

**NOTES ON THE FTSE ACTUARIES SHARE INDICES
(UNITED KINGDOM SERIES) IN 1996**

BY J. C. H. BRUMWELL, M.A., F.I.A., M.S.I.

ABSTRACT

Consolidation of the *FTSE* Actuaries Share Indices, and of the revised 1994 Industrial Classification system. New Alternative Investment Market (AIM) Index. Closure of Unlisted Securities Market.

KEYWORDS

FTSE Actuaries Share Indices; Ordinary Shares; London Market

1. CONSTITUENT CHANGES IN THE U.K. EQUITY INDICES DURING 1996

Forty constituents have been deleted from the indices constituting the All-Share Index in 1996; these deletions are recorded in Table A. A further 63 companies were deleted from the Fledgling Index (the constituents of which are *not* included in the All-Share Index). The closure of the Unlisted Securities Market (USM) at the end of 1996 was the cause of a flood of casualties — three SmallCap and 12 Fledgling constituents elected to be quoted on the recently launched AIM Index during 1996, and a further one SmallCap and three Fledgling constituents were left stranded at the end of the year and so were added to the year-end deletions; the SmallCap one is included in Table I(iii). There were 14 deletions during 1996 from the AIM Index.

Twenty-seven new companies were added to the All-Share Index during the year; these companies are shown in Table B. This figure excludes the more numerous year-end changes, effective on 2 January in both 1996 and 1997, of which the former were dealt with in the 1995 note in this series, and the latter in Section 2. The rules of the Fledgling Index only allow for entries annually at the year end; however, such events as the case of an announced end-1995 entrant which was not added then due to its suspension while an acquisition was made, reinstatement of a constituent deleted earlier because of a prolonged, and then unexplained, suspension, or a demerger from an existing constituent, can result in additions, and eight such occurred early in 1996. New constituents were added to the AIM Index in quarterly batches; 124 were added in 1996.

The nine All-Share constituents reclassified during the year are listed in Table C, together with a further six affected by the year-end sector changes.

Twenty-nine All-Share constituents which changed their names are set out in Table D; 41 Fledgling companies and ten AIM Index constituents were also renamed in 1996.

The seven constituents promoted and eight relegated between the *FTSE* 100 and 250 Indices during 1996 are set out in Table E — the imbalance reflects two

FTSE 100 constituents taken over or merged, offset by two demerged companies and a single new entrant direct into the FTSE 100.

Similarly the 34 constituents promoted and 25 relegated between the FTSE 250 and SmallCap Indices are set out in Table F — the imbalance reflects fourteen FTSE 250 constituents taken over, one liquidated, one deleted on suspension, one demerged and seven new entrants inserted directly into the FTSE 250, and the knock-on effect of the imbalance in Table E.

In 1996 the total number of 'other' All-Share Index capital changes recorded —excluding both end-1995 and end-1996 changes and also those set out in Tables A to F — was 2,482. A further 668 such changes concerned constituents of the Fledgling Index, and there were 198 in the new AIM Index. These show further increases over the 2,352 and 632 totals for All-Share and Fledgling changes in 1995. The table below shows the changes to each index monthly.

	100	250	SmallCap	All-Share	Fledgling	AIM	Total
January	43	110	61	214	48	9	271
February	46	82	71	199	56	11	266
March	36	82	54	172	57	20	249
April	43	111	77	231	57	14	302
May	55	112	94	261	61	20	342
June	43	80	79	202	61	13	276
July	54	109	75	238	66	28	332
August	47	81	63	191	54	14	259
September	47	101	75	223	52	16	291
October	58	86	67	211	59	16	286
November	33	79	61	173	45	17	235
December	32	71	64	167	52	20	239
	<u>537</u>	<u>1,104</u>	<u>841</u>	<u>2,482</u>	<u>668</u>	<u>198</u>	<u>3,348</u>

2. YEAR-END INDEX CHANGES

In order to reduce the number of changes of constituent at the 'bottom' of the All-Share Index required by implementation of promotions and relegations between the SmallCap (included in the All-Share) and Fledgling Indices (excluded) using a single capitalisation criterion (which had been £40m at the end of 1994), it was agreed in 1995 to introduce a band — similar to that governing changes of constituent quarterly between the 100 and 250 Indices, and between the 250 and SmallCap itself. The criterion was set at £48m, with a 15% band either side of this figure, at the end of 1995; SmallCap constituents, therefore, had to fall below £40.8m at the 5 December 1995 valuation to suffer relegation, and promotions from the Fledgling had to clear the hurdle level of £55.2m. At the end of 1996 this procedure was repeated with the criterion raised to £53m, with a 15% band requiring — at the critical 10 December 1996 valuation — maintenance of the £45.0m level by a SmallCap constituent to avoid relegation, but £60.9m was required to achieve promotion from the Fledgling Index.

As a result of this review 46 constituents were deleted from the SmallCap Index, and consequently the All-Share, for 1997 — 43 for failing to retain the £45.0m capitalisation, one on the closure of the Unlisted Securities Market, one for liquidity reasons (i.e. trading insufficiently often) and the other suspended at the year end, at a value less than £45m — as shown in Table I — while 69 companies — shown in Table J — were added. These 69 new entrants to the SmallCap, and All-Share, were made up of 22 new issues, seven previously ineligible companies which had now become eligible and 40 ‘promotions’ from the Fledgling Index. As a result the 896 All-Share constituents at the end of 1996 increased to 919; this compares with an increase from 898 to 909 at the end of 1995.

There were 50 year-end deletions from the Fledgling Index — 40 ‘promotions’ to the SmallCap, and 10 companies which had ceased to be eligible for liquidity reasons, either because they did not trade sufficiently often, or had not elected to transfer to the main market before the Unlisted Securities Market closed on 31 December 1996. There were 113 additions — the 43 ‘relegations’ from the SmallCap, a further 42 new issues and 28 other companies which had become eligible. As a result the 765 Fledgling constituents at the end of 1996 increased to 828; this compares with an initial 818 at the beginning of 1996, and 781 a year earlier.

3. SECONDARY LINES

Three constituents of the All-Share Index, having multiple lines of shares, implemented material changes in 1996:

- | | | |
|------------|---------|--|
| 15 April | 100 | SmithKline Beecham: repayment of Preferred shares contained within Equity units for U.S.\$0.2251 each, and ‘A’ shareholders received a scrip to similar value (1-for-52.63), and then the two lines combined as Ordinary shares. |
| 10 June | Mid 250 | Securicor Group: enfranchisement of A shares in a reconstruction under which the existing Ordinary stockholders received 6.7 new Ordinary shares in Securicor plc for each unit held, A Ordinary (Non-Voting) stockholders received 3.84 new Ordinary shares per unit, and the 4.55% Cumulative Preferred shareholders (not previously included in the index weighting) 101.6 new Ordinary shares per share. Further shares were also issued to outside shareholders in the partly-owned subsidiary Securities Services. |
| 18 October | 250 | United Friendly Group: the equivalent weighting for the few Ordinary shares had been added to that of the main line of B Restricted Voting shares in the index. On the |

merger with Refuge Group to form United Assurance Group, Ordinary holders received 832 new Ordinary for every 100 held, and B Restricted Voting only 208 new Ordinary for 100. For a single day, former United Friendly Group shareholders held a separate line of 'Non-Ranking Ordinary' shares of United Assurance Group. On 21 October the existing (former Refuge) shares were marked 'ex' a scrip issue of convertible deferred shares entitling them to participate in any eventual DTI-approved distribution of the 'orphan assets' in the Refuge Ordinary Branch funds; the two lines, which had been priced some 17p apart on 18 October, merged into a single line.

