

# **IHS Markit Benchmark Administration Limited Consultation on the Markit iBoxx USD Liquid Emerging Markets Sovereigns Index and Markit iBoxx USD Liquid Emerging Markets Sovereigns Mid Price TCA Index**

**LONDON, APRIL 4, 2024:** IHS Markit Benchmark Administration Limited (IMBA UK) is conducting a consultation with market participants on potential changes to the Markit iBoxx USD Liquid Emerging Markets Sovereigns Index and the Markit iBoxx USD Liquid Emerging Markets Sovereigns Mid Price TCA Index.

## **BACKGROUND**

The Markit iBoxx USD Liquid Emerging Markets Sovereigns Index and Markit iBoxx USD Liquid Emerging Markets Sovereigns Mid Price TCA Index are designed to reflect the performance of liquid bonds from emerging markets sovereign issuers, denominated in USD. As of February 29, 2024, both indices are individually made up of 37 bonds from 20 countries.

<b>Index Name</b>	<b>ISIN (TRi)</b>	<b>BBG Ticker (TRi)</b>
Markit iBoxx USD Liquid Emerging Markets Sovereigns Index	GB00B4QZQ970	IBOXUSLT
Markit iBoxx USD Liquid Emerging Markets Sovereigns Mid Price TCA	GB00BZ2YD383	IBXXLES1

## **PROPOSAL**

In order to align the index methodologies of the two indices with the [changes](#) to the iBoxx USD Emerging Markets Sovereigns Index effective on April 30, 2024, IMBA UK proposes the following index rule changes:

- a. To only include internationally clearable bonds
- b. To include rated bonds and bonds with issuer ratings

## **IMPACT ANALYSIS**

Using data from February 29, 2024, there are no changes observed with the proposed methodology updates.

Additional data and analysis may be made available in the Client Resource Center [www.spglobal.com/spdji/en/client-services/](http://www.spglobal.com/spdji/en/client-services/), which may be updated from time to time throughout the consultation without notice. Additional data and analysis may also be made available upon request.

## IMPLEMENTATION TIMING

IMBA UK is proposing to implement the previously described methodology changes, if adopted, in conjunction with the May 2024 month-end rebalancing, which takes effect prior to the market open on **Monday, June 3, 2024**. If adopted, the changes will first be visible to clients in preliminary membership files beginning on **Monday, May 6, 2024**.

## QUESTIONS

Please answer the following questions and provide IMBA UK with the reasoning behind your answers:

1. **Do you agree with the proposal to include only internationally clearable bonds in the Markit iBoxx USD Liquid Emerging Markets Sovereigns Index and the Markit iBoxx USD Liquid Emerging Markets Sovereigns Mid Price TCA Index?**
2. **Do you agree with the proposal to include rated bonds and bonds with issuer ratings in the Markit iBoxx USD Liquid Emerging Markets Sovereigns Index and the Markit iBoxx USD Liquid Emerging Markets Sovereigns Mid Price TCA Index?**
3. **Should these proposed methodology changes be adopted, do you agree with the proposed implementation date?**
4. **Do you have any other comments or feedback regarding the proposed changes outlined above?**

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences on the proposal herein and the suggested timetable for its implementation. Please respond to this survey by **April 30, 2024**. After this date, IMBA UK will no longer accept survey responses. Prior to the Index Committee's final review, IMBA UK may request clarifications from respondents as part of that review.

To participate in this consultation, please visit the online survey available [here](#).

*Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, IMBA UK makes no guarantees and is under no obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If IMBA UK decides to change the index methodology, an announcement will be posted on our website. IMBA UK reserves the right to make a final decision on the proposal.*

Thank you for taking the time to complete this survey.

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