

# What is an index?

**Mehmet F. Dicle, Ph.D.**

Video lecture: <https://youtu.be/FjcTLQauEyE>

- Index is similar to a portfolio, mutual fund or an ETF.
- However, while it is **made up** of real securities, index is indicative only.
- Mutual fund or an ETF would **contain** real securities.
- Index is used to measure performance.
- Anybody can make up an index.
- There are numerous indexes available for variety of purposes.