Five constituents of the Fledgling Index were also involved in material changes.

4. YEAR-END CHANGES IN CLASSIFICATION OF STOCK EXCHANGE SECURITIES BY INDUSTRY

There were no mid-year changes to groups, sectors, subsectors, their names or their definitions.

The following few changes were implemented at the end of the year (i.e. on 2 January 1997):

- The definition of Subsector 370, 'Pharmaceuticals' was amended to read 'Drug research and development and/or exploitation'.
- Sector 72, 'Banks, Merchant' was discontinued. Subsector 720 was renumbered to become 771, 'Banks, Merchant' retaining its title and definition. The six index constituents formerly in Sector 72, 'Banks, Merchant' were therefore to be reclassified into Sector 77, 'Other Financials', as shown in Table C.
- The introduction of a number of new types of investment trusts and other funds as a result of Treasury initiatives led to the decision by the *FTSE Actuaries U.K. Indices Committee* that it would rather exclude these funds from the indices due to their likely lack of marketability, and it was therefore decided to introduce a rule that companies classified in sectors numbered higher than 819 would be ineligible to be index constituents. Consequently new sectors have been set up to accommodate such funds. No constituents of the indices were involved, but the new sectors and subsectors set up are:

Sector 82, Subsector 820,
'Housing Income Investment Trusts'

Companies investing up to £125,000 in the South East of England and up to £85,000 elsewhere in each individual property in the private rented housing market.

Sector 84, Subsector 840,
'Open-Ended Investment Companies'

Open-ended investment companies which can have a variable share

Sector 88, Subsector 880, 'VCTs'

structure and prices on a 'single-price' basis.

Companies investing up to £1m each in U.K. unlisted and AIM companies which have gross assets not greater than £10m. These vehicles have special taxation arrangements and are approvable under s.842AA.

—With index ineligibility now specified by sector number, the existing (ineligible) 'Split Capital Investment Trusts' — formerly classified in Subsector 808 — were renumbered into a new Sector 86, Subsector 860, with the definition remaining unchanged.

5. MISCELLANEOUS

The third paragraph of the corresponding Section 5 in the 1995 note in this series concerned the new Alternative Investment Market, and described the new AIM Index which was introduced at the beginning of 1996. Unfortunately, during a revision prior to publication an erroneous 'U.K.' was not deleted, resulting in the following self-contradictory description of its coverage (the 'U.K.' which should have been deleted is italicised): "covering all *U.K.* companies quoted in sterling on the AIM (i.e. not necessarily U.K. companies)". The point is that — unlike in the *FTSE* indices — U.K. registration *is not* a requirement.

Greenalls Group produced a 'FT-SE 100 Celebration Ale' to mark their promotion to that Index on 31 January. Unfortunately the company was relegated again on 24 June.

The SmallCap Index has been calculated in real time, rather than 'at end of day', since 25 March 1996.

FT-SE International Ltd. changed its name to FTSE International Ltd. (i.e. the hyphen was dropped) on 1 September. There were corresponding changes in the names of most of the indices at the beginning of October, of which the most notable was perhaps that the FT-SE Mid 250 became simply the *FTSE* 250. The hyphen has been dropped throughout this note for all 1996 changes, except where it is clearly inappropriate to do so.

With the transfer of the printing contract for the Stock Exchange Daily Official List to FT-Extel in September, the full three-digit industrial classification subsector codes have been included; previously only the two-digit sector codes had been accommodated.

A novelty on 6 September was the implementation at 2.30pm of the merger of Lucas Industries and Varsity Corporation (of the U.S.A.) to form LucasVarsity, requiring — for the first time since the indices commenced in 1962 — a capital change other than at the beginning or end of a day. It was therefore necessary to 'hold' the Mid 250 Index for a few minutes while the change was effected. Prior

to the introduction of real-time indices this would not have been so significant, but theoretically it would have required use of all the prices at the time of the change, rather than end-of-day prices which would otherwise have been the only ones available in pre-electronic price gathering times.

An ordered list of FTSE 100 constituents using closing 31 December 1996 prices (from British Petroleum £39.6bn to Redland £1.9bn) appears as Table G. Table H sets out, for 31 December 1996, various values and statistics for the sectional and industry sector indices.

Following requests from index users the treatment of 'special dividends' was varied from 1 January 1997. The LIFFE definition of such dividends as additional to those declared as part of a company's normal results and dividend reporting cycle — but excluding timing adjustments — was adopted. The actual treatment is to:

- (a) treat all special dividends as capital adjustments, adjusting by the net value;
- (b) treat any tax credit associated with a special dividend as income, including it in the xd adjustment; and
- (c) calculate and publish the index xd figures on both a net and gross basis.

A guide to explaining how the FT-SE Actuaries Share Indices and related dividend and earnings statistics are calculated was published in February 1995, and reviewed by Eric Short in the March 1995 issue of *The Actuary*. An October 1996 update of the 'FTSE Actuaries Share Indices Guide to Calculation Methods', a guide to the Industry Classification System and updated listings of the classifications of all companies with equity quoted in London, are available free of charge from:

Customer Relations Department, FTSE International Limited, St Alphage House —Podium Floor, 2 Fore Street, London, EC2Y 5DA; Telephone: + 44 (0) 171 448 1800, Facsimile: + 44 (0) 171 448 1804.

N.B. A longer version of this note (and the corresponding notes for 1994 and 1995) giving full details of changes to individual Fledgling and AIM Indices constituents is available on the Internet — in the FTSE Library on FTSE International's web site: <http://www.ftse.com>. An interim note for 1997 — updated every week or two — is also available on the site.

