

CRISIL Indices

CRISIL Roll Down Indices – Series 1

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CRISIL AAA/AA & AA+ FMP Index

Features

- Base Date for the Index: 4th April 2021
- Total Return Index seeking to capture coupon and price returns of the underlying portfolio
- Index portfolio marked-to-market on a daily basis using CRISIL debt valuations
- Index constituents are held till maturity

Key Characteristics

- **Liquidity:** The indices seeks to capture the movement of a portfolio comprising liquid AAA/AA+/AA rated corporate bonds, thereby ensuring appropriate market representation
- **Replicability:** The indices constituents are valued on a daily basis. This lends the indices a realistic approach by having the valuations close to market levels

Maturity Buckets:

- Securities with the residual maturities between 3 - 3.5 years*

Methodology

- Up-to top 12 issuers are identified at the inception by using a consistent liquidity score based on the following parameters analysed :
 - Volume traded: 70%
 - No of days traded: 15%
 - No of trades: 15%
- The index will be held till maturity and no rebalancing will be done mid period.
- The security of the selected issuers with residual maturity between 3 - 3.5 years would be selected to be a part of the index
- The weights to the securities are allocated on the basis amount outstanding of issuer
- Weight to each bond is subject to a cap of 10%. Excess weight is redistributed proportionately among other bonds
- The index constituents are valued on a daily basis using CRISIL Valuations
- Rating considered for a bond is the conservative rating of all the bonds for that particular issuer (except for SO rated bonds)
- In case of rating downgrade, the index will hold the security till its maturity and not rebalance it.
- All cash flows generated in the index will be reinvested in CBLO at the month end.
- The exclusion criteria for selection of credit indices would be the same as the standard indices i.e. Perpetual bonds, Floating rate bonds, Tax free bonds and bonds with single option (call/put) would not form a part of the universe.

**in case no securities are found in 3-3.5 years bucket, the bucket limits will be eased to 2.5-3.5 years*

CRISIL SDL FMP Index

Features:

- Base Date for the Index: 4th April 2021
- Total Return Index seeking to capture coupon and price return of the underlying portfolio.
- Index constituents valued on a daily basis using CRISIL SDL Valuations.
- Index constituents are held till maturity.

Key Characteristics:

- **Liquidity:** The index seeks to capture the movement in a portfolio consisting of most liquid SDL Bonds by using appropriate market representation.
- **Replicability:** The index constituents are valued on a daily basis. This lends the index a realistic approach by having the valuations close to market levels.

Maturity Buckets:

- Securities with the residual maturities between 3 - 3.5 years*

Methodology :

- Up-to top 12 issuers are selected at the inception based on issuance for last 3 months before the launch of the Index
- The security of the selected issuers with residual maturity between 3 - 3.5 years would be selected to be a part of the index
- The securities in the index will be held till maturity and no rebalancing will be done mid period.
- The weights to the eligible bonds are allocated on the basis amount outstanding of issuer.
- UDAY bonds are kept out of the purview of the selection process.

**in case no securities are found in 3-3.5 years bucket, the bucket limits will be eased to 2.5-3.5 years*

CRISIL Composite FMP Index

Features :

- Base Date the Index: 4th April 2021
- Total Return Index seeking to capture coupon and price return of the underlying portfolio.
- The index portfolio marked-to-market on a daily basis using CRISIL SDL Valuations and CRISIL Bond Valuations.
- Derived index from the following sub-indices:
 - CRISIL AAA FMP Index
 - CRISIL SDL FMP Index

Maturity Buckets:

- Securities with the residual maturities between 3 - 3.5 years*

Objective:

- To track the performance of a composite debt portfolio having a blend of the CRISIL AAA FMP Index (80%) and CRISIL SDL FMP Index (20%)

**in case no securities are found in 3-3.5 years bucket, the bucket limits will be eased to 2.5-3.5 years*

CRISIL Hybrid FMP Index

Features

- Base Date the Index: 4th April 2021
- Total Return Index seeking to capture coupon and price return of the underlying portfolio.
- Debt portion of the index portfolio marked-to-market on a daily basis using CRISIL SDL Valuations and CRISIL Bond Valuations.
- Derived index from the following sub-indices:
 - CRISIL Composite FMP Index
 - S&P BSE 200 TR Index

Maturity Buckets:

- Securities with the residual maturities between 3 - 3.5 years*

Objective:

- To track the performance of an hybrid portfolio having a blend of the S&P BSE 200 TR (20%) and CRISIL Composite FMP Index (80%)

**in case no securities are found in 3-3.5 years bucket, the bucket limits will be eased to 2.5-3.5 years*

About CRISIL Limited

CRISIL is a leading agile and innovative, global analytics company driven by its mission of making markets function better. We are India's foremost provider of ratings, data, research, analytics and solutions. A strong track record of growth, culture of innovation and global footprint sets us apart. We have delivered independent opinions, actionable insights, and efficient solutions to over 1,00,000 customers. We are majority owned by S&P Global Inc., a leading provider of transparent and independent ratings, benchmarks, analytics and data to the capital and commodity markets worldwide.

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