

S&P Municipal Bond Indices Consultation on the Exclusion of Anticipation Notes – Updated

NEW YORK, MAY 27, 2021: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with market participants on a potential change to the S&P AMT-Free Municipal Series Methodology and the S&P National AMT-Free Municipal Bond Index Methodology.

In an effort to clarify the eligibility criteria of certain security types, S&P DJI is considering changing the eligibility criteria to exclude certain types of anticipation notes. The table below summarizes the proposed change.

Proposed Change		Current Methodology	Proposed Methodology
Eligibility Criteria	<p>Security Type. The following bond types are specifically excluded:</p> <ul style="list-style-type: none"> Notes 	<p>Security Type. The following bond types are specifically excluded:</p> <ul style="list-style-type: none"> Notes (including those anticipation notes identified as Bond Anticipation Notes, Tax Anticipation Notes, Revenue Anticipation Notes, and Tax & Revenue Anticipation Notes) 	

For additional details regarding the index methodology, please refer to the [S&P AMT-Free Municipal Series Methodology](#) and the [S&P National AMT-Free Municipal Bond Index Methodology](#).

IMPACT ANALYSIS

Using data from the May 2021 composition, the table below shows the number and market value weight of the securities that would be dropped under the proposed change.

INDEX CODE	INDEX NAME	DROP COUNT	DROP WEIGHT
SPMUNCA	S&P California AMT-Free Municipal Bond Index	1	0.061%
SPMUNNY	S&P New York AMT-Free Municipal Bond Index	0	0.000%
SPMUNUS	S&P National AMT-Free Municipal Bond Index	4	0.134%
SPMUS21	S&P AMT-Free Municipal Series 2021 Index	1	0.031%
SPMUS22	S&P AMT-Free Municipal Series 2022 Index	1	0.873%
SPMUS23	S&P AMT-Free Municipal Series 2023 Index	1	0.153%
SPMUS24	S&P AMT-Free Municipal Series 2024 Index	0	0.000%
SPMUS25	S&P AMT-Free Municipal Series 2025 Index	0	0.000%
SPMUD21	S&P AMT-Free Municipal Series Dec 2021	1	0.016%
SPMUD22	S&P AMT-Free Municipal Series Dec 2022	1	0.341%
SPMUD23	S&P AMT-Free Municipal Series Dec 2023	2	0.454%
SPMUD24	S&P AMT-Free Municipal Series Dec 2024	0	0.000%
SPMUD25	S&P AMT-Free Municipal Series Dec 2025	0	0.000%
SPMUD26	S&P AMT-Free Municipal Series Dec 2026	0	0.000%
SPMUD27	S&P AMT-Free Municipal Series Dec 2027	0	0.000%
SPMUD28	S&P AMT-Free Municipal Series Dec 2028	0	0.000%
SPMDC26	S&P AMT-Free Municipal Series Callable-Adjusted Dec 2026 Index	0	0.000%
SPMDC27	S&P AMT-Free Municipal Series Callable-Adjusted Dec 2027 Index	0	0.000%
SPMDC28	S&P AMT-Free Municipal Series Callable-Adjusted Dec 2028 Index	0	0.000%

The table below lists the securities corresponding to the drop count noted in the table above.

INDEX CODE	CUSIP	ISIN	PURPOSE CLASS
SPMUNCA	90020MBX5	US90020MBX56	BAN
SPMUNUS	155498KR8	US155498KR81	BAN
SPMUNUS	16514PAG4	US16514PAG46	BAN
SPMUNUS	40934TAU7	US40934TAU79	BAN
SPMUNUS	90020MBX5	US90020MBX56	BAN
SPMUS21	83421JEM3	US83421JEM36	BAN
SPMUS22	40934TAU7	US40934TAU79	BAN
SPMUS23	171314JY4	US171314JY43	BAN
SPMUD21	83421JEM3	US83421JEM36	BAN
SPMUD22	40934TAU7	US40934TAU79	BAN
SPMUD23	16514PAG4	US16514PAG46	BAN
SPMUD23	171314JY4	US171314JY43	BAN

IMPLEMENTATION TIMING

S&P DJI is proposing to implement the previously described methodology change, if adopted, in conjunction with the September 2021 rebalancing, which takes effect prior to the market open on Wednesday, September 1, 2021. If adopted, the change will first be visible to clients in pro-forma files beginning on Monday, August 2, 2021.

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

- 1. Do you agree with the proposed change to exclude securities classified as Bond Anticipation Notes, Tax Anticipation Notes, Revenue Anticipation Notes, and Tax & Revenue Anticipation Notes from the S&P AMT-Free Municipal Series