

**iBoxx EUR  
Sovereigns Yield Plus  
0-1 Index  
Methodology**

***October 2025***

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# iBoxx EUR Sovereigns Yield Plus 0-1 Index

The iBoxx EUR Sovereigns Yield Plus 0-1 Index is a total return index designed to track the performance of a portfolio comprised of EUR-denominated investment grade government bonds issued by the five highest yielding countries among the member countries of the Eurozone.

The iBoxx EUR Sovereigns Yield Plus 0-1 Index is rebalanced once a month at month-end (the “rebalancing date”).

Like all other iBoxx indices the iBoxx EUR Sovereigns Yield Plus 0-1 Index is priced based on multiple data inputs. The iBoxx EUR Sovereigns Yield Plus 0-1 Index uses multi-source prices as described in the document iBoxx Pricing Rules publicly available at <https://www.spglobal.com/spdji/en/>.

This document covers the index selection rules and calculation methodology.

# Bond selection rules

The following selection criteria are applied to select the constituents for the iBoxx EUR Sovereigns Yield Plus 0-1 Index:

- Bond type
- Credit rating
- Issuer type
- Highest issuer yielding countries
- Time to maturity
- Amount outstanding

## Bond type

The iBoxx EUR Sovereigns Yield Plus 0-1 Index includes only EUR denominated bonds. The list of eligible bond types is as follows:

- Fixed coupon bonds (“plain vanilla bonds”)
- Zero coupon bonds • Step-up bonds
- Event-driven bonds
- Bonds with specific call options
- Soft bullet bonds. These are bonds with an initial fixed-coupon period and a variable or step-up coupon period thereafter that are structured so that they are expected to be redeemed at the end of the initial period.

The following bond types are specifically excluded from the index:

- Sinking funds and amortizing bonds
- Other callable and undated bonds
- Floating rate notes and other fixed-to-floater bonds
- Optionally and mandatory convertible bonds
- Collateralized Debt Obligations (CDOs) and bonds collateralized by CDOs
- Bonds with differences between accrual and coupon payment periods and monthly-paying bonds.
- Retail bonds
- Private placements.

For retail bonds and private placements, publicly available information is not always conclusive and the classification of a bond as a retail bond or a private placement will be made at S&P Dow Jones Indices’ (S&P DJI) discretion based on the information available at the time of determination. S&P DJI may consult with the specific Index Advisory Committees to review potential retail bonds or private placements. Any bond classified as retail or private placement is added to the list of excluded private placements and retail bonds. The list is published on <https://www.spglobal.com/spdji/en/> for future reference and to ensure decision’s consistency.

In instances where a new bond type is not specifically excluded or included according to the published index rules, S&P DJI will analyze the features of such securities in line with the principles set out in Bond type of this methodology. S&P DJI may consult the specific Index Advisory Committees. Any decision as to the eligibility or ineligibility of a new bond type will be published and the index rules will be updated accordingly.

### **Credit rating**

All bonds in the iBoxx EUR Sovereigns Yield Plus 0-1 Index must have an iBoxx Rating of investment grade. Ratings from the following three credit rating agencies are considered for the calculation of the iBoxx Rating:

- Fitch Ratings
- Moody's Investor Service
- S&P Global Ratings

Investment grade is defined as BBB- or higher from Fitch Ratings and S&P Global Ratings and Baa3 or higher from Moody's Investor Service. Bonds with an RD/SD rating are excluded from the iBoxx EUR Sovereigns Yield Plus 0-1 Index.

If more than one of the above agencies rates a bond, then the iBoxx rating is the average of the provided ratings. The index consolidates ratings to the nearest rating grade and does not use rating notches.

*For more information on how the average rating is determined, please refer to the iBoxx Rating Methodology document available at <https://www.spglobal.com/spdji/en/>.*

### **Issuer type**

Bonds issued by a central government of a member country of the Eurozone and denominated in euro or in a pre-euro currency.

### **Highest yielding issuer countries selection 0-1**

The 5 highest yielding issuer countries are reselected every month at each monthly rebalance as follows:

- The 5 highest yielding eligible countries are selected every month at each monthly rebalance.
- To replace a country in the existing index, the yield difference between the entering country and exiting country should be larger than the weighted average bid-ask spread of the entering country.
- If the entering country has a weight of more than one third of the index after the rebalancing, the threshold is required to be 1.5 times the weighted average bid-ask spread of the entering country.

The highest yielding countries are determined by calculating the yield of a (hypothetical) bond with a maturity of exactly 1 year. The yield of the bond is calculated from the annual yield of two bonds with a maturity of close to 1 year. Mid-prices are used in calculating the annual yield of the selected bonds.

