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# NSE launches two new indices



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# A Snapshot: CNX PSE Index & CNX Infrastructure Index



- Date of commencement: November 25<sup>th</sup> , 2011
- **CNX PSE Index:** Benchmark indices of top 20 listed state-owned companies
- **CNX Infra Index:** Benchmark indices of 25 major infrastructure stocks
- NO TRANSACTION CHARGES being levied by Exchange for 6 months from commencement of trading



## CNX PSE Index – A Brief

- Provides a platform to invest in *Navratna* Companies
- Index composition: 20 Public Sector Enterprises - a combination of all 16 *Navratna* PSEs and 4 *Miniratna* PSEs of India
- Includes only those companies that have over 51% of their outstanding share capital held by the Central Government and/or State Government, directly or indirectly.

## Product Specifications:

<b>Underlying Index</b>	CNX PSE INDEX
<b>Security Descriptor</b>	FUTIDX CNXPSE
	OPTIDX CNXPSE
<b>Contract Size</b>	75
<b>Tick Size</b>	Re. 0.05
<b>Contract Months</b>	Maximum of three months – the near month, the next month and the far month



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# CNX PSE Index: Composition and Weights

Sr. No	Company	Symbol	Free float-Market Cap (Rs in cr)	Weight (%)
1	Oil & Natural Gas Corporation Ltd.	ONGC	37455	17.95
2	Bharat Heavy Electricals Ltd.	BHEL	25108	12.04
3	NTPC Ltd.	NTPC	22910	10.98
4	Coal India Ltd.	COALINDIA	20970	10.05
5	GAIL (India) Ltd.	GAIL	18996	9.11
6	Power Grid Corporation of India Ltd.	POWERGRID	14844	7.12
7	NMDC Ltd.	NMDC	9390	4.5
8	Bharat Petroleum Corporation Ltd.	BPCL	8045	3.86
9	Indian Oil Corporation Ltd.	IOC	7002	3.36
10	Steel Authority of India Ltd.	SAIL	6572	3.15
11	Rural Electrification Corporation Ltd.	RECLTD	5919	2.84
12	Hindustan Petroleum Corporation Ltd.	HINDPETRO	5515	2.64
13	Power Finance Corporation Ltd.	PFC	5201	2.49
14	Container Corporation of India Ltd.	CONCOR	4726	2.27
15	NHPC Ltd.	NHPC Ltd.	4202	2.01
16	Oil India Ltd.	OIL	3956	1.9
17	Bharat Electronics Ltd.	BEL	3024	1.45
18	National Aluminium Co. Ltd.	NATIONALUM	1936	0.93
19	Engineers India Ltd.	ENGINEERSIN	1601	0.77
20	Shipping Corporation of India Ltd.	SCI	1248	0.6

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## CNX PSE Index: Key Features

- Represents 8.45% of the total free float market capitalization of stocks traded on NSE
- Turnover of all constituents at 6.17% of total turnover at NSE
- Both Futures and Options available for trading
- Companies only with positive net worth are part of the index
- Base date of December 1994 and base value of 1000

## How can you cash in the opportunities are available ?

**Invest:** Trade in a sector based index which covers 20 well known public sector companies, a combination of Navratna and Miniratna PSEs.

**Hedge:** Reduce risks associated with market exposure to CNX PSE constituent stocks by taking a hedged position in the CNX PSE derivatives contracts

**Arbitrage:** Take advantage of the price difference between the futures and the cash market. To know more details on the product please contact your relationship

# CNX Infrastructure Index

- Infrastructure - key driver to the Indian growth story
- Government outlay for infrastructure increased significantly
- Infrastructure index includes companies belonging to telecom, power, port, air, roads, railways, shipping sectors and other utility services providers
- Infra Index tracks the 25 well known infrastructure stocks, around half of them among the top 50 stocks in the Indian securities market

