

GICS system – sectors and industries

In studying the share markets any where around the world, it can be useful to compare companies that are somewhat similar in what they do. That is, for example, to compare the performance of technology stocks, or health care stocks, or biotech stocks.

To help do this there is a globally recognised and standardised classification, where companies are allocated a code within the system. This is the GICS coding system.

GICS¹ (Global Industry Classification Standard) is a joint Standard and Poor's / Morgan Stanley Capital International (MSCI) product aimed at standardising industry definitions worldwide. To bring Australia in line with the rest of the world all ASX listed entities were reclassified according to GICS, and from 1 July 2002 the former ASX industry classification system became redundant.²

The GICS system comprises 10 *Sectors* aggregated from 24 *Industry Groups*, 68 *Industries*, and 154 *Sub-Industries* (*sub-industries* not shown in the table over the page).

Utilising this classification enables investors to compare the performance of like companies not only within the country, but around the world.

A word of caution. Many people tend to loosely refer to share *market sectors* and *industries*, and may or may not be referring to the GICS *sectors* and *industries*.

The 10 GICS Sectors:

- 10 Energy
- 15 Materials
- 20 Industrials
- 25 Consumer Discretionary
- 30 Consumer Staples
- 35 Health Care
- 40 Financials
- 45 Information Technology
- 50 Telecommunication Services
- 55 Utilities

Within the 10 high-level GICS sectors, there are:

- 24 industry groups
 - ◆ 68 industries
 - 154 sub-industries

1 Source — <http://www.standardandpoors.com/indices/gics/en/us>

2 Source — <http://www.asx.com.au/products/gics.htm>

The 10 GICS Sectors and the 24 Industry Groups:

GICS Sector	Industry Group
10 Energy	1010 Energy
15 Materials	1510 Materials
20 Industrials	2010 Capital Goods
	2020 Commercial Services & Supplies
	2030 Transportation
25 Consumer Discretionary	2510 Automobiles & Components
	2520 Consumer Durables & Apparel
	2530 Consumer Services
	2540 Media
	2550 Retailing
30 Consumer Staples	3010 Food & Staples Retailing
	3020 Food, Beverage & Tobacco
	3030 Household & Personal Products
35 Health Care	3510 Health Care Equipment & Services
	3520 Pharmaceuticals, Biotechnology & Life Sciences
40 Financials	4010 Banks
	4020 Diversified Financials
	4030 Insurance
	4040 Real Estate
45 Information Technology	4510 Software & Services
	4520 Technology Hardware & Equipment
	4530 Semiconductors & Semiconductor Equipment
50 Telecommunication Services	5010 Telecommunication Services
55 Utilities	5510 Utilities

The 10 GICS Sectors and the 24 Industry Groups and the 68 Industries:

GICS Sector	Industry Group	Industry
10 Energy	1010 Energy	101010 Energy Equipment & Services
		101020 Oil, Gas & Consumables Fuels
15 Materials	1510 Materials	151010 Chemicals
		151020 Construction Materials
		151030 Containers & Packaging
		151040 Metals & Mining
		151050 Paper & Forest Products
20 Industrials	2010 Capital Goods	201010 Aerospace & Defense
		201020 Building Products
		201030 Construction & Engineering
		201040 Electrical Equipment
		201050 Industrial Conglomerates
		201060 Machinery
		201070 Trading Companies & Distributors
	2020 Commercial Services & Supplies	202010 Commercial Services & Supplies
	2030 Transportation	203010 Air Freight & Logistics
		203020 Airlines
		203030 Marine
		203040 Road & Rail
		203050 Transportation Infrastructure
25 Consumer Discretionary	2510 Automobiles & Components	251010 Auto Components
		251020 Automobiles
	2520 Consumer Durables & Apparel	252010 Household Durables
		252020 Leisure Equipment & Products
		252030 Textiles, Apparel & Luxury Goods
	2530 Consumer Services	253010 Hotels, Restaurants & Leisure

GICS Sector	Industry Group	Industry
		253020 Diversified Consumer Services
	2540 Media	254010 Media
	2550 Retailing	255010 Distributors
		255020 Internet & Catalog Retail
		255030 Multiline Retail
		255040 Specialty Retail
30 Consumer Staples	3010 Food & Staples Retailing	301010 Food & Staples Retailing
	3020 Food, Beverage & Tobacco	302010 Beverages
		302020 Food Products
		302030 Tobacco
	3030 Household & Personal Products	303010 Household Products
		303020 Personal Products
35 Health Care	3510 Health Care Equipment & Services	351010 Health Care Equipment & Supplies
		351020 Health Care Providers & Services
		351030 Health Care Technology
	3520 Pharmaceuticals, Biotechnology & Life Sciences	352010 Biotechnology
		352020 Pharmaceuticals
		352030 Life Sciences Tools & Services
40 Financials	4010 Banks	401010 Commercial Banks
		401020 Thrifts & Mortgage Finance
	4020 Diversified Financials	402010 Diversified Financial Services
		402020 Consumer Finance
		402030 Capital Markets

GICS Sector	Industry Group	Industry
	4030 Insurance	403010 Insurance
	4040 Real Estate	404010 Real Estate (discontinued April 2006)
		404020 Real Estate Investment Trusts (REITs)
		404030 Real Estate Management & Development
45 Information Technology	4510 Software & Services	451010 Internet Software & Services
		451020 IT Services
		451030 Software
	4520 Technology Hardware & Equipment	452010 Communications Equipment
		452020 Computers & Peripherals
		452030 Electronic Equipment & Instruments
		452040 Office Electronics
		452050 Semiconductor Eqpt...discontinued April 2003.
	4530 Semiconductors & Semiconductor Equipment	453010 Semiconductors & Semiconductor Equipment
50 Telecommunication Services	5010 Telecommunication Services	501010 Diversified Telecommunication Services
		501020 Wireless Telecommunication Services
55 Utilities	5510 Utilities	551010 Electric Utilities
		551020 Gas Utilities
		551030 Multi-Utilities
		551040 Water Utilities
		551050 Independent Power Producers & Energy Traders