Standard & Poor's adds Joy Global to S & P 500

The Associated Press

Standard & Poor's said Wednesday Joy Global Inc., a maker of mining equipment, will replace Allegheny Energy Inc. in the benchmark S&P 500 index. Cypress Semiconductor Corp. will replace Joy Global in the MidCap 400. Cardtronics Inc. will replace Cypress Semiconductor in the SmallCap 600. Those changes will happen on a date yet to be announced.

Allegheny Energy is being acquired by FirstEnergy Corp.

In after-hours trading, shares of Joy Global added $2.66, or 2.8 percent, to $99.54. Stock added to a major index typically rise on the news because portfolio managers who track the index need to buy the stock.

B&G Foods Inc. will replace Compellent Technologies Inc. in the SmallCap 600 after the close of trading on Feb. 22. Compellent is being acquired by Dell Inc.

The ratings agency also said it has updated the market capitalization guidelines that determine what companies are listed in its various indices.

For a company to be in the S&P 500, it now must have a market cap of $4 billion or more. For the S&P MidCap 400, the range is now $1 billion to $4.4 billion. For the S&P SmallCap 600, the range is $300 million to $1.4 billion.

S&P said the guidelines refer to a company's total market capitalization, not its float-adjusted capitalization. In late 2008, the guidelines were set ranging from as low as $200 million in the SmallCap 600 index to $3 billion and above for the S&P 500 index.

Source URL (retrieved on *03/26/2015 - 11:56pm*):
http://www.ecnmag.com/news/2011/02/standard-poors-adds-joy-global-s-p-500?qt-video_of_the_day=0