Table A. All-Share constituents deleted during 1996

Date	Constituent	Section	Capitalisation £m	Industry Classification	Control Acquired by
4 January	Northumbrian Water Group	Mid 250	810.0	Water	Lyonnaise Europe
5 January	Cluff Resources	SmallCap	81.6	Extractive Industries	Ashanti Goldfields
11 January	Seeboard	Mid 250	1304.3	Electricity	Central & South Western Corporation
15 January	Goal Petroleum	SmallCap	129.5	Oil Exploration & Production	Talisman Energy (UK)
16 January	Hobson	SmallCap	121.1	Food Producers	Hillsdown Holdings
31 January	Forte	100	3240.8	Leisure & Hotels	Granada Group
2 February	South Wales Electricity	Mid 250	787.9	Electricity	Welsh Water
27 February	NM Smaller Australian Companies Trust	SmallCap	50.3	Investment Trusts	Pacific Assets Trust
6 March	BI Group	SmallCap	94.4	Engineering	NIC Holdings (UK)
28 March	USDC Investment Trust	SmallCap	102.1	Investment Trusts	Reconstruction (see Event 2 - Table B)
3 April	MAI	Mid 250	1359.6	Other Financial	United News & Media
	Trade Indemnity	SmallCap	178.2	Insurance	Compagnie Financiere SFAC
11 April	Gartmore	Mid 250	500.7	Other Financial	National Westminster Bank
18 April	Trafalgar House	Mid 250	541.4	Diversified Industrials	Kvaerner A/S
3 May	BET	Mid 250	2135.0	Support Services	Rentokil Group
7 May	Unitech	Mid 250	484.8	Electronic & Electrical Equipment	Siebe
24 May	Thornton Asian Emerging Markets Investment Trust	SmallCap	147.9	Investment Trusts	T R Pacific Investment Trust
13 June	Midlands Electricity	Mid 250	1642.6	Electricity	Avon Energy Partners
9 July	Wickes	Mid 250	258.9	Retailers, General	After 10 days' suspension
19 July	Macallan-Glenlivet	SmallCap	179.2	Alcoholic Beverages	Highland Distilleries
	Royal Insurance Holdings	100	2574.6	Insurance	Royal & Sun Alliance Insurance Group
1 August	The Telegraph	Mid 250	775.5	Media	Hollinger International Inc.
14 August	Southern Water	Mid 250	1611.0	Water	Scottish Power
17 August	Rainford Group	SmallCap	79.0	Electronic & Electrical Equipment	Reltec Foreign Holdings.
27 August	St. James's Place Capital	Mid 250	335.1	Other Financial	On demerger - see Table B

Table A (continued). All-Share constituents deleted during 1996

Date	Constituent	Section	Capitalisation £m	Industry Classification	Control acquired by
28 August	Suter	SmallCap	263.8	Diversified Industrials	Ascot Holdings
4 September	The Pelican Group	SmallCap	125.1	Breweries, Pubs & Restaurants	Whitbread
6 Sep(14.30)	Lucas Industries	Mid 250	2108.0	Engineering, Vehicles	LucasVarity
9 September	London American Growth Trust	SmallCap	71.1	Investment Trusts	Voluntary Liquidation
1 October	HCG Lloyd's Investment Trust	SmallCap	78.9	Insurance	Benfield & Rea Investment Trust
4 October	Court Cavendish Group	SmallCap	62.8	Health Care	The T. C. Group
18 October	United Friendly Group	250	745.1	Life Assurance	United Assurance Group
24 October	Tom Cobleigh	SmallCap	94.9	Breweries, Pubs & Restaurants	Rank Organisation (Leisure Holdings)
28 October	Magnum Power	SmallCap	13.7	Electronic & Electrical Equipment	Requested on A.I.M.
11 November	Kleinwort European Privatisation Investment Trust	250	487.6	Investment Trusts	Voluntary Liquidation
	Nurdin & Peacock	SmallCap	270.7	Retailers, Food	Booker
14 November	Ramco Energy	SmallCap	160.4	Oil Exploration & Production	Requested on A.I.M.
26 November	Blenheim Group	250	485.0	Media	United News & Media
19 December	MTL Instruments Group	SmallCap	32.8	Electronic & Electrical Equipment	Requested on A.I.M.
30 December	Northern Electric	250	655.7	Electricity	C E Electric UK

Table B. All-Share constituents added in 1996

Event 1	One new issue in the quarter preceding the U.K. Indices Committee meeting held on 6 March, whose capitalisation was in excess of 0.25% of that of the SmallCap Index (then £168.5m), was added 12 days later.
Event 2	On the reconstruction of USDC Investment Trust (SmallCap) holders received <i>inter alia</i> shares in another trust.
Event 3	On demerger from C E Heath (Insurance — SmallCap).
Event 4	Six new issues in the quarter preceding the U.K. Indices Committee meeting held on 12 June, whose capitalisations were in excess of 0.25% of that of the SmallCap Index (then £177.1m), were added 12 days later.
Event 5	On demerger from Thorn EMI (Media — 100).
Event 6	On demerger of St. James's Place Capital (Other Financial — Mid 250) — one of the demerged companies, SJPC Newco assumed the old name.
Event 7	Lucas Industries (Mid 250) merged with Varity Corporation (of the U.S.A.).
Event 8	London American Growth Trust (SmallCap) went into voluntary liquidation; holders received shares (1-for-1) in Second London American Trust as well as an initial cash payment of some 28p, with more to follow.
Event 9	Eight new issues in the quarter preceding the U.K. Indices Committee meeting held on 11 September, whose capitalisations were in excess of 0.25% of that of the SmallCap Index (then £174.4m), were added 12 days later.
Event 10	On demerger from Hanson (Diversified Industrials - 100).
Event 11	On demerger from Burford Holdings (Property - 250)
Event 12	Three new issues in the quarter preceding the U.K. Indices Committee meeting held on 11 December, whose capitalisations were in excess of 0.25% of that of the SmallCap Index (then £173.8m), were added 12 days later.

Date	Event	Constituent	Section	Capitalisation £m	Industrial Classification	Ranking at Review
2 January	-	For new constituents see 1995 note				
18 March	1	Victrex	SmallCap	225.0	Chemicals	420
28 March	2	GT Income Growth Trust	SmallCap	51.2	Investment Trusts	-
16 April	3	Rebus Group	SmallCap	59.7	Support Services	-
24 June	4	Orange	100	3165.5	Telecommunications	63
		Railtrack Group (fully paid)	Mid 250	2052.5	Transport	96
		Millennium & Cophorne Hotels	Mid 250	481.5	Leisure & Hotels	259
		SkyePharma	SmallCap	301.5	Pharmaceuticals	362
		Harvey Nichols	SmallCap	185.9	Retailers, General	467
		Schroder Ventures International Investment Trust	SmallCap	183.4	Investment Trusts	483

Table B (continued). All-Share constituents added in 1996

Date	Event	Constituent	Section	Capitalisation £m	Industrial Classification	Ranking at Review
19 August	5	Thorn	100	1771.2	Retailers, General	-
27 August	6	St. James's Place Capital	SmallCap	222.5	Life Assurance	-
		Value Realisation Trust	SmallCap	65.3	Investment Trusts	-
6 Sept. (14.30)	7	LucasVarity	Mid 250	3407.2	Engineering, Vehicles	-
9 September	8	Second London American Trust	SmallCap	32.6	Investment Trusts	-
23 September	9	British Energy (fully paid)	Mid 250	1424.5	Electricity	125
		Sun Life & Provincial Holdings	Mid 250	1327.3	Life Assurance	142
		Pace Micro Technology	Mid 250	469.5	Electronic & Electrical Equipment	257
		Somerfield	Mid 250	478.5	Retailers, Food	266
		Jarvis Hotels	SmallCap	281.6	Leisure & Hotels	374
		W S Atkins	SmallCap	264.5	Construction - see Table C	408
		Allied Carpets Group	SmallCap	257.4	Retailers, General	411
		Dairy Crest Group	SmallCap	204.1	Food Producers	450
1 October	10	Imperial Tobacco Group	100	1953.8	Tobacco	-
25 November	11	Grantchester Holdings	SmallCap	80.8	Property	-
23 December	12	Thistle Hotels	250	329.6	Leisure & Hotels	154
		AEA Technology	SmallCap	308.0	Support Services	353
		Ultra Electronics Holdings	SmallCap	205.1	Engineering	460

Table C. All-Share constituents reclassified in 1996

At the Industry Classification Committee meeting held on 4 March, it was agreed to reclassify five companies with effect from 1 April; only two of these were All-Share Index constituents. At the meeting on 10 June, a further seven reclassifications to be effective on 1 July were agreed; again only two were All-Share constituents. Three months later on 9 September, a further six reclassifications to be effective on 1 October were agreed; four of these were All-Share constituents.

