

**S&P Dow Jones  
Indices**

A Division of **S&P Global**

**iBoxx EUR Sovereigns  
0-1 Capped Index Guide  
*March 2023***

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# 1) Index overview

The iBoxx EUR Sovereigns 0-1 Capped Index is designed to reflect the performance of EUR denominated Sovereign bonds with average life of less than 1 year. The index history starts from 31 October 2016 at a base level of 100.

The bond universe of the iBoxx EUR Sovereigns 0-1 Capped Index is a subset of the iBoxx EUR Benchmark Index family. The index calculation methodology corresponds to the methodology used for the iBoxx Benchmark indices. The iBoxx EUR Sovereigns 0-1 Capped Index uses multi-source pricing as described in the document *Markit iBoxx Pricing Rules* publicly available under Methodology on [www.ihsmarkit.com](http://www.ihsmarkit.com). For the index calculation, bond insertions in the respective index universe are valued with ask price, existing bonds with bid price.

The index is calculated from Monday to Friday, including calendar month-end dates irrespective of holidays. The index is calculated on the basis of end-of-day prices on each trading day. If the index is calculated on a day that is a non-business day, the prices from the previous trading day will be carried forward for index calculation together with the current accrued interest and coupon payment data. IHS Markit publishes an index calculation calendar, which is available on [www.ihsmarkit.com](http://www.ihsmarkit.com) under *iBoxx Calendars*. Index data and bond price information is also available from the main information vendors.

## 2) Index structure

The bond selection rules for the index are listed below:

Index Name	iBoxx EUR Sovereigns 0-1 Capped
Level0	EUR
Level1	Sovereigns
Rating	AAA/AA/A/BBB
Country of Risk Capping	35%
Years to Maturity (YTM)	Less than 1 year
Bond Notional	EUR 1 bn
Floating/ Convertable/ Index Lined Bonds	Excluded

### 3) Index identifiers

The following table delivers an overview of the index identifiers.

Indexname	iBoxx EUR Sovereigns 0-1 Capped	
Version	TRI	CPI
ISIN	GB00BQN9TL91	GB00BQN9TK84
SEDOL	BQN9TL9	BQN9TK8
BBG Ticker	IBXXES0T	IBXXES0P

CPI = Clean Price Index Level TRI = Total Return Index Level

## 4) Calculation

Bond and index analytical values are calculated on each trading day using the daily closing prices. The calculation of the index follows the rules and publication calendar of Markit iBoxx EUR benchmark index.

### 4.1) Index data

The calculation of the index is based on bid prices. New securities are included in the index at their respective ask prices when they enter the index family. In the event that no price can be established for a particular security, the index continues to be calculated based on the last available price. This might be the case in periods of market stress, or disruption as well as in illiquid or fragmented markets. If the required inputs become impossible to obtain, IHS Markit may consult market participants prior to the next rebalancing date. Decisions are made publicly available on a timely basis and IHS Markit may refer back to previous cases.

The rebalancing takes place after close of market on the last trading day of a rebalancing month.

## 5) Rebalancing

The index is reviewed and rebalanced once per month at the end of each month. The final composition of the index is published on the first trading day. The index is calculated using the same ask and bid prices which are used for the Markit iBoxx EUR benchmark index. If the month-end falls on a non-business day the index would be calculated using the prices from the last business day and the accrued interest as of the calculation date.

## 6) Publication

The index will be published on the Indices FTP server daily. The following files will be published.

- **Indices:** daily index levels and analytics
- **Underlyings:** daily bond prices and analytics
- **Forwards:** projected composition of the following month
- **Components:** monthly index composition

The table below shows a complete overview of the publication paths on FTP server.

The index is published in the customized folder **B230103**.

File Type	File Name	Publication	FTP folder for publication
Indices	iboxx_b230103_eur_eod_ indices_YYYYMMdd.csv	Daily	\\IBOXX_CUSTOM_INDICES \\B230103\\INDICES
Underlyings	iboxx_b230103_eur_eod_ underlyings_YYYYMMdd.csv	Daily	\\IBOXX_CUSTOM_INDICES \\B230103\\UNDERLYINGS
Forwards	iboxx_b230103_eur_eod_ forwards_YYYYMMdd.csv	Daily 6th calendar day onwards	\\IBOXX_CUSTOM_INDICES \\B230103\\FORWARDS
Components	iboxx_b230103_eur_eom_ components_YYYYMM.csv	Monthly	\\IBOXX_CUSTOM_INDICES \\B230103\\COMPONENTS

## 7) Further information

### Glossary of key terms

The Markit iBoxx Glossary document of key terms is available in the *Methodology* section of the iBoxx *Documentation* page on [www.ihsmarkit.com](http://www.ihsmarkit.com).

### Contractual and content issues

For contractual or content issues please contact:

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### Technical issues and client support

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Please refer to the methodology for the Index for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations.

Information presented prior to an index’s launch date is hypothetical back-tested performance, not actual performance, and is based on the index methodology in effect on the launch date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. In addition, forks have not been factored into the back-test data with respect to the S&P Cryptocurrency Indices. For the S&P Cryptocurrency Top 5 & 10 Equal Weight Indices, the custody element of the methodology was not considered; the back-test history is based on the index constituents that meet the custody element as of the Launch Date. Back-tested performance reflects application of an index methodology and selection of index constituents with the benefit of hindsight and knowledge of factors that may have positively affected its performance, cannot account for all financial risk that may affect results and may be considered to reflect survivor/look ahead bias. Actual returns may differ significantly from, and be lower than, back-tested returns. Past performance is not an indication or guarantee of future results.

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