

December 31, 2017

## European High-Yield Market Index

Credit | Multi-Currency

The European High-Yield Market Index measures the performance of high-yield corporate debt denominated in Euro (EUR), Swiss Franc (CHF), and UK Sterling (GBP). The index comprises cash-pay, zero-to-full (ZTF), pay-in-kind (PIK), and step-coupon bonds. Sub-indices are available in any combination of corporate sector, maturity, and rating.

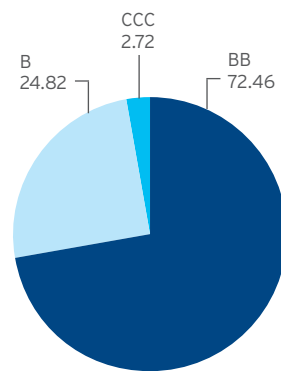
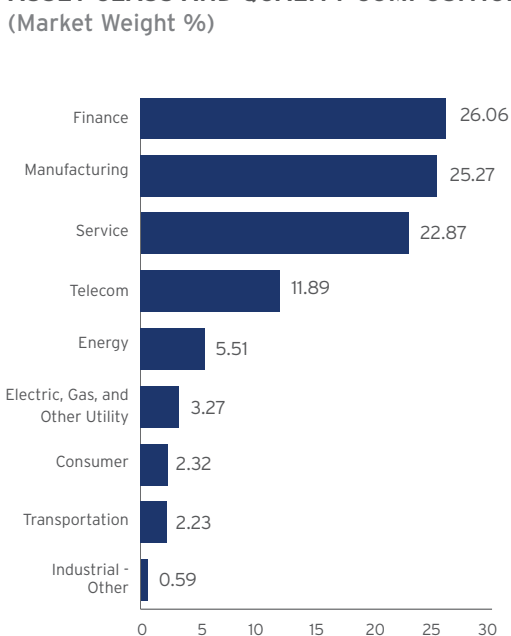


### INDEX PROFILE

Description	# of issues	Par Amount*	Market Value*	Market Weight (%)	Average Coupon (%)	Average Life (Years)	Yield to Maturity (%)	Effective Duration	OAS (bps)
<b>European High-Yield Market Index</b>	<b>645</b>	<b>340.36</b>	<b>361.81</b>	<b>100.00</b>	<b>4.80</b>	<b>5.65</b>	<b>3.24</b>	<b>3.86</b>	<b>304</b>
EUR	508	285.28	303.43	83.86	4.49	5.72	2.97	3.87	290
GBP	122	51.34	54.61	15.09	6.65	5.35	4.84	3.87	384
CHF	15	3.74	3.77	1.04	3.00	4.89	2.04	3.20	260
Cash Pay	619	327.43	349.61	96.63	4.79	5.51	3.26	3.86	306
Deferred Interest	26	12.93	12.21	3.37	5.05	9.35	2.75	3.96	241
1-3 years	122	68.72	74.15	20.49	5.42	1.97	2.10	1.76	247
3-5 years	209	103.59	110.90	30.65	5.15	4.02	3.55	2.75	334
5-7 years	187	95.17	101.17	27.96	4.45	5.96	3.45	4.25	312
7-10 years	95	57.82	60.87	16.82	3.99	8.00	3.39	6.48	301
10+ years	31	14.56	14.21	3.93	4.93	23.54	4.86	9.64	325
Industrial	415	201.67	212.68	58.78	4.61	5.45	3.48	3.84	321
Utility	75	50.79	54.86	15.16	4.33	5.52	2.67	4.49	263
Finance	155	87.91	94.27	26.06	5.53	6.20	3.04	3.54	288