The year-end changes were agreed at the meeting on 9 December, a total of seven reclassifications were agreed, only one of them an All-Share constituent. The effective date of this reclassification was 2 January 1997 and appears below, under '1997' with the six remaining Merchant Bank constituents.

These fifteen constituent reclassifications during the year, and at the end of 1996, are set out below.

Date	Constituent	Section	From	To
1 April	Fenner	SmallCap	Diversified Industrials	Engineering
	Meconic	SmallCap	Pharmaceuticals	Chemicals
1 July	Geest	SmallCap	Retailers, Food	Food Producers
	Henlys Group	Mid 250	Distributors	Engineering, Vehicles
1 October	Ascot Holdings	SmallCap	Breweries, Pubs & Restaurants	Diversified Industrials
	W S Atkins	SmallCap	Building & Construction	Support Services
	Cowie Group	250	Distributors	Transport
	M L Laboratories	250	Health Care	Pharmaceuticals
1997	Berisford	SmallCap	Diversified Industrials	Engineering
	Cater Allen Holdings	SmallCap	Banks, Merchant	Other Financial
	Close Brothers Group	250	Banks, Merchant	Other Financial
	Gerrard Group	SmallCap	Banks, Merchant	Other Financial
	Hambros	250	Banks, Merchant	Other Financial
	Schroders	100	Banks, Merchant	Other Financial
	Singer & Friedlander Group	SmallCap	Banks, Merchant	Other Financial

Table D. All-Share constituents' name changes, reconstructions, etc. in 1996

Former Name	Section	Date Effective	New Name
Abacus Group	SmallCap	24 January	Abacus Polar
Argyll Group	100	3 July	Safeway
Barry Wehmiller International	SmallCap	3 January	BWI Group
Beazer Homes	250	10 December	Beazer Group
BPB Industries	Mid 250	4 September	BPB
Bristol Evening Post	SmallCap	4 July	Bristol United Press
Cray Electronics Holdings	SmallCap	1 October	Anite Group
Farnell Electronics	Mid 250	17 April	Premier Farnell
Gerrard & National Holdings	SmallCap	23 December	Gerrard Group
Henderson Administration Group	SmallCap	1 November	Henderson
Johnson & Firth Brown	SmallCap	31 January	Firth Rixson
Macdonald Martin Distilleries	SmallCap	8 May	Glenmorangie
More O'Ferrall	SmallCap	25 October	More Group
Rank Organisation	100	7 October	The Rank Group
Refuge Group	250	17 October	United Assurance Group
Rentokil Group	100	4 October	Rentokil Initial
Securicor Group	Mid 250	10 June	Securicor
Shandwick	SmallCap	12 June	Shandwick International
Shires Investment	SmallCap	8 July	Shires Income
Southend Property Holdings	SmallCap	23 September	Hampton Trust
Sun Alliance Group	100	19 July	Royal & Sun Alliance Insurance Group
Takare	SmallCap	2 October	The T. C. Group
TeleWest	Mid 250	20 May	TeleWest Communications
Throgmorton 1000 Smallest Companies Trust	SmallCap	5 November	Framlington 1000 Smallest Companies Trust
Thorn EMI	100	19 August	EMI Group
TransAtlantic Holdings	Mid 250	3 May	Liberty International Holdings
John Waddington	SmallCap	29 July	Waddington
Welsh Water	Mid 250	25 March	Hyder
Yorkshire Chemicals	SmallCap	18 September	Yorkshire Group

Table E. Constituents moving between *FTSE* 100 and 250 Indices during 1996

Event 1	<p>Forte taken over by Granada Group.</p> <p>The U.K. Indices Committee meeting held on 6 March, using a valuation on closing prices the previous day, agreed that no <i>FTSE</i> 100 changes were required.</p>
Event 2	<p>Two promotions and three relegations were made 12 days after the U.K. Indices Committee meeting held on 12 June, using valuations based on closing prices the previous day; the imbalance reflects one new entrant taken straight into the <i>FTSE</i> 100 (see Table B).</p>
Event 3	<p>On merger of Royal Insurance Holdings and Sun Alliance Group to form Royal & Sun Alliance Insurance Group.</p>
Event 4	<p>On demerger of Thorn EMI into EMI Group and Thorn (both were retained in <i>FTSE</i> 100).</p>
Event 5	<p>One promotion and one relegation were made 12 days after the U.K. Indices Committee meeting on 11 September, using previous day values.</p>
Event 6	<p>On demerger of Imperial Tobacco Group from Hanson (both were retained in <i>FTSE</i> 100).</p>
Event 7	<p>Two promotions and two relegations were made 12 days after the U.K. Indices Committee meeting on 11 December, using previous day values.</p>

(i) Constituents promoted to *FTSE* 100 from 250 Index

Date	Event	Ranking at Review	Constituent	Industry classification	Capitalisation £m
31 January	1	-	Greenalls Group	Breweries, Pubs & Restaurants	1776.8
24 June	2	59	United News & Media	Media	3467.8
		92	Next	Retailers, General	2214.1
19 July	3	-	Railtrack Group	Transport	(f.p.d.) 2020.0
23 September	5	63	LucasVarity	Engineering, Vehicles	3558.5
23 December	7	87	Mercury Asset Management	Other Financials	2289.3
		88	Hays	Support Services	2309.5

Table E (continued). Constituents moving between *FTSE* 100 and 250 Indices during 1996(ii) Constituents relegated from *FTSE* 100 to 250 Index

Date	Event	Ranking at Review	Constituent	Industry Classification	Capitalisation £m
24 June	2	115	Foreign & Colonial Investment Trust	Investment Trusts	1568.6
		113	Greenalls Group	Breweries, Pubs & Restaurants	1699.2
		112	Rexam	Packaging, Paper & Printing	1640.5
19 August	4	-	Cookson Group	Diversified Industrials	1700.0
23 September	5	114	Thorn	Retailers, General	1604.3
1 October	6	-	Southern Electric	Electricity	1592.3
23 December	7	117	Pilkington	Building Materials & Merchants	1559.2
		116	Courtaulds	Chemicals	1564.9

