

Reminder: Enhancements to FTSE US High-Yield Index Offering

FTSE Russell has conducted a thorough review of the issuer eligibility criteria for the FTSE US High-Yield Market Index, which currently requires that bonds be issued by corporations that have a Country assignment of the United States or Canada. Based on this review and incorporating feedback from index users, the inclusion criteria for the index will be expanded to also include bonds issued by corporations where Country is assigned as Australia, Belgium, France, Germany, Italy, Japan, the Netherlands, Sweden, Switzerland and the United Kingdom according to FTSE fixed income index methodology. The change will be effective as of September 30, 2021 and reflected in October 2021 profiles

According to proforma as of Sep 24th, 2021, it is projected that 107 additional securities will qualify for inclusion, with \$9.3 billion in market value, representing approximately 6.5% of the index by market weight. More details of the projected impact are shown in Figure 1.

Figure 1. Projected Impact of the Change for the FTSE US High-Yield Bond Index by Maturity Band

	FTSE US High-Yield			Projected FTSE US High-Yield			Difference		
	Count	Market Value*	MV %	Count	Market Value*	MV %	Count	Market Value*	MV %
1-7yrs	1,244	921.85	65.2	1321	985.1	65.4	77	63.25	0.2
7-10yrs	518	408.13	28.9	541	430.51	28.6	23	22.38	-0.3
10+yrs	105	83.74	5.9	112	90.61	6.0	7	6.87	0.1
Total	1,867	1,413.72	100	1,974	1,506.22	100	107	92.50	0.0

*In USD billions. Source: FTSE Russell. Data as of Sep 24th, 2021

To facilitate modular sub-asset class analysis and performance tracking, a sub-index representing the current issuer eligibility criteria requiring a Country assignment of the United States and Canada only will be made available.

Please contact us at fi.index@lseg.com with any comments or questions.

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