Research

CRISIL 3 Month CP Index

Factsheet – Mar 01, 2018

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Research

About the Index

CRISIL 3 Month CP index tracks the performance of a portfolio of A1+ and A1+ (SO) rated Commercial Papers (CPs) with residual maturity around 91 days.

Features

- The index seeks to capture the return of the underlying constituents based on daily yield movement using CRISIL Money Market Valuation

- Base date for the Index: April 30, 2007

- Index portfolio represents a maximum of top 10 CP issuers

  Prior to 03 April 2017, index values are based on indicative yield

Key Characteristics

- **Representation:** The portfolio represents the performance of CPs with residual maturity around 3 months, thereby seeking to represent the CP market

- **Replicability:** The index constituents are valued on a daily basis. This lends the index a realistic approach by having valuations close to market levels

Methodology

- The index is rebalanced on a fortnightly basis using primary issuance data, secondary market trades and holdings for A1+ and A1+ (SO) rated CPs

- Securities with a residual maturity of 90 to 105 days are considered

- Based on the size of issuances during the previous fortnight,
  - Maximum of 10 issuers are identified
  - For each of the shortlisted issuers, the security with a higher residual maturity selected to be a part of the index

- In case the number of securities shortlisted using primary issuance data above falls short of 10:
  - Remaining issuers are identified based on the traded data for A1+ and A1+ (SO) rated CPs for the previous fortnight
  - Issuers are shortlisted based on the traded volume size
  - For each of the shortlisted issuers, the security with a higher traded volume is selected
  - In case of multiple securities having same traded volume, the security with a higher residual maturity selected to be a part of the index

- In case the number of securities shortlisted using primary issuance and secondary trades data above falls short of 10:
  - Remaining issuers are identified based on the CP holdings by various entities
  - Issuers are shortlisted based on higher residual maturity

- In case the number of securities shortlisted using primary issuance, secondary trades and holdings data above falls short of 10:

  − Remaining issuers are identified from the existing portfolio with a flexible maturity of -7/+15 days around the respective tenor

  − Issuers are shortlisted based on higher residual maturity

- Equal weights assigned to each of the constituents

- Securities valued on a daily basis using CRISIL Money Market Valuation

CRISIL 3 Month CP Index Constituent Details – Mar 01, 2018

The securities that form part of the index with effect from Mar 01, 2018 are as follows:

S.No.	Issuer Name	Maturity Date
1	Deutsche Investments India Pvt. Ltd.	22-May-18
2	STCI Finance Ltd.	22-May-18
3	Indostar Capital Finance Ltd.	6-Jun-18
4	Siyaram Silk Mills Ltd.	25-May-18
5	PVR Ltd.	22-May-18
6	Adani Enterprises Ltd.	1-Jun-18
7	Housing Development Finance Corporation Ltd.	30-May-18
8	L&T Finance Ltd.	25-May-18
9	Shriram City Union Finance Ltd.	25-May-18
10	JM Financial Products Ltd.	22-May-18

CRISIL 3 Month CP Index Details – Mar 01, 2018

Parameter	Value
Average Maturity (years)	0.2362
Modified Duration (years)	0.2183

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