# CNX Infrastructure Index

## Product Specifications:

<b>Underlying Index</b>	CNX INFRA INDEX
<b>Security Descriptor</b>	FUTIDX CNXINFRA
	OPTIDX CNXINFRA
<b>Contract Size</b>	100
<b>Tick Size</b>	Re. 0.05
<b>Contract Months</b>	Maximum of three months – the near month, the next month and the far month



# CNX Infrastructure Index: Composition & weights



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Sr. No	Company	Symbol	Free float-Market Cap (Rs. Crs)	Weight (%)
1	Larsen & Toubro Ltd.	LT	75832	26.59
2	Bharti Airtel Ltd.	BHARTIARTL	47177	16.54
3	Bharat Heavy Electricals Ltd.	BHEL	25108	8.8
4	NTPC Ltd.	NTPC	22910	8.03
5	Tata Power Co. Ltd.	TATAPOWER	16256	5.7
6	Power Grid Corporation of India Ltd.	POWERGRID	14844	5.21
7	Jaiprakash Associates Ltd.	JPASSOCIAT	8755	3.07
8	Idea Cellular Ltd.	IDEA	7788	2.73
9	Mundra Port and Special Economic Zone Ltd.	MUNDRAPORT	7392	2.59
10	Siemens Ltd.	SIEMENS	7273	2.55
11	Reliance Infrastructure Ltd.	RELINFRA	6374	2.24
12	Reliance Communications Ltd.	RCOM	5296	1.86
13	Crompton Greaves Ltd.	CROMPGREAV	5290	1.86
14	Reliance Power Ltd.	RPOWER	5245	1.84
15	Container Corporation of India Ltd.	CONCOR	4726	1.66
16	NHPC Ltd.	NHPC	4202	1.47
17	ABB Ltd.	ABB	3761	1.32
18	Adani Power Ltd.	ADANIPOWER	3677	1.29
19	GMR Infrastructure Ltd.	GMRINFRA	3090	1.08
20	Suzlon Energy Ltd.	SUZLON	2971	1.04
21	Voltas Ltd.	VOLTAS	2293	0.8
22	Tata Communications Ltd.	TATACOMM	1285	0.45
23	Shipping Corporation of India Ltd.	SCI	1248	0.44
24	Punj Lloyd Ltd.	PUNJLLOYD	1240	0.43
25	Lanco Infratech Ltd.	LITL	1124	0.39

# CNX Infrastructure Index : Key Features

- Represents 12% of the total free float market cap of stocks traded on NSE & 75.74% of the free float market cap of companies forming part of infrastructure sector
- Turnover of all constituents over 15% of total turnover at NSE
- Companies only with positive net worth part of the index
- Both Futures and Options available for trading
- Base date of Jan 1, 2004 and base value of 1000

## How can you cash in the opportunities are available ?

**Invest:** Trade in an index which tracks the 25 well known infrastructure stocks, around half of them among the top 50 stocks in the Indian Securities market

**Hedge:** Reduce risks associated with market exposure to CNX Infrastructure constituent stocks by taking a hedged position in the CNX infrastructure derivatives contracts

**Arbitrage:** Take advantage of the price difference between the futures and the cash market

# CNX PSE Index & CNX Infrastructure Index Contract Specifications on comparative basis

Underlying Index	CNX PSE INDEX	CNX INFRASTRUCTURE INDEX
Security descriptor	Futures : FUTIDX CNXPSE	Futures : FUTIDX CNXINFRA
	Options : OPTIDX CNXPSE	Options : OPTIDX CNXINFRA
Contract Size	Permitted lot size shall be 75 and multiples thereof	Permitted lot size shall be 100 and multiples thereof
Price steps	Re. 0.05	
Trading Cycle	Maximum of three months – the near month, the next month and the far month. New contract shall be introduced on the next trading day following the expiry of near month contract	
Expiry day	Last Thursday of the expiry month or the previous trading day if the last Thursday is a trading holiday	



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# THANKS