Table F. Constituents moving between *FTSE 250* and SmallCap Indices during 1996

Event	
1	Northumbrian Water Group taken over by Lyonnaise Europe.
2	Seaboard taken over by Central & South Western Corporation.
3	Forté (<i>FTSE 100</i> constituent) taken over by Granada Group.
4	South Wales Electricity taken over by Welsh Water.
5	Following review at the U.K. Indices Committee meeting held on 6 March, using closing prices the previous day, four companies were promoted to the <i>FTSE Mid 250</i> and four relegated from it.
6	MAI taken over by United News & Media.
7	Gartmore taken over by National Westminster Bank.
8	Trafalgar House taken over by Kvaerner A/S.
9	BET taken over by Rentokil Group.
10	Unitech taken over by Siebe.
11	Midlands Electricity taken over by Avon Energy Partners.
12	Following review at the U.K. Indices Committee meeting held on 12 June, using closing prices the previous day, two companies were promoted to the <i>FTSE Mid 250</i> and five relegated from it; the imbalance reflects one new issue taken straight into the <i>FTSE 100</i> Index, and two into the <i>Mid 250</i> (see Table B).
13	Wickes deleted after 10-day suspension.
14	Royal Insurance Holdings and Sun Alliance Group (both <i>FTSE 100</i> constituents) merged to form Royal & Sun Alliance Insurance Group.
15	Scheme of Arrangement: Minority of <i>The Telegraph</i> acquired by Hollinger International Inc.
16	Southern Water taken over by Scottish Power.
17	On demerger of Thorn EMI into EMI Group and Thorn (all <i>FTSE 100</i> constituents).
18	On demerger of St. James's Place Capital (see Table A and Table B, Event 6).
19	Following review at the U.K. Indices Committee meeting on 11 September, using closing prices the previous day, four companies were promoted to the <i>FTSE Mid 250</i> and eight relegated from it; the imbalance reflects four recent issues taken straight into the <i>FTSE Mid 250</i> index (see Table B).
20	On demerger of Imperial Tobacco Group from Hanson (both <i>FTSE 100</i> constituents).
21	On merger of Refuge Group and United Friendly Group to form United Assurance Group (all <i>FTSE 250</i> constituents).
22	On liquidation of Kleinwort European Privatisation Investment Trust.
23	Blenheim Group taken over by United News & Media.
24	Following review at the U.K. Indices Committee meeting on 11 December, using closing prices the previous day, five companies were promoted to the <i>FTSE 250</i> and six relegated from it: the imbalance reflects a new issue taken straight into the <i>FTSE 250</i> Index (see Table B)
25	Northern Electric taken over by C E Electric UK.

Table F (continued). Constituents moving between *FTSE 250* and SmallCap Indices during 1996(i) Constituents promoted to the *FTSE 250* from the SmallCap Index

Date	Event	Ranking at Review	Constituent	Industry classification	Capitalisation £m
4 January	1	-	Redrow Group	Building & Construction	315.6
11 January	2	-	Cattle's	Other Financial	294.2
31 January	3	-	Henlys Group	Distributors	300.9
2 February	4	-	Scottish Television	Media	304.0
18 March	5	207	Trinity International Holdings	Media	600.8
		317	HTV Group	Media	318.4
		322	Persimmon	Building & Construction	355.0
		331	CMG	Support Services	295.1
3 April	6	-	J D Wetherspoon	Breweries Pubs & Restaurants	340.1
11 April	7	-	H P Bulmer Holdings	Alcoholic Beverages	328.2
18 April	8	-	Molins	Engineering	318.8
3 May	9	-	British Borneo Petroleum Syndicate	Oil Exploration & Production	346.7
7 May	10	-	Bodycote International	Engineering	317.7
13 June	11	-	Renishaw	Engineering	331.8
24 June	12	303	Blenheim Group	Media	387.3
		318	Chiroscience Group	Pharmaceuticals	389.8
9 July	13	-	BTG	Support Services	326.4
19 July	14	-	Serco Group	Business Services	325.6
1 August	15	-	Peel Holdings	Property	301.0
14 August	16	-	Bellway	Building & Construction	302.8
27 August	18	-	British Polythene Industries	Paper, Packaging & Printing	305.7
23 September	19	282	Cairn Energy	Oil Exploration & Production	414.9
		306	Greene King	Breweries, Pubs & Restaurants	391.2
		307	Johnston Press	Media	375.6
		322	Inspec Group	Chemicals	409.0
18 October	20	-	CRT Group	Support Services	337.8
11 November	22	-	TBI	Property	326.2
26 November	23	-	Psion	Electronic & Electrical Equipment	340.3

Table F (continued). Constituents moving between *FTSE 250* and SmallCap Indices during 1996

Date	Event	Ranking at Review	Constituent	Industry classification	Capitalisation £m		
23 December	24	261	Biocompatibles International	Health Care	502.7		
		324	Manchester United	Leisure & Hotels	419.6		
		331	PizzaExpress	Breweries, Pubs & Restaurants	335.7		
		335	Clyde Petroleum	Oil Exploration & Production	491.6		
		339	W. S. Atkins	Support Services	328.4		
30 December	25	-	Mayflower Corporation	Engineering, Vehicles	381.3		
(ii) Constituents relegated from the <i>FTSE 250</i> to the SmallCap Index							
18 March	5	414	Takare	Health Care	193.9		
		392	McBride	Household Goods	217.0		
		383	Babcock International Group	Engineering	241.3		
24 June	12	378	Amstrad	Electronic & Electrical Equipment	230.3		
		381	Vosper Thornecroft Holdings	Engineering	265.7		
		375	Merchants Trust	Investment Trusts	261.4		
		374	London Merchant Securities (Ordinary £226.1m, Deferred £41.9m)	Property	268.0		
		366	Edinburgh Dragon Trust	Investment Trusts	277.1		
19 August	17	363	Dunedin Worldwide Investment Trust	Investment Trusts	177.7		
		-	Inspec Group	Chemicals	229.7		
23 September	19	415	Iceland Group	Retailers, Food	233.6		
		405	Berisford	Diversified Industrials	223.4		
		388	Marston, Thompson & Evershed	Breweries, Pubs & Restaurants	265.6		
		363	Transport Development	Transport	274.4		
		362	H P Bulmer Holdings	Alcoholic Beverages	273.2		
		359	HTV Group	Media	292.8		
		358	Securities Trust of Scotland	Investment Trusts	305.9		
		357	Redrow Group	Building & Construction	297.1		
		1 October	20	-	TLG	Electronic & Electrical Equipment	196.3
		23 December	24	474	Fine Art Developments	Retailers, General	175.1
405	Matthew Clark			Alcoholic Beverages	227.0		
394	Courtaulds Textiles			Textiles & Apparel	229.5		
383	Watmoughs (Holdings)			Paper, Packaging & Publishing	264.7		
382	Renishaw			Engineering	273.3		
377	Chiroscience Group			Pharmaceuticals	329.6		

