

## FTSE Russell Launches FTSE Chinese (Onshore CNY) Broad Investment-Grade Bond Index (CNYBIG Index)

To continue expansion to the existing FTSE Chinese (Onshore CNY) Broad Bond Index (CNYBBI), and support for international investors demand for China onshore exposure, FTSE Russell is pleased to announce the launch of the FTSE Chinese (Onshore CNY) Broad Investment-Grade Bond Index which derives its membership from CNYBBI index. CNYBIG index is designed to measure the performance of onshore Chinese yuan-denominated investment-grade bonds issued in the mainland China. This index offers comprehensive historical time series data from December 31, 2013.

The CNYBIG index is a subset of CNYBBI index and it includes bonds issued by Chinese government, policy bank, regional and other governments, agencies, and corporations with an additional rating criteria applied<sup>1</sup>. Only bonds with index credit ratings rated as investment grade are qualified for CNYBIG index inclusion, or specifically, having minimum quality of BBB- by S&P or Baa3 by Moody's. For corporate bonds not rated at the issue-level by S&P or Moody's, the issuer rating, if available, is used for purposes of assigning index credit rating if the bond's Subordination Type is assigned as Senior<sup>2</sup>.

As of 2021 November profile, a total of 472 bonds with a market value of CNY 28,936.4 billion are eligible for inclusion in the FTSE CNYBIG index. Details of index composition by sector can be found in Figure 1. It covers approximately 65% market value of the existing CNYBBI index. More information on ground rules and index composition of CNYBIG can be found [here](#).

Figure 1. Sector Composition of the FTSE CNYBIG

|   | # issues | Par Amount<br>(CNY Billion) | Market Value<br>(CNY Billion) | Market Weight<br>(%) | Effective<br>Duration |
|---|----------|-----------------------------|-------------------------------|----------------------|-----------------------|
| <b>Government (CGB)</b>                       | 50       | 10,216.43                   | 10,475.34                     | 36.20%               | 5.60                  |
| <b>Policy Banks</b>                           | 145      | 15,776.33                   | 16,364.16                     | 56.50%               | 4.53                  |
| <b>Corporate</b>                              | 273      | 2,025.20                    | 2,080.68                      | 7.20%                | 2.42                  |
| <b>Supnationals and Other<br/>Governments</b> | 4        | 16.00                       | 16.22                         | 0.10%                | 1.97                  |
| <b>Total</b>                                  | 472      | 28,033.96                   | 28,936.40                     | 100%                 | 4.77                  |

<sup>1</sup> The Chinese government bond (CGB) component of CNYBIG index is the same as the standard Chinese government bond index which is included in the WGBI index. for details on Chinese government bond index, please refer to [https://www.yieldbook.com/x/ixFactSheet/factsheet\\_monthly\\_cngbi.pdf](https://www.yieldbook.com/x/ixFactSheet/factsheet_monthly_cngbi.pdf). For more details on CNYBBI index rules, please refer to [https://www.yieldbook.com/x/ixFactSheet/factsheet\\_monthly\\_cnybbi\\_en\\_US.pdf](https://www.yieldbook.com/x/ixFactSheet/factsheet_monthly_cnybbi_en_US.pdf);

<sup>2</sup> Terms and conditions data, including Subordination Type, is sourced from Refinitiv.

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The index composition by rating sector can be found in Figure 2:

**Figure 2. Rating Sector Breakdown of the FTSE CNYBIG Index**

|                  | # issues   | Par Amount<br>(CNY Billion) | Market Value<br>(CNY Billion) | Market Weight<br>(%) | Effective<br>Duration |
|------------------|------------|-----------------------------|-------------------------------|----------------------|-----------------------|
| AAA <sup>3</sup> | 1          | 3.00                        | 3.02                          | 0.01%                | 1.58                  |
| AA <sup>4</sup>  | 2          | 10.00                       | 10.20                         | 0.04%                | 1.83                  |
| A                | 334        | 27,004.66                   | 27,886.15                     | 96.37%               | 4.86                  |
| BBB              | 135        | 1,016.30                    | 1,037.03                      | 3.58%                | 2.27                  |
| <b>Total</b>     | <b>472</b> | <b>28,033.96</b>            | <b>28,936.40</b>              | <b>100%</b>          | <b>4.77</b>           |

Source: FTSE Russell. Pricing as of October 29<sup>th</sup>, 2021 with 2021 Nov profile.

To facilitate modular sub-asset class analysis and performance tracking, sub-indexes are available in different combination of sector, term, and rating.

For further information, please see the Ground Rules and factsheets for this index which is available at [www.ftserussell.com](http://www.ftserussell.com).

Please contact us at [fi.index@lseg.com](mailto:fi.index@lseg.com) with any comments or questions.

<sup>3</sup> The bond with AAA rating is from Asian Infrastructure Investment Bank—a supranational issuer

<sup>4</sup> The two bonds with AA rating is from New Development Bank—a supranational issuer

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