Research

CRISIL
An S&P Global Company

CRISIL Medium Term Gilt Index

Factsheet – January, 2018

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About the Index

CRISIL Medium Term Gilt Index tracks the performance of a portfolio comprising government securities with residual maturity greater than 5 years and upto 10 years

Features and Characteristics

- Total Return Index seeking to capture coupon and price returns of the underlying portfolio
- Base date for the Index: October 01, 2004
- Index constituents valued on a daily basis using CRISIL Gilt Valuation
- Fully invested with no allocation to cash
- Index weights rebalanced on the 1st business day of every month

Key Characteristics

- **Liquidity:** The index seeks to capture the movement in a portfolio consisting of most liquid government securities 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

Methodology

- Trading pattern of government securities with residual maturity greater than 5 years and upto 10 years is analysed during the last one month
- Consistent Liquidity Scores assigned to each security on the basis of:
  - Volumes traded (70%)
  - Days Traded (15%)
  - Number of Trades (15%)
- Top eight securities on Consistent Liquidity Score eligible to be part of the index
- Weights to eligible securities based on a combined score of:
  - Liquidity (70%)
  - Amount outstanding (30%)
- Surrogate bonds (namely Food Corporation of India bonds, Oil bonds, Fertiliser bonds and UTI Special Bonds) and Floating rate bonds kept out of the purview of the selection process since these are quasi government bonds

CRISIL Medium Term Gilt Index: Constituent Details – January 01, 2018

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

Serial Number	ISIN	Security Name	Final Redemption Date	Coupon	Index Weights	Modified duration
1	IN0020170026	06.79% CGL 2027	15-May-27	6.79%	37.67%	6.73
2	IN0020130012	07.16% CGL 2023	20-May-23	7.16%	9.06%	4.37
3	IN0020150036	07.72% CGL 2025 - New 10 Year G-Sec.	25-May-25	7.72%	9.06%	5.55
4	IN0020090034	07.35% CGL 2024	22-Jun-24	7.35%	9.19%	5.07
5	IN0020150010	07.68% CGL 2023	15-Dec-23	7.68%	8.95%	4.71
6	IN0020060078	08.24% CGL 2027 (Recapitalised Bond)	15-Feb-27	8.24%	9.01%	6.23
7	IN0020120047	08.20% CGL 2025	24-Sep-25	8.20%	8.65%	5.59
8	IN0020140060	08.15% CGL 2026 - New 12 Year Govt.Stock	24-Nov-26	8.15%	8.42%	6.26

CRISIL Medium Term Gilt Index: Index Details – January 01, 2018

Parameters	Values
Average Maturity (years)	8.06
Modified Duration (years)	5.89
Average Coupon (%)	7.41

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