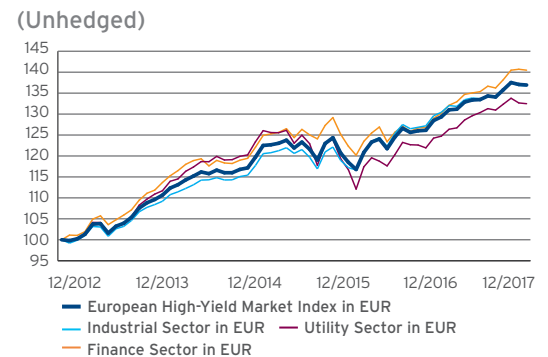
\*In EUR billions

### ASSET CLASS AND QUALITY COMPOSITION (Market Weight %)

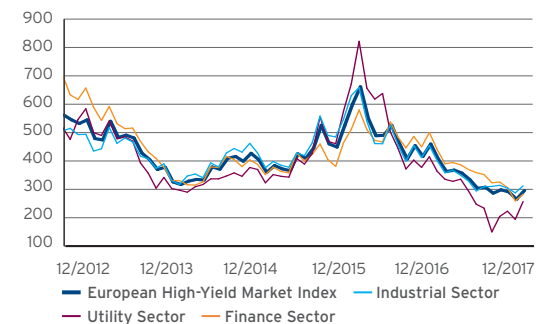


Index Quality: Index quality is defined to be the rating assigned by Standard and Poor's Financial Services LLC ("S&P") when it exists. If a bond is not rated by S&P but it is rated by Moody's Investor Service, Inc ("Moody's"), the S&P equivalent of the Moody's rating is assigned. If a bond is split-rated, that is rated investment grade by S&P or Moody's and high yield by the other, index quality is taken to be S&P equivalent of the investment grade rating.

### HISTORICAL INDEX LEVEL (Unhedged)



### OAS



[www.yieldbook.com/citi-indices](http://www.yieldbook.com/citi-indices)



## TOP 10 ISSUERS (By Market Weight)

Description	# of issues	Par Amount*	Market Value*	Market Weight (%)	Average Coupon (%)	Average Life (Years)	Yield to Maturity (%)	Effective Duration	OAS (bps)
TELECOM ITALIA SPA	15	12.64	14.64	4.06	4.38	7.66	1.74	5.88	157
LIBERTY GLOBAL PLC	19	10.16	10.84	3.01	4.95	8.49	4.41	4.66	319
INTESA SANPAOLO SPA	9	8.91	10.31	2.86	6.09	5.16	2.56	4.33	263
GAZPROM OAO	10	6.80	7.25	2.01	3.46	4.58	1.97	4.14	203
CASINO GUICHARD PERRACHON SA	9	6.01	6.76	1.87	4.47	4.24	1.74	3.70	191
ALTICE NV	7	6.50	6.74	1.87	6.19	5.76	5.85	3.13	577
TELEFONICA SA	7	5.90	6.53	1.81	4.90	3.98	2.31	3.53	224
UNICREDIT SPA	6	5.53	6.41	1.78	6.32	4.09	2.46	3.60	255
PETROLEO BRASILEIRO SA	8	5.49	6.12	1.70	4.99	7.13	3.11	5.40	282
FIAT CHRYSLER AUTOMOBILES NV	5	5.06	5.74	1.59	4.93	3.90	1.37	3.53	170

\*In EUR billions

## DESIGN CRITERIA & CALCULATION METHODOLOGY

Coupon:	Fixed-rate, fixed-to-floating rate bonds
Currency:	CHF, EUR, GBP
Minimum Maturity:	At least one year Fixed-to-floating rate bonds are removed one year prior to the fixed-to-floating rate date.
Minimum Market Size:	EUR 5 billion
Minimum Issue Size:	CHF: 100 million, EUR: 200 million, GBP: 150 million
Credit Quality:	Maximum quality: BB+ by S&P and Ba1 by Moody's Minimum quality: C by S&P and Ca by Moody's (excludes defaulted bonds)
Composition:	Securities included: Cash-pay, zero-to-full (ZTF), pay-in-kind (PIK), step-coupon bonds Securities excluded: Convertible bonds
Weighting:	Market capitalization
Rebalancing:	Once a month at the end of the month
Reinvestment of Cash Flow:	At daily average of the local currency one-month Eurodeposit rate, calculated from the actual scheduled payment date of the cash flow through the end of the reporting period.
Pricing:	Thomson Reuters
Calculation Frequency:	Daily
Settlement Date:	Monthly - Settlement is on the last calendar day of the month. Daily - Same day settlement except if the last business day of the month is not the last calendar day of the month; then, settlement is on the last calendar day of the month.
Base Date:	December 31, 2012

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- The Yield Book
- Citi Velocity<sup>SM</sup>
- Bloomberg SBI <GO>; SBBI <GO>
  - European High-Yield Market Index, in CHF - SBHESZU
  - European High-Yield Market Index, in EUR - SBHEEUU
  - European High-Yield Market Index, in GBP - SBHEGBU
- Other data and analytic vendors and financial news organizations. A full list of those is available in Citi's Index Guide.

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