Table G. Constituents of the FTSE 100 Index at the end of 1996

Rank	Company	Market Capitalisation £m	Rank	Company	Market Capitalisation £m
1	British Petroleum	39,585	45	Commercial Union	4,641
2	HSBC Holdings	34,144	46	Legal & General Group	4,605
	Ord 75p: 11,362		47	Royal Bank of Scotland Group	4,598
	HK\$10: 22,782		48	Safeway	4,383
3	Glaxo Wellcome	33,616	49	Associated British Foods	4,361
4	Shell Transport & Trading	33,531	50	Pearson	4,280
5	British Telecommunication	25,055	51	Hanson	4,245
6	Lloyds TSB Group	23,079	52	Kingfisher	4,244
7	SmithKline Beecham	22,261	53	Scottish & Newcastle	4,229
8	Zeneca Group	15,602	54	BOC Group	4,228
9	Barclays	15,418	55	Scottish Power	4,087
10	BAT Industries	15,010	56	Whitbread	3,820
11	Marks & Spencer	13,876	57	Land Securities	3,809
12	Reuters Holdings	12,685	58	Rolls-Royce	3,798
13	National Westminster Bank	11,708	59	General Accident	3,695
14	Unilever	11,544	60	Bank of Scotland	3,683
15	BTR	11,411	61	PowerGen	3,647
16	Cable & Wireless	10,865	62	Rank Group	3,641
17	Abbey National	10,764	63	Asda Group	3,608
18	General Electric	10,597	64	Peninsular & Oriental Steam Navigation	3,593
19	RTZ Corporation	10,030			
20	British Gas	9,889	65	GKN	3,534
21	Grand Metropolitan	9,648	66	United News & Media	3,415
22	Prudential Corporation	9,447	67	National Grid Group	3,339
23	British Sky Broadcasting Group	8,978	68	British Steel	3,269
			69	United Utilities	3,260
24	Guinness	8,830	70	Enterprise Oil	3,210
25	Tesco	7,689	71	Tomkins	3,203
26	Vodafone Group	7,545	72	LucasVaryty	3,191
27	Granada Group	7,357	73	Carlton Communications	2,989
28	Bass	7,249	74	Reckitt & Colman	2,939
29	J. Sainsbury	7,128	75	Schroders	2,889
30	Standard Chartered	7,068		Ord 2,287	
31	Royal & Sun Alliance Insurance Group	6,921		Non Voting 602	
			76	3i Group	2,889
32	Rentokil Initial	6,265	77	Railtrack Group (fully paid)	2,888
33	Reed International	6,257	78	T I Group	2,770
34	Great Universal Stores	6,157	79	Ladbroke Group	2,707
35	British Airways	6,061	80	Wolseley	2,624
36	EMI Group	5,989	81	Blue Circle Industries	2,623
37	National Power	5,922	82	RMC Group	2,584
38	Imperial Chemical Industries	5,572	83	Guardian Royal Exchange	2,535
39	British Aerospace	5,517	84	Smiths Industries	2,443
40	Boots	5,453	85	Severn Trent	2,342
41	Siebe	5,118	86	Hays	2,326
42	BAA	5,050	87	Burmah Castrol	2,323
43	Cadbury Schweppes	4,925	88	Thames Water	2,303
44	Allied Domecq	4,738	89	Lasmo	2,299

Table G (continued). Constituents of the FTSE 100 Index at the end of 1996

Rank	Company	Market Capitalisation £m	Rank	Company	Market Capitalisation £m
90	Dixons Group	2,284	95	Next	2,122
91	Mercury Asset Management Group	2,276	96	Tate & Lyle	2,076
92	Burton Group	2,274	97	Smith & Nephew	2,004
93	Orange	2,252	98	Williams Holdings	1,996
94	Argos	2,198	99	Imperial Tobacco Group	1,964
			100	Redland	1,909
					<hr/> 706,998

Table H. FTSE Actuaries ShareIndices, equity levels, etc., at the end of 1996

	Number of constituents	Index number	Year earlier (29.12.95)	% Change during 1996	Dividend yield % (ACT @ 20%)	Net cover x	Est. price earnings ratio (net)	XD adj. 1996	1996 total return %	1996 high	1996 low	Capitalisation (£m) at 31 Dec 1996	% of All-Share Index
FTSE 100	100	4118.5	3689.3	+11.63	3.86	2.03	15.94	173.68	+16.86	4118.5	3632.3	706998.29	73.07
FTSE 250	250	4490.4	4021.3	+11.67	3.50	1.49	23.93	181.95	+16.44	4568.6	4051.3	190080.54	19.65
FTSE 250 ex Inv Trusts	221	4540.3	4034.6	+11.25	3.58	1.52	23.00	191.14	+17.56	4607.4	4024.4	174700.60	18.06
FTSE 350	350	2043.8	1830.6	+11.65	3.78	1.93	17.15	85.52	+16.77	2043.8	1816.6	897078.83	92.72
FTSE 350 Higher Yield	140	1960.8	1833.8	+6.93	4.98	1.81	13.85	108.64	+13.43	1960.8	1754.5	451301.81	46.64
FTSE 350 Lower Yield	210	2134.2	1832.1	+16.49	2.57	2.15	22.60	62.86	+20.26	2140.4	1816.2	445777.02	46.07
FTSE SmallCap	546	2183.11	1949.33	+11.99	3.27	1.56	24.52	70.79	+15.74	2244.36	1954.06	70462.19	7.28
FTSE SmallCap ex Inv Trusts	450	2192.24	1927.02	+13.76	3.49	1.62	22.07	74.74	+17.80	2246.94	1931.83	58551.37	6.05
FTSE All-Share	896	2013.66	1803.09	+11.60	3.74	1.90	17.53	82.86	+16.70	2013.66	1791.95	967541.02	100.00
FTSE Fledgling	762	1225.82	1106.41	+10.79	2.83	0.68	65.40	35.71	+14.10	1279.05	1108.94	18502.62	-
FTSE Fledgling ex Inv Trusts	656	1245.65	1109.99	+12.22	3.01	0.60	69.59	38.84	+15.86	1295.22	1112.64	15246.99	-
FTSE AIM	231	1042.90	1000.00	+4.29	-	-	-	-	-	1140.40	965.70	5086.94	-
INDUSTRIAL GROUPS AND SUBSECTIONS													
10 MINERAL EXTRACTION	23	3969.30	3249.88	+22.14	3.59	1.71	20.39	142.81	+27.22	3999.07	3148.03	96061.92	9.93
12 Extractive Industries	6	4004.89	4225.28	-5.22	4.05	2.64	11.68	162.00	-1.48	4768.29	3933.52	11467.01	1.19
15 Oil, Integrated	3	4097.25	3293.22	+24.41	3.76	1.55	21.39	154.36	+29.90	4149.50	3189.69	75439.59	7.79
16 Oil Exploration & Production	14	3289.49	2121.05	+55.09	1.61	1.73	45.10	53.64	+58.41	3289.49	2072.57	9155.32	0.95
20 GENERAL INDUSTRIALS	275	2023.06	1970.30	+2.68	4.25	1.66	17.71	85.01	+6.99	2180.23	1936.07	160267.84	16.56
21 Building & Construction	34	1197.90	1044.78	+14.66	3.52	1.56	22.81	41.99	+18.83	1264.41	1029.94	7892.92	0.82
22 Building Materials & Merchants	29	1828.91	1814.40	+0.80	4.24	1.40	21.04	77.74	+4.97	2035.11	1745.51	21083.76	2.18
23 Chemicals	25	2335.67	2345.50	-0.42	4.41	1.43	19.80	102.76	+3.81	2609.64	2303.97	18670.68	1.93
24 Diversified Industrials	19	1519.19	1784.59	-14.87	6.70	1.61	11.60	94.10	-9.94	1852.31	1370.97	27715.78	2.86
25 Electronic & Electrical Equipment	35	2276.84	2235.95	+1.83	3.47	1.34	26.85	79.77	+5.41	2480.07	2197.02	20027.59	2.07
26 Engineering	72	2659.30	2176.18	+22.20	3.09	2.29	17.63	82.34	+26.33	2678.41	2181.15	41426.14	4.28
27 Engineering, Vehicles	14	3021.60	2507.34	+20.51	3.57	1.72	20.38	105.04	+24.84	3313.39	2489.02	9879.95	1.02
28 Paper, Packaging & Printing	28	2578.90	2511.96	+2.66	4.02	1.79	17.32	104.22	+6.76	2818.13	2423.98	10718.46	1.11
29 Textiles & Apparel	19	1058.42	1414.87	-25.19	6.74	1.12	16.49	70.58	-21.08	1514.40	1022.06	2852.56	0.29
30 CONSUMER GOODS	82	3785.59	3638.76	+4.04	3.84	1.95	16.66	146.91	+8.42	3817.21	3412.45	159639.07	16.50
32 Alcoholic Beverages	8	2741.06	2905.17	-5.65	4.71	1.85	14.37	126.10	-1.28	2962.07	2585.97	24346.53	2.52
33 Food Producers	25	2704.86	2563.21	+5.53	4.05	1.76	17.50	108.13	+10.11	2704.86	2429.84	31924.07	3.30
34 Household Goods	15	2628.46	2703.07	-2.76	3.89	2.24	14.36	192.21	+4.52	2780.82	2436.10	4501.69	0.47
36 Health Care	18	2041.19	1894.61	+7.74	2.92	1.93	22.19	58.09	+10.86	2145.83	1894.57	5973.03	0.62
37 Pharmaceuticals	14	5747.24	5121.38	+12.22	2.97	2.01	20.92	172.19	+16.10	6000.87	4748.36	75919.77	7.84
38 Tobacco	2	4042.11	4807.23	-15.92	6.41	2.13	9.15	262.07	-10.50	4955.47	3514.36	16973.98	1.75

