

## Clarification of Eligibility of New Zealand for FTSE World Government Bond Index

Subsequent to the announcement published on August 26, 2020 regarding the timing of the FTSE Fixed Income Country Classification Annual Announcement<sup>1</sup>, FTSE Russell has received feedback from index users on the potential inclusion of the New Zealand government bond market in the FTSE World Government Bond Index (WGBI).

Upon further review of the local market structure, we hereby clarify that due to recent Large Scale Asset Purchases (LSAP) of government bonds by the Reserve Bank of New Zealand as part of the programme announced on March 23, 2020<sup>2</sup>, New Zealand is now not considered to have met the market size minimum for inclusion in WGBI.

FTSE Russell is reviewing the feasibility of adjusting the amount outstanding values for New Zealand government bonds to account for LSAP holdings in other FTSE fixed income indexes, including the FTSE Asia Pacific Government Bond Index (APGBI), and will provide further details on the index handling shortly.

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

FTSE Russell

<sup>1</sup> For further details, please see: <http://www.yieldbook.com/m/indexes/FTSE-indexes/message.shtml?id=295>.

<sup>2</sup> For further details, please see: <https://www.rbnz.govt.nz/markets-and-payments/domestic-markets/domestic-markets-media-releases/reserve-bank-to-begin-large-scale-asset-purchases-23-march-2020>.

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