



## Reminder: Addition of New Zealand to FTSE World Government Bond Index

In March 2022, FTSE Russell announced the inclusion of New Zealand local currency fixed-rate government bonds in the FTSE World Government Bond Index (WGBI) effective for November 2022 profiles.<sup>1</sup> New Zealand Government Bonds will also be included in the indexes that derive their membership from the WGBI, or are alternatively weighted based off of them.<sup>2</sup> Index users are encouraged to contact us with any questions related to the impact to custom indexes.

This announcement provides additional details on these changes and updated impact projections as of August 31, 2022.

### Inclusion of New Zealand in the FTSE World Government Bond Index

The FTSE World Government Bond Index (WGBI) tracks global government bond markets. Effective with the November 2022 profile, New Zealand local currency, fixed-rate government bonds will be added to the WGBI. As of August 31, 2022, twelve NZD-denominated bonds with \$39.9 billion in market value are projected to enter the index and would comprise 0.17% of the index on a market value weighted basis. Further details on the projected impact are provided in Figure 1.

<sup>1</sup> For further details, please see: [https://www.yieldbook.com/f/m/pdf/ftse\\_indexes/announcements/fixed-income-country-classification-March-2022-results.pdf](https://www.yieldbook.com/f/m/pdf/ftse_indexes/announcements/fixed-income-country-classification-March-2022-results.pdf)

<sup>2</sup> For related or custom indexes that incorporate the FTSE fixed income emerging markets definition as part of index inclusion criteria, FTSE Russell highlights that New Zealand is currently classified as a developed market.

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**Figure 1. Projected Impact of the Inclusion of New Zealand Government Bonds in the FTSE WGBI**

	WGBI			Projected WGBI + NZ			Difference		
	Count	Market Value*	MV%	Count	Market Value*	MV%	Count	Market Value*	MV %
United States	265	10,111.8	44.03	265	10,111.8	43.95	-	-	-0.08
Japan	260	3,447.0	15.01	260	3,447.0	14.98	-	-	-0.03
France	48	1,692.0	7.37	48	1,692.0	7.35	-	-	-0.01
Italy	84	1,466.4	6.38	84	1,466.4	6.37	-	-	-0.01
Germany	58	1,250.5	5.44	58	1,250.5	5.44	-	-	-0.01
Spain	50	987.8	4.30	50	987.8	4.29	-	-	-0.01
United Kingdom	54	903.0	3.93	54	903.0	3.92	-	-	-0.01
China	58	567.9	2.47	58	567.9	2.47	-	-	0.00
Canada	40	411.7	1.79	40	411.7	1.79	-	-	0.00
Belgium	30	374.0	1.63	30	374.0	1.63	-	-	0.00
Netherlands	21	309.0	1.35	21	309.0	1.34	-	-	0.00
Australia	26	306.2	1.33	26	306.2	1.33	-	-	0.00
Austria	28	236.0	1.03	28	236.0	1.03	-	-	0.00
Mexico	15	160.6	0.70	15	160.6	0.70	-	-	0.00
Ireland	17	126.0	0.55	17	126.0	0.55	-	-	0.00
Finland	23	104.1	0.45	23	104.1	0.45	-	-	0.00
Malaysia	30	103.1	0.45	30	103.1	0.45	-	-	0.00
Singapore	20	86.7	0.38	20	86.7	0.38	-	-	0.00
Poland	15	85.1	0.37	15	85.1	0.37	-	-	0.00
Israel	14	76.7	0.33	14	76.7	0.33	-	-	0.00
Denmark	8	72.2	0.31	8	72.2	0.31	-	-	0.00
Sweden	8	49.9	0.22	8	49.9	0.22	-	-	0.00
Norway	9	40.3	0.18	9	40.3	0.18	-	-	0.00
<b>New Zealand</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>39.9</b>	<b>0.17</b>	<b>12</b>	<b>39.9</b>	<b>0.17</b>
<b>Total</b>	<b>1181</b>	<b>22968.0</b>	<b>100.0</b>	<b>1193</b>	<b>23007.9</b>	<b>100.0</b>	<b>12</b>	<b>39.9</b>	<b>0</b>

\*in USD billions. Source: FTSE Russell. Data are as of August 31, 2022

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

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