Table H (continued). *FTSE Actuaries ShareIndices*, equity levels, etc., at the end of 1996

	Number of constituents	Index number	Year earlier (29.12.95)	% Change during 1996	Dividend yield % (ACT @ 20%)	Net cover x	Est. price ratio (net)	XD adj. 1996	1996 total return %	1996 high	1996 low	Capital-isation (£m) at 31 Dec 1996	% of All-Share Index
40 SERVICES	254	2639.22	2231.64	+18.26	2.87	1.99	21.89	85.12	+22.39	2667.78	2230.92	235990.43	24.39
41 Distributors	30	2979.67	2571.73	+15.86	2.90	2.01	21.45	91.30	+19.68	2983.36	2561.34	8948.54	0.92
42 Leisure & Hotels	26	3302.71	2635.06	+25.34	2.71	2.02	22.79	174.18	+33.09	3302.71	2645.52	21051.33	2.18
43 Media	44	4328.98	3471.21	+24.71	2.14	2.12	27.53	95.23	+27.65	4624.35	3479.07	57421.17	5.94
44 Retailers, Food	14	2154.98	1994.05	+8.07	3.67	2.29	14.83	77.71	+12.38	2164.34	1854.90	26131.60	2.70
45 Retailers, General	45	2064.87	1948.43	+5.98	3.18	2.04	19.26	73.62	+9.82	2201.21	1884.53	52154.79	5.39
47 Breweries, Pubs & Restaurants	21	3286.22	2848.33	+15.37	3.31	2.10	18.03	106.94	+19.39	3286.22	2808.43	22628.98	2.34
48 Support Services	51	2773.66	1886.62	+47.02	1.83	2.22	30.79	62.35	+50.83	2773.66	1881.97	20832.25	2.15
49 Transport	23	2674.16	2173.15	+23.05	3.60	1.23	28.24	97.47	+28.07	2674.16	2170.72	26821.77	2.77
60 UTILITIES	32	2543.82	2465.06	+3.20	5.29	1.70	13.92	203.68	+12.47	2680.10	2204.97	100886.86	10.43
62 Electricity	11	2785.73	2728.38	+2.10	6.21	2.14	9.41	462.23	+22.34	3089.74	2296.59	26375.96	2.73
64 Gas Distribution	2	1509.47	1688.29	-10.59	7.94	0.54	29.10	119.71	-2.49	1770.11	1163.15	10389.42	1.07
66 Telecommunications	8	2106.62	1992.62	+5.72	3.97	1.54	20.51	84.44	+10.26	2217.04	1868.00	50156.73	5.19
68 Water	11	2348.59	2173.37	+8.06	6.34	2.32	8.50	145.62	+15.44	2348.59	2001.72	13964.75	1.44
69 Non Financials	666	2096.27	1908.91	+9.82	3.79	1.81	18.20	89.46	+14.85	2096.27	1896.17	752846.12	77.81
70 FINANCIALS	104	3486.09	2856.36	+22.05	3.82	2.35	13.90	131.95	+27.56	3487.49	2743.84	182866.07	18.90
71 Banks, Retail	8	5009.43	4036.18	+24.11	3.64	2.67	12.85	182.15	+29.60	5015.94	3759.96	110461.84	11.42
72 Banks, Merchant	6	3954.86	3635.82	+8.77	2.63	3.01	15.78	104.20	+11.95	3960.81	3363.23	4234.10	0.44
73 Insurance	21	1634.44	1428.82	+14.39	5.14	2.29	10.62	81.13	+20.95	1638.90	1342.46	21039.63	2.17
74 Life Assurance	7	4060.27	3371.24	+20.44	3.83	1.78	18.31	151.01	+25.69	4073.39	3285.50	19318.15	2.00
77 Other Financials	20	2847.19	2361.56	+20.56	3.93	1.77	17.92	110.10	+25.70	2847.19	2373.07	10081.24	1.04
79 Property	42	1763.77	1425.64	+23.72	3.64	1.34	25.66	65.01	+28.94	1767.35	1420.08	17731.11	1.83
80 INVESTMENT TRUSTS	126	3129.03	3021.50	+3.56	2.29	1.12	48.89	73.43	+6.00	3287.58	3007.63	31828.83	3.29
89 FTSE ALL-SHARE	896	2013.66	1803.09	+11.68	3.74	1.90	17.53	82.86	+16.70	2013.66	1791.95	967541.02	100.00

Table I. SmallCap constituents deleted at the end of 1996
(and from the FTSE All-Share Index)

Forty-six constituents were deleted from the SmallCap Index (and therefore also from the FTSE All-Share Index): these were the following 43 constituents which were 'relegated' to the Fledgling Indices for failing to maintain a capitalisation of £45m at the review held on 11 December 1996 (using closing prices the previous evening), and three others for the reasons stated.

