

## Reminder: Upcoming Changes to Price Source and Holiday Calendars for the FTSE Fixed Income Indexes Effective November 2018

As previously announced on June 29, 2018, effective from November 12, 2018, the pricing sources and snap times will change for the government bond indexes as shown in Figure 1. Additionally, the quote convention for Japanese government bond prices will change from mid-side to bid-side.

Figure 1. Current and New Pricing Sources and Snap Times for the Government Bond Indexes

Index	Current		New	
	Source	Time	Source	Time
<b>World Government Bond Index</b>				
Australia	Citi	4:30 p.m. (Sydney)	Thomson Reuters	4:00 p.m. (Tokyo)
Austria	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Belgium	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Canada	Citi	3:00 p.m. (New York)	Thomson Reuters	3:00 p.m. (New York)
Denmark	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Finland	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
France	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Germany	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Ireland	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Italy	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Japan	Citi	3:00 p.m. (Tokyo)	Thomson Reuters	3:00 p.m. (Tokyo)
Netherlands	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Norway	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
South Africa	Citi	5:00 pm (Johannesburg)	Johannesburg Stock Exchange	5:00 pm (Johannesburg)
Spain	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Sweden	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
United Kingdom	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
United States	Citi	3:00 p.m. (New York)	Thomson Reuters	3:00 p.m. (New York)
<b>World Inflation-Linked Securities Index</b>				
Australia	Citi	4:30 p.m. (Sydney)	Thomson Reuters	4:00 p.m. (Tokyo)
France	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Germany	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Italy	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Japan	Citi	3:00 p.m. (Tokyo)	Thomson Reuters	3:00 p.m. (Tokyo)
Spain	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Sweden	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
United Kingdom	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
United States	Citi	3:00 p.m. (New York)	Thomson Reuters	3:00 p.m. (New York)

Figure 1. Current and New Pricing Sources and Snap Times for the Government Bond Indexes (cont'd)

Index	Current		New	
	Source	Time	Source	Time
EM Inflation-Linked Securities Index				
Turkey	Citi	5:00 p.m. (Istanbul)	Thomson Reuters	2:00 p.m. (London)
CEEMEA Government Bond Index				
Czech Republic	Citi	5:00 p.m. (Prague)	Thomson Reuters	4:15 p.m. (London)
Turkey	Citi	5:00 p.m. (Istanbul)	Thomson Reuters	2:00 p.m. (London)
Russia	Citi	6:45p.m. (Moscow)	Thomson Reuters	4:15 p.m. (London)
Greek Government Bond Index	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
New Zealand Government Bond Index	Citi	4:30 p.m. (Sydney)	Thomson Reuters	4:00 p.m. (Tokyo)
Portuguese Government Bond Index	Citi	4:15 p.m. (London)	Thomson Reuters	4:15 p.m. (London)
Swiss Government Bond Index	Citi	5:00 p.m. (Zurich)	Thomson Reuters	4:15 p.m. (London)
Taiwan Government Bond Index	Citi	1:30 p.m. (Taipei)	Thomson Reuters	3:00 p.m. (Tokyo)
US Treasury STRIPS	Citi	3:00 p.m. (New York)	Thomson Reuters	3:00 p.m. (New York)
US Treasury Benchmark (On-the-Run)	Citi	3:00 p.m. (New York)	Thomson Reuters	3:00 p.m. (New York)
US Treasury Bill Indexes	Citi	3:00 p.m. (New York)	Thomson Reuters	3:00 p.m. (New York)
US Treasury 0-1 Year Index	Citi	3:00 p.m. (New York)	Thomson Reuters	3:00 p.m. (New York)

### Estimated Impact

Based on historical analysis, the impact to average price and effective duration between the current and new pricing sources is expected to be minimal. Figure 2 provides the estimated impact as of October 22, 2018.

