

### About the Index

SX40 is the flagship Index of Metropolitan Stock Exchange of India Limited (MSEI). It is an adjusted free-float based index of 40 large-cap liquid stocks representing diversified sectors of the economy. SX40 is designed to measure the economic performance with better representation of various industries and sectors.

#### Objective

SX40 is designed to be a performance benchmark and facilitate creation of efficient investment and risk management instruments. It would also help in structuring passive investment vehicles.

### Performance of SX40



Period	Returns%	Std. Deviation%	P/E
FY 2010-11	11.70	1.11	22.75
FY 2011-12	-8.84	1.26	18.31
FY 2012-13	8.31	0.78	18.84
FY 2013-14	20.58	1.01	20.27
FY 2014-15	25.52	0.82	24.56
FY 2015-16	-8.13	1.05	21.39
FY 2010-16*	60.99%	1.00%	20.94

\* Data as on 30 DEC 2016

### Quick Facts

- Index Universe: Large Cap companies
- No. of Companies: 40
- Base Date: March 31, 2010
- Base Value: 10,000
- Currency: Indian Rupee
- Index Basket Recasting: Semi-annually
- Minor Share Issuance adjustment: Monthly
- Methodology: Adjusted Free float weighted market capitalisation

### Index Code

- Bloomberg: SX40 Index
- Thomson Reuters: MCSX40
- TickerPlant: SX40

### Contact Details

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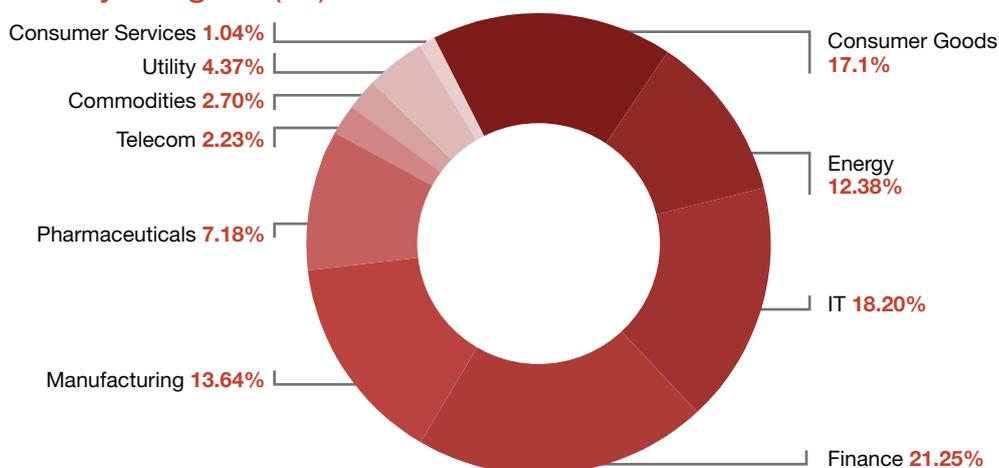
### Selection Criteria

- Underlying stocks must have a positive networth
- The stock must have free float of at least 10% and should be within top 100 liquid companies
- Industry capping at 20%
- Top 40 companies meeting above criteria constitute SX40

## Key Features

- Superior return and risk adjusted return
- A unique index of India, benchmarking global best practices of index designing
- Better reflection of the organised sector in the economy through enhanced industry representation
- Rule based, transparent and replicable
- Industry capping eliminates industry bias and enhances index stability
- Low cost for funds (MFs and ETFs) - construction and maintenance
- Low tracking error for passive portfolio management (MFs, ETFs, etc.)

## Industry weights (%)



## Top 10 constituents

Company	Index Weight	Industry	Mkt Cap Rs Cr *
ITC	8.6%	CONSUMER GOODS	243445
INFY	8.4%	IT	238851
RELIANCE	7.5%	ENERGY	212687
HDFCBANK	5.2%	FINANCE	148701
TCS	5.2%	IT	147442
LT	4.6%	MANUFACTURING	130779
HDFC	4.3%	FINANCE	122947
TATAMOTORS	3.8%	MANUFACTURING	108292
ICICIBANK	3.2%	FINANCE	91308
MARUTI	2.9%	ENERGY	83460

\* Data as on 30 DEC 2016

## International Practices

Parameters	SX40	International Practices	NSE
Minimum Free Float	10%	FTSE-25%, CAC 20%, S&P 500- 50%	---
Liquidity	Within Top 100	NIKKEI: Turnover as Liquidity	Impact cost
Review	Semi-annually	Quarterly, Half yearly, Annual, Need Based	Semi-annually
Minor Share Issuance adjustment Free Float Change	Monthly	DAX, FTSE: Qtrly, 10% and above changed else annual, Nasdaq, S&P 500 Qtrly if less than 5%	Quarterly
Industry Cap	20%	S&P/TSX (10% & 25% Capped)	No

## Metropolitan Stock Exchange of India Limited

(Formerly known as MCX Stock Exchange Ltd.)

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