



IISL
INDIA INDEX SERVICES & PRODUCTS LIMITED
(A joint venture of NSE & CRISIL)

PRESS RELEASE

LAUNCH OF NEW INDICES

In continuation of its efforts to develop indices that meet the requirements of market participants, IISL announces launch of the following indices:

1. CNX Low Volatility Index
2. CNX High Beta Index
3. CNX Alpha Index

CNX Low Volatility Index

The CNX Low Volatility index aims to measure the performance of the least volatile securities listed on NSE. The index focuses on creating a portfolio of least volatile securities which shall curb the downside during the bear phases of the market. The index constitutes of 50 securities and weights are assigned based on the volatility values. Security having lowest volatility in the index gets the highest weight.

CNX High Beta Index

The CNX High Beta index aims to measure the performance of the stocks listed on NSE that have High Beta. Beta can be referred to as a measure of the sensitivity of stock returns to market returns. The market is represented by the performance of the S&P CNX Nifty. The index constitutes of 50 securities and weights are assigned based on the Beta values. Security having highest beta in the index gets the highest weight.

CNX Alpha Index

The CNX Alpha Index aims to measure the performance of securities listed on NSE with high alphas. It measures the performance on a risk-adjusted basis. The index constitutes of 50 securities and weights are assigned based on the alpha values. Security having highest alpha in the index gets the highest weight.

Selection Criteria:

Following scrips selection criteria have been applied for selection of CNX Low Volatility, CNX High Beta and CNX Alpha index:

- Companies must rank within the top 300 companies by average free-float market capitalization and aggregate turnover for the last six months.
- The company should have a listing history of 1 year.
- The company should have an investable weight factor (IWF) of at least 10%.
- The company should have reported a positive net worth.
- Volatility, Beta, Alpha of eligible securities calculated using 1 year trailing prices (adjusted for corporate actions) are assigned ranks.
- Top 50 securities ranked by low volatility, high beta and high alpha form part of respective Index.
- In order to reduce the replacements of scrip in the index, a buffer of 100% shall be applied in the quarterly reviews.

The indices will be calculated on an end-of-day basis. The closing values of these indices would be available on www.nseindia.com.

Place: Mumbai

Date: November 19, 2012