Company	Sector	Capitalisation £m
(i) Relegated to the Fledgling Index:		
Adscene Group	Media	32.7
Alexandra Workwear	Textiles & Apparel	27.9
Applied Distribution Group	Transport	14.1
ASW Holdings	Engineering	29.6
Bostrom	Engineering, Vehicles	39.1
Bradstock Group	Insurance	40.3
Brunel Holdings	Engineering	27.5
Burn Stewart Distillers	Alcoholic Beverages	41.2
Burdene Investments	Leisure & Hotels	37.5
CALA	Building & Construction	42.9
Coda Group	Support Services	29.9
Colleagues Group	Media	13.1
Division Group	Support Services	24.2
European Motor Holdings	Distributors	42.2
Faber Prest	Distributors	36.3
Fenchurch	Insurance	17.8
FII Group	Textiles & Apparel	23.2
Filofax Group	Paper, Packaging & Printing	41.5
Fleming Indian Investment Trust	Investment Trusts	40.1
Foreign & Colonial Income Growth Investment Trust	Investment Trusts	40.2
Gibbs Mew	Breweries, Pubs & Restaurants	29.9
Hampton Trust	Property	32.5
Hartstone Group	Textiles & Apparel	39.0
Haynes Publishing Group	Media	17.0
Healthcall Group	Health Care	42.3
Hill & Smith Holdings	Engineering	30.8
Marling Industries	Textiles & Apparel	21.8
John Maunders Group	Building & Construction	42.0
McDonnell Information Systems Group	Support Services	34.6
OGC International	Oil Exploration & Production	68.2
On Demand Information	Media	24.8
Phonelink	Media	29.2
Proteus International	Pharmaceuticals	20.6
Quality Software Products Holdings	Support Services	26.5
Second London American Trust	Investment Trusts	31.6
William Sinclair Holdings	Leisure & Hotels	41.0
Sirdar	Textiles & Apparel	37.9
Stratagem Group	Diversified Industrials	24.2

Table I (continued). SmallCap constituents deleted at the end of 1996
(and from the *FTSE All-Share Index*)

Company	Sector	Capitalisation £m
Tay Homes	Building & Construction	33.6
Throgmorton Preferred Income Trust	Investment Trusts	43.2
Virtuality Group	Support Services	27.5
Wellman	Engineering	40.2
Wilshaw	Distributors	30.2
(ii) Under £45m & on closure of USM:		
Learmonth & Burchett Management Systems	Support Services	19.2
(iii) On insufficient trading grounds:		
Sterling Industries	Engineering	90.6
(iv) As (i), but suspended at year-end so not added to Fledgling Index:		
NSM	Extractive Industries	0.0

Table J. SmallCap constituents added at the end of 1996
(also added to the FTSE All-Share Index)

Sixty-nine constituents were added to the SmallCap Index (& therefore also to the FTSE All-Share Index) for 1997: These were made up of 22 new issues during the year 1996, a further seven which had become eligible — usually by trading more frequently — and a further forty 'promoted' from the Fledgling Index — having achieved the hurdle capitalisation rate of £60.9m for the review held on 11 December 1996 (using closing prices the previous evening).

Company	Sector	Capitalisation £m
(a) Twenty-two new issues:		
Brunner Mond	Chemicals	146.5
Century Inns	Breweries, Pubs & Restaurants	64.2
City Technology Holdings	Chemicals	104.0
Druid Group	Support Services	78.0
FI Group	Support Services	168.8
Fidelity Asian Values	Investment Trusts	104.5
John David Sports	Retailers, General	160.9
Limelight Group	Retailers, General	184.5
Luminar	Breweries, Pubs & Restaurants	65.3
MacDonald Hotels	Leisure & Hotels	123.6
Maiden Group	Media	112.0
Minerva	Property	154.7
MSB International	Support Services	75.2
Perpetual Income & Growth Investment Trust	Investment Trusts	170.9
Phytopharm	Pharmaceuticals	63.0
PPL Therapeutics	Pharmaceuticals	76.6
Schroder Emerging Countries Fund	Investment Trusts	78.6
Shire Pharmaceuticals Group	Pharmaceuticals	63.9
Streamline Holdings	Building Materials & Merchants	115.6
Vanguard Medica Group	Pharmaceuticals	127.7
Visual Action Holdings	Media	83.9
Wilmington Group	Media	69.9
(b) Seven newly eligible:		
Cape	Building Materials & Merchants	94.5
Edinburgh Fund Managers Group	Other Financial	176.5
Farepak	Retailers, Food	89.0
Secure Trust Group	Other Financial	79.1
Select Appointments (Holdings)	Support Services	304.8
Tops Estates	Property	76.9
Warner Howard	Support Services	61.7

Table J (continued). SmallCap constituents added at the end of 1996
(also added to the FTSE All-Share Index)

Company	Sector	Capitalisation £m
(c) Forty 'promoted' from Fledgling:		
3i Smaller Quoted Companies Trust	Investment Trusts	88.0
Alexon Group	Retailers, General	100.3
Allied Leisure	Leisure & Hotels	70.2
Amey	Building & Construction	100.7
Andrews Sykes Group	Building & Construction	73.0
Atlantic Telecom Group	Media	69.7
Benchmark Group	Property	108.5
Blacks Leisure Group	Retailers, General	125.2
Cantab Pharmaceuticals	Pharmaceuticals	103.1
Caspian Group	Leisure & Hotels	124.8
Cedardata	Support Services	79.2
Churchill China	Household Goods	63.8
Cornwell Parker	Household Goods	73.0
EFT Group	Other Financial	70.1
Eidos	Support Services	121.4
Finsbury Worldwide Pharmaceutical	Investment Trusts	63.2
Goldsmiths Group	Retailers, General	88.6
H & C Furnishings	Retailers, General	146.6
Industrial Control Services Group	Electronic & Electrical Equipment	63.4
Jarvis	Building & Construction	121.1
Kewill Systems	Support Services	66.5
Kingsbury Group	Retailers, General	78.9
MMT Computing	Support Services	67.9
Manganese Bronze Holdings	Engineering	83.7
Mentmore Abbey	Support Services	78.2
Morgan Sindall	Building & Construction	64.4
Northern Leisure	Leisure & Hotels	92.9
Persona Group	Distributors	76.6
Pressac Holdings	Electronic & Electrical Equipment	83.6
Queens Moat Houses	Leisure & Hotels	66.7
Ransomes	Engineering	72.5
Regal Hotel Group	Leisure & Hotels	102.6
Rosebys	Retailers, General	103.0
Severfield-Reeve	Engineering	63.9
Southnews	Media	145.2
Tottenham Hotspur	Leisure & Hotels	124.8
Verity Group	Electronic & Electrical Equipment	71.7
Waste Recycling Group	Support Services	66.7
WF Electrical	Distributors	71.3
Wyko Group	Distributors	102.5