### **Step 1 – Select eligible countries**

To be eligible for the index, countries need to have at least 2 bonds in the 0Y-1Y maturity band of the Markit iBoxx EUR Benchmark universe 5 business days before the end of the rebalancing month. Countries with fewer bonds are not eligible.

### **Step 2 - Determine country yields**

The annual yields at the reference time to maturity point (which will be referred as reference point going forward) are calculated by linear interpolation from two bonds ( $B_1$  and  $B_2$ ) with a maturity close to 1 year. Whenever possible,  $B_1$  will have a maturity of 1 year or less and  $B_2$  will have a maturity of 1 year or more.

$B_1$  is chosen according to the following sequential procedure:

1. Select the most recently issued bond with a maturity between 0.8 and 1 year.
2. If no bond is available in the 0.8 to 1 year maturity segment, the most recently issued bond from the 0.5 and 1 year maturity segment is selected
3. If no bond is available in the 0.5 to 1 year segment, then a bond is selected from the 1 to 1.5 year segment according to procedure described for below, except that the bond  $B_2$  itself is not eligible for selection

$B_2$  is chosen according to the following sequential procedure:

1. Select the most recently issued bond with a maturity between 1 to 1.25 years
2. If no bond is available in the 1 to 1.25 year maturity segment, the most recently issued bond from the 1 to 1.5 year maturity segment is chosen
3. If no bond is available in the 1 to 1.5 year segment, then a bond is selected from the 0.5 to 1 year segment according to procedure described for  $B_1$  above except that the bond  $B_1$  itself is not eligible for selection

The calculation of the reference yields is based on the mid prices of the underlying securities. The interpolated annual yield is calculated as follows:

$$AY_{interpolated} = \frac{AY_{2,t} - AY_{1,t}}{TTM_{2,t} - TTM_{1,t}} (TTM_{ref} - TTM_{1,t}) + AY_{1,t}$$

where:	
$TTM_{ref}$	denotes the 1Y reference time to maturity point
$AY_{interpolated}$	denotes the interpolated annual yield at the 1Y reference time to maturity points on date t
$TTM_{1,t}$	denotes the time to maturity of the bond $B_1$ on date t
$TTM_{2,t}$	denotes the time to maturity of the bond $B_2$ on date t
$AY_{1,t}$	denotes the annual yield of the bond $B_1$ on date t
$AY_{2,t}$	denotes the annual yield of the bond $B_2$ on date t

### Step 3 - Determination of the monthly country ranking

The ranking for the countries is determined 5 days prior to the rebalancing day (the “ranking determination date”).

The reference yield for the ranking is the average of the 1 year daily yield calculated in step 2 for the last 5 business days prior to the ranking determination date, including the 5<sup>th</sup>-last business day of the month.

Once the interpolated annual yields are calculated, the countries are sorted and the countries with the largest interpolated annual yields are selected to be included into the index.

If two countries have the same average yield, the country with the larger amount outstanding is selected.

In case one of the top 5 countries is no longer eligible for the broad Markit iBoxx EUR index in between the publication of the ranking and the publication of the final membership list for the Markit iBoxx EUR indices two business days before the end of the month, it is replaced with the highest ranked unselected country.

Any change in the reference point for the yield calculation will be published at least 4 weeks before becoming effective.

**Time to maturity**

To qualify for the index all eligible bonds must have a remaining time to maturity from 0 to 1 year at the rebalancing date. The time to maturity is calculated from the rebalancing date to the workout date of the bond by using the day count convention of the bond.

**Amount outstanding**

All bonds must have a minimum amount outstanding of EUR 2 billion in order to be eligible for the indices.

**Bond capping**

The weight of any bond is capped at 20% of the overall index.

# Index calculation

## Static data

Information used in the index calculation is sourced from offering circulars and checked against standard data providers.

## Bond prices

For more information, please refer to the *iBoxx Pricing Methodology* document, available in the *Methodology* section of the webpage at <https://www.spglobal.com/spdji/en/>.

## Rebalancing process

The iBoxx EUR Sovereigns Yield Plus 0-1 Index is rebalanced monthly on the last business day of the month after the close of business. Changes to outstanding amounts are only taken into account if they are publicly known three business days before the end of the month. Changes in ratings are only taken into account if they are publicly known two business days before the end of the month. New bonds issued are taken into account if they are publicly known to settle until the last calendar day of the month, inclusive, and if their rating has become known at least three trading days before the end of the month.

A preliminary membership list is published on the 6th calendar day of the month (moved to the next business day in case of holiday/weekend).

Three business days before the end of each month, a membership list with final amount outstanding for each bond is published.

Two business days before the end of each month, the rating information for the constituents is updated and the list is adjusted for all rating changes which are known to have taken place two trading days before the end of the month. Bonds which are known to have been upgraded to investment grade two trading days before the end of the month are not included in the membership, but bonds which are known to have been downgraded to sub-investment grade two trading days before the end of the month do get excluded from the membership. However, if any bonds which are part of the broader EUR universe become eligible two business days prior to rebalancing because of rating or amount changes, they will be included in the Index.

