MSCI Index

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About MSCI Index

- It is owned by the **multinational investment management** and financial services company Morgan Stanley.
- It is an investment research firm that **provides stock indexes, portfolio risk and performance analytics, and governance** tools to institutional investors and hedge funds.
- It is a leading provider of **critical decision support tools, including stock indexes**, and services for the global investment community.
- MSCI indices facilitate the construction and monitoring of portfolios in a cohesive and complete manner, avoiding benchmark misfit**. It has over 160,000 indices in its portfolio.**
- MSCI has indexes for countries, regions, emerging markets, developed markets, small cap, all cap and even Islamic indexes.
- It **selects stocks for its equity indexes that are easily traded and have high liquidity**, with companies having high free float getting more weightage.
- It prefers stocks that have active investor participation, and are without owner restrictions.

What is MSCI India Index?

- The MSCI India Index is designed to measure **the performance of the large and mid-cap segments of the Indian market.**
- With 113 constituents, the index covers approximately 85% of the Indian equity universe.
- The index is **reviewed quarterly.**

Q1) What are Stock indexes?

Stock indexes, also known as stock indices, are measures that track the performance of a specific group of stocks in a financial market. These indexes provide a snapshot of how a particular segment of the stock market is performing over time.

Source: REC doubles Market Cap in one year, figures in MSCI Global Standard Index