

## S&P Global Developed Fixed Income Indices Country Inclusion Consultation Results

**NEW YORK, MAY 26, 2020:** S&P Dow Jones Indices (“S&P DJI”) has conducted a consultation with market participants on potential changes to the S&P Global Developed fixed income indices.<sup>1</sup>

In order to standardize the country inclusion/exclusion policy and provide an appropriate implementation period for country-level changes, S&P DJI will adopt the following process for country-level additions and deletions.

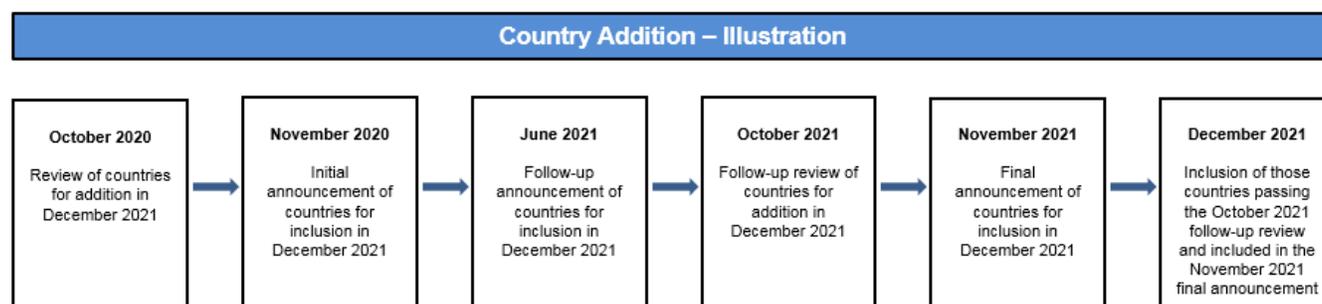
### NEW COUNTRY INCLUSION/EXCLUSION POLICY

**Country Additions.** Country additions involve a three-step process as follows:

1. In October of each year, S&P DJI will evaluate the possible inclusion of new countries based on the most recent International Monetary Fund World Economic Outlook’s Advanced Economies classification (“IMF classification”).
2. If a country’s IMF classification has been upgraded from Emerging to Developed, S&P DJI will announce the classification change in November of that year and include the upgraded country in the indices, effective in December of the following year.
3. In October of the following year, any country announced in step 2 above will be reviewed again to ensure it still retains a Developed IMF classification. If it is still classified as Developed, then it will be included in the indices, effective in December.

As part of the country additions process, three announcements will be made. An initial announcement will be made in November of the review year detailing any country classification changes and inclusions effective for December of the following year. A follow-up announcement will be made six months prior to the country inclusion effective date (i.e. in the subsequent June). A final notice will then be made one month prior to the country inclusion effective date (i.e. one year from the initial announcement).

An illustration of the country addition timeline is shown below.

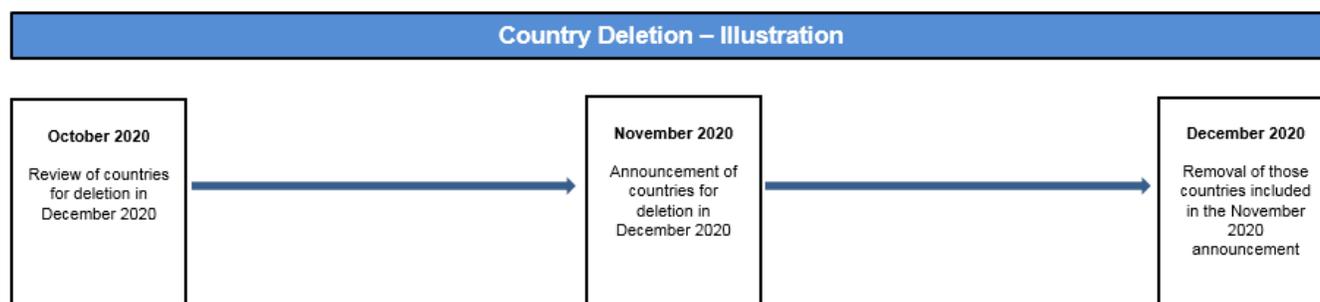


<sup>1</sup> Please refer to the S&P Global Developed Fixed Income Indices Country Inclusion Consultation available [here](#).

**Country Deletions.** Country deletions involve a two-step process as follows:

1. In April and October of each year, S&P DJI will evaluate the possible deletion of countries based on the most recent IMF classification.
2. If a country's IMF classification has been downgraded from Developed to Emerging, S&P DJI will announce the classification change in the following month and remove the downgraded country from the indices, effective in the month following the announcement.

An illustration of the country deletion timeline is shown below.



Please note that all country inclusions and exclusions are subject to the availability of published IMF classifications and debt issuance data from the designated provider. The scheduled review, announcement, and effective date timelines detailed above are guidelines and may be adjusted depending on when the IMF publishes its country classifications.

This country inclusion/exclusion policy will be implemented in conjunction with the October 2020 monthly rebalancing, which takes effect prior to the market open on Thursday, October 1, 2020.

## IMPACTED INDICES

The table below lists the global indices impacted by the adoption of the new country inclusion/exclusion policy.

Index Name	Index Code
S&P Global Developed Aggregate Ex-Collateralized Bond Index	SPDABXC
S&P Global Developed Sovereign Bond Index	SPFIDSU
S&P Pan-Europe Developed Sovereign Bond Index USD	SPFIPEU

Please note that all maturity bucket, currency, and hedged versions of the above indices will also be impacted. S&P DJI is reviewing the impact of this change on various sub-indices including the S&P International Sovereign Ex-U.S. Bond Index. Any changes to those indices will be communicated separately.

## PENDING COUNTRY ADDITIONS

As previously mentioned in the consultation, S&P DJI intends to add several countries to the S&P Global Developed fixed income indices, in accordance with our current stated policy, which references the IMF World Economic Outlook's Advanced Economies classification. The following countries will be added to the S&P Global Developed Aggregate Ex-Collateralized Bond Index and child indices:

- Czech Republic
- Lithuania
- Slovenia
- Iceland
- Portugal
- Taiwan
- Latvia
- Slovakia

## INDEX ANNOUNCEMENT

The following countries will be added to the S&P Global Developed Sovereign Bond Index and child indices:

- Cyprus
- Czech Republic
- Greece
- Iceland
- Latvia
- Lithuania
- Slovakia
- Slovenia
- Taiwan

These countries, if they continue to maintain a Developed IMF classification, will be added to the indices in conjunction with the December 2020 monthly rebalancing, which takes effect prior to the market open on Tuesday, December 1, 2020. Please note that these additions will take place outside of the adoption of the new country inclusion/exclusion policy previously described.

For more information about S&P Dow Jones Indices, please visit [www.spdji.com](http://www.spdji.com).

## ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit [www.spdji.com](http://www.spdji.com).

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