Figure 2. Estimated Impact on Average Price and Effective Duration

Index	Average Price			Effective Duration		
	Current	New	Diff	Current	New	Diff
<b>World Government Bond Index (WGBI)</b>	105.27	105.26	0.01	7.75	7.74	0.01
Australia	105.02	104.95	0.07	6.48	6.48	0.00
Canada	103.09	103.06	0.03	6.48	6.48	0.00
Denmark	121.80	121.76	0.04	8.26	8.26	0.00
EGBI (Eurozone)	111.48	111.48	0.00	7.61	7.61	0.00
Japan	110.12	110.11	0.01	10.71	10.71	0.00
Norway	102.45	102.38	0.07	5.01	5.01	0.00
South Africa	89.57	89.54	0.03	7.57	7.57	0.00
Sweden	111.66	111.54	0.12	6.16	6.16	0.00
UK	120.38	120.31	0.07	12.73	12.72	0.01
US	96.85	96.84	0.01	5.84	5.84	0.00

Figure 2. Estimated Impact on Average Price and Effective Duration (cont'd)

Index	Average Price			Effective Duration		
	Current	New	Diff	Current	New	Diff
<b>World Inflation-Linked Securities Index (WorldILSI)</b>	147.63	147.56	0.07	9.22	9.21	0.01
Australia	127.09	126.99	0.10	6.27	6.26	0.01
EuroILSI	121.54	121.48	0.06	8.13	8.13	0.00
Japan	105.18	105.17	0.01	4.01	4.01	0.00
Sweden	142.24	142.19	0.05	4.53	4.53	0.00
UK	205.59	205.32	0.27	16.97	16.97	0.00
US	110.18	110.16	0.02	5.49	5.49	0.00
<b>CEEMEA Government Bond Index</b>						
Czech Republic	102.59	102.60	-0.01	5.91	5.91	0.00
Russia	96.24	96.16	0.08	4.52	4.52	0.00
Turkey	72.84	73.68	-0.84	2.71	2.73	-0.02
New Zealand Government Bond Index	107.84	107.84	0.00	5.62	5.62	0.00
Swiss Government Bond Index	118.21	118.45	-0.24	4.68	4.68	0.00
Taiwan Government Bond Index	106.16	106.46	-0.30	8.33	8.34	-0.01
STRIPS	55.24	55.14	0.10	16.28	16.24	0.04
US Treasury 0-1 Year Index	99.67	99.67	0.00	0.28	0.28	0.00

Source: FTSE Russell as of October 22, 2018.

### **Holiday Pricing Calendars**

At present, the prices for several local markets come from “trading centers”, as defined in the FTSE Fixed Income Index Guide<sup>1</sup>. As a consequence, prices for a local market are unavailable if its associated trading center is closed, even if the local market is open. Effective from November 12, 2018, each local market will observe its own holiday calendar: if a local market is on holiday, the closing prices used for that day will be the closing prices from the previous day.

Figure 3 lists the local currency markets where the holiday calendar will change to the local calendar. Other markets that are currently priced by third-party pricing sources will continue to follow the local market holiday calendar.

<sup>1</sup> For more information, refer to FTSE Fixed Income Index Guide on [www.yieldbook.com/m/indices](http://www.yieldbook.com/m/indices).

Figure 3. Holiday Pricing Calendars

Current "Trading Center"	Local Currency Market	Current Holiday Pricing Calendar	New Holiday Pricing Calendar
Sydney	Australia New Zealand	Australia Australia	Australia New Zealand
London	Austria Belgium Denmark Finland Germany Greece Ireland Italy Netherlands Norway Portugal Spain Sweden United Kingdom	UK UK UK UK UK UK UK UK UK UK UK UK UK UK	TARGET <sup>2</sup> TARGET Denmark TARGET TARGET TARGET TARGET TARGET TARGET Norway TARGET TARGET Sweden UK
New York	Canada United States	United States United States	Canada United States

Please contact us at [fi.index@ftserussell.com](mailto:fi.index@ftserussell.com) if you have any questions.

FTSE Russell

<sup>2</sup> Eurozone countries are considered as a single bloc and they use the European Central Bank's Tans-European Automated Real Time Gross Settlement Express Transfer (TARGET) calendar in place of the local market calendar to determine holidays.

FTSE Fixed Income LLC	US	EMEA	Hong Kong	Singapore	Japan
111 Wall Street 14 <sup>th</sup> Floor New York, NY 10005	+212 816 0700 <a href="mailto:fi.index@ftserussell.com">fi.index@ftserussell.com</a>	+44 20 7334 8963 <a href="mailto:fi.index@ftserussell.com">fi.index@ftserussell.com</a>	+852 2164 3288 <a href="mailto:fi.index@ftserussell.com">fi.index@ftserussell.com</a>	+65 6818 6291 <a href="mailto:fi.index@ftserussell.com">fi.index@ftserussell.com</a>	+81 3 4563 6346 <a href="mailto:fi.indexjp@ftserussell.com">fi.indexjp@ftserussell.com</a>