On the last business day of each month, S&P DJI publishes the final membership with closing prices for the bonds, and various bonds analytics based on the index prices of the bonds.

## 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. If 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, S&P DJI may consult market participants prior to the next rebalancing date. Decisions are made publicly available on a timely basis and S&P DJI may refer back to previous cases.

The index is calculated as end-of-day and distributed once daily after 5:15 p.m. CET. The index is calculated every day except on common European bank holidays. In addition, the index is calculated with the previous business day's close on the last calendar day of each month irrespective of holidays and weekends. If the index is calculated on a day that is a non-business day, then the prices from the previous

trading day will be carried forward and the index will be calculated using those prices and the current accrued interest and coupon payment data.

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

### **Index and analytics weightings**

The amount outstanding of each bond is used to calculate its index weight. The iBoxx EUR Sovereigns Yield Plus 0-1 Index is a volume-weighted index, with a bond's market value as the weighting factor. The amount outstanding of a bond is only adjusted within the monthly rebalancing process at the end of each month. However, bonds that are fully redeemed intra-month are taken into account immediately. Fully redeemed bonds are bonds that are fully called or have been completely repurchased.

All calculations are based on the adjusted amount outstanding that reflects the outstanding bond notional at the last rebalancing. The bond prices relate to the nominal value of 100.

### **Index Calculus**

For specific index formulas please refer to the *iBoxx Bond Index Calculus Methodology* available at [https:// www.spglobal.com/spdji/en/](https://www.spglobal.com/spdji/en/).

### **Index history**

The launch date of the iBoxx EUR Sovereigns Yield Plus 0-1 Index is 31 October 2016.

### **Settlement conventions**

All iBoxx indices calculate using the assumption of T+0 settlement days.

### **Calendar**

S&P DJI publishes an index calculation calendar available on <https://www.spglobal.com/spdji/en/> under *iBoxx Indices Calendars*. This calendar provides an overview of the index calculation holidays of the iBoxx bond index families each year.

### **Publication of the Index**

The iBoxx EUR Sovereigns Yield Plus 0-1 Index is computed and disseminated once per minute between 9:00 am and 5:15 pm CET every day except on common European bank holidays.

Bond and index analytical values are calculated end of day Monday to Friday using that day's closing prices. In addition, bond and index analytical values are calculated using the previous trading day's closing prices on the last calendar day of each month if that day is not a regular trading day as well as on common bank holidays as published in the iBoxx index calculation calendar. This index calculation calendar is available at <https://www.spglobal.com/spdji/en/> under *iBoxx Indices Calendars*. Index data is also available from the main information vendors.

Closing index values and key statistics are published at the end of each calculation day in the *Indices* section of the website for registered users. In addition, midday fixing levels for bond prices and indices are also published.

### **Data publication and access**

The table below summarizes the publication of iBoxx EUR Sovereigns Yield Plus 0-1 Index at [https:// www.spglobal.com/spdji/en/](https://www.spglobal.com/spdji/en/) for registered users and on the FTP server.

*In addition to the indices detailed in this methodology, other indices covered by this document may be available. For a list of available indices, please refer [here](#).*

**Table 1: Frequency, File type and Access**

Frequency	File Type	Access
Daily	Underlying file – Bond level	FTP Server
	Indices file – Index level	FTP Server / website / Bloomberg for index levels only
Daily from the 6th calendar day of the month (or the next index publication day if the 6th calendar day falls on a non-business day)	Forwards	FTP Server
Monthly	End of Month Components	FTP Server / website

The index identifiers for the publication channels are:

Index Name	iBoxx EUR Sovereigns Yield Plus 0-1	
<b>Return Type</b>	TRi	CPi
<b>SEDOL</b>	BQN9TN1	BQN9TM0
<b>ISIN</b>	GB00BQN9TN16	GB00BQN9TM09
<b>Ticker</b>	IBXXYPE2	IBXXYPE1
<b>RIC</b>	.IBXXYPE2	.IBXXYPE1

### Annual index review

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

# Index Governance

## Index Committee

An S&P Dow Jones Indices Index Committee maintains the indices. All committee members are full-time professionals at S&P Dow Jones Indices. Meetings are held regularly. The Index Committee oversees the management of the indices, including determinations of intra-rebalancing changes, maintenance and inclusion policies, and other matters affecting the maintenance and calculation of the indices.

In fulfilling its responsibilities, the Index Committee has full and complete discretion to (i) amend, apply, or exempt the application of index rules and policies as circumstances may require and (ii) add, remove, or by-pass any bond in determining the composition of an index.

The Index Committee may rely on any information or documentation submitted to it or gathered by it that the Index Committee believes to be accurate. The Index Committee reserves the right to reinterpret publicly available information and to make changes to the indices based on a new interpretation of that information at its sole discretion. All Index Committee discussions are confidential.

The Index Committee is separate from and independent of other analytical groups at S&P Global. In particular, the Index Committee has no access to or influence on decisions by S&P Global Ratings analysts.

S&P Dow Jones Indices' Index Committees reserve the right to make exceptions when applying the methodology if the need arises. In any scenario where the treatment differs from the general rules stated in this document or supplemental documents, clients will receive sufficient notice, whenever possible.

In addition to the daily governance of indices and maintenance of index methodologies, at least once within any 12-month period, the Index Committee reviews the methodology to ensure the indices continue to achieve the stated objectives, and that the data and methodology remain effective. In certain instances, S&P Dow Jones Indices may publish a consultation inviting comments from external parties.

*For more information on index governance policies, please refer [here](#).*

# Changes to the Markit iBoxx EUR Liquid Index Family

30 Jan 2023	• Launch of iBoxx EUR Sovereigns Yield Plus 0-1 Index
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# Further information

## **Client support**

For client support please contact [index\\_services@spglobal.com](mailto:index_services@spglobal.com).

## **Formal complaints**

Formal complaints should be emailed to [spdji\\_compliance@spglobal.com](mailto:spdji_compliance@spglobal.com).

Please note: [spdji\\_compliance@spglobal.com](mailto:spdji_compliance@spglobal.com) should only be used to log formal complaints.

## **General index inquiries**

For general index inquiries, please contact [index\\_services@spglobal.com](mailto:index_services@spglobal.com).

# Disclaimer

## Performance Disclosure/Back-Tested Data

Where applicable, S&P Dow Jones Indices and its index-related affiliates (“S&P DJI”) defines various dates to assist our clients by providing transparency. The First Value Date is the first day for which there is a calculated value (either live or back-tested) for a given index. The Base Date is the date at which the index is set to a fixed value for calculation purposes. The Launch Date designates the date when the values of an index are first considered live: index values provided for any date or time period prior to the index’s Launch Date are considered back-tested. S&P DJI defines the Launch Date as the date by which the values of an index are known to have been released to the public, for example via the company’s public website or its data feed to external parties. For Dow Jones-branded indices introduced prior to May 31, 2013, the Launch Date (which prior to May 31, 2013, was termed “Date of introduction”) is set at a date upon which no further changes were permitted to be made to the index methodology, but that may have been prior to the Index’s public release date.

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. Also, the treatment of corporate actions in back-tested performance may differ from treatment for live indices due to limitations in replicating index management decisions. 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.

Typically, when S&P DJI creates back-tested index data, S&P DJI uses actual historical constituent-level data (e.g., historical price, market capitalization, and corporate action data) in its calculations. As ESG investing is still in early stages of development, certain datapoints used to calculate certain ESG indices may not be available for the entire desired period of back-tested history. The same data availability issue could be true for other indices as well. In cases when actual data is not available for all relevant historical periods, S&P DJI may employ a process of using “Backward Data Assumption” (or pulling back) of ESG data for the calculation of back-tested historical performance. “Backward Data Assumption” is a process that applies the earliest actual live data point available for an index constituent company to all prior historical instances in the index performance. For example, Backward Data Assumption inherently assumes that companies currently not involved in a specific business activity (also known as “product involvement”) were never involved historically and similarly also assumes that companies currently involved in a specific business activity were involved historically too. The Backward Data Assumption allows the hypothetical back-test to be extended over more historical years than would be feasible using only actual data. For more information on “Backward Data Assumption” please refer to the FAQ. The methodology and factsheets of any index that employs backward assumption in the back-tested history will explicitly state so. The methodology will include an Appendix with a table setting forth the specific data points and relevant time period for which backward projected data was used. Index returns shown do not

represent the results of actual trading of investable assets/securities. S&P DJI maintains the index and calculates the index levels and performance shown or discussed but does not manage any assets.

Index returns do not reflect payment of any sales charges or fees an investor may pay to purchase the securities underlying the Index or investment funds that are intended to track the performance of the Index. The imposition of these fees and charges would cause actual and back-tested performance of the securities/fund to be lower than the Index performance shown. As a simple example, if an index returned 10% on a US \$100,000 investment for a 12-month period (or US \$10,000) and an actual asset-based fee of 1.5% was imposed at the end of the period on the investment plus accrued interest (or US \$1,650), the net return would be 8.35% (or US \$8,350) for the year. Over a three-year period, an annual 1.5% fee taken at year end with an assumed 10% return per year would result in a cumulative gross return of 33.10%, a total fee of US \$5,375, and a cumulative net return of 27.2% (or US \$27,200).

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