FCC	FCC	FCC	FCC	FCC	FER	FCC	FCC	FCC
13	CRF	CTG	DRC	ELE	ELE	ELE	ELE	FCC	FCC	FCC	GAM	FER	FER	FER	FER	FER	GAM	FER	FER	FER
14	CTG	DRC	ELE	FCC	FCC	FCC	FCC	FER	FER	FER	GAS	GAM	GAM	GAM	GAM	GAM	GAS	GAM	GAM	GAM
15	DRC	ELE	FCC	FER	FER	FER	FER	GAM	GAM	GAM	IBE	GAS	GAS	GAS	GAS	GAS	IBE	GAS	GAS	GAS
16	ELE	FCC	FER	GAM	GAM	GAM	GAM	GAS	GAS	GAS	IBLA	IBE	IBE	IBE	IBE	IBE	IBLA	IBE	IBE	IBE
17	FCC	FER	GAM	GAS	GAS	GAS	GAS	IBE	IBE	IBE	IDR	IBLA	IBLA	IBLA	IBLA	IBLA	IDR	IBLA	IBLA	IBLA
18	FER	GPP	GPP	GPP	IBE	IBE	IBE	IDR	IDR	IBLA	ITX	IDR	IDR	IDR	IDR	IDR	ITX	IDR	IDR	IDR
19	IBE	IBE	IBE	IBE	IDR	IDR	IDR	ITX	ITX	ITX	LOR	ITX	ITX	ITX	ITX	ITX	LOR	ITX	ITX	ITX
20	IDR	IDR	IDR	IDR	ITX	ITX	ITX	NHH	LOR	ITX	MVC	LOR	LOR	LOR	LOR	LOR	MAP	LOR	LOR	LOR
21	NHH	NHH	NHH	NHH	NHH	NHH	NHH	POP	NHH	LOR	NHH	MVC	MVC	MAP	MAP	MAP	MVC	MAP	MAP	MAP
22	POP	POP	POP	POP	POP	POP	POP	PRS	POP	NHH	POP	NHH	NHH	MVC	MVC	MVC	NHH	MVC	MVC	MVC
23	PRS	PRS	PRS	PRS	PRS	PRS	PRS	REE	PRS	POP	PRS	POP	POP	NHH	NHH	NHH	POP	NHH	NHH	NHH
24	REE	REE	REE	REE	REE	REE	REE	REP	REE	PRS	REE	PRS	PRS	POP	POP	POP	REE	POP	POP	POP
25	REP	REP	REP	REP	REP	REP	REP	SAN	REP	REE	REP	REE	REE	REE	REE	REE	REP	PRS	PRS	PRS
26	SCH	SCH	SCH	SCH	SCH	SAN	SAN	SGC	SAN	REP	SAN	REP	REP	REP	REP	REP	SAN	REE	REE	REE
27	SGC	SGC	SGC	SGC	SGC	SGC	SGC	SOL	SGC	SAN	SGC	SAN	SAN	SAN	SAN	SAN	SGC	REP	REP	REP
28	SOL	SOL	SOL	SOL	SOL	SOL	SOL	TEF	SOL	SGC	TEF	SGC	SGC	SGC	SGC	SGC	SYV	SAN	SAN	SAB
29	TEF	TEF	TEF	TEF	TEF	TEF	TEF	TEM	TEF	SOL	TEM	TEF	SYV	SYV	SYV	SYV	TEF	SGC	SAN	SAN
30	TPI	TEM	TEM	TEM	TEM	TEM	TEM	TPI	TEM	TEF	TPI	TEM	TEF	TEF	TEF	TEF	TEM	SYV	SGC	SGC
31	TPZ	TPI	TPI	TPI	TPI	TPI	TPI	TPZ	TPI	TEM	TRR	TPI	TEM	TEM	TEM	TEM	TPI	TEF	TEF	TEF
32	TRR	TPZ	TPZ	TPZ	TPZ	TPZ	TPZ	TRR	TPZ	TPI	UNF	TRR	TPI	TPI	TPI	TPI	TRR	TEM	TEM	TEM
33	UNF	TRR	TRR	TRR	TRR	TRR	TRR	UNF	TRR	TRR	VAL	UNF	TRR	TRR	UNF	TRR	UNF	TPI	TPI	TPI
34	VAL	UNF	UNF	UNF	UNF	UNF	UNF	ZEL	UNF	UNF	ZEL	VAL	UNF	UNF	ZEL	UNF	ZEL	UNF	UNF	UNF
35	ZEL	ZEL	ZEL	ZEL	ZEL	ZEL	ZEL		ZEL	ZEL		ZEL	ZEL	ZEL		ZEL		ZEL	ZEL	ZEL
Enter		GPP	GAM	GAS	ITX	SAN	-		LOR	IBLA	MVC		ENG	ABE	MAP		TRR		BTO	SAB
Exit		AGS	CAN	CTG	GPP	SCH	-	ACR		TPZ	VAL			ACE	PRS		TRR		DRC	TRR
		VAL								CRF				VAL						SYV
										SOL										

(1) Ordinary revision. (2) Extraordinary revision. (3) Ticker change.

Source: Sociedad de Bolsas and Santander Central Hispano Bolsa.

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### Key to Investment Codes<sup>1</sup>

<b>Buy</b>	Upside of more than 20%.
<b>Hold</b>	Upside of 15%-20%.
<b>Underweight</b>	Upside of less than 15%.

(1) Target prices set from January to June are for December 31 of the current year. Target prices set from July to December are for December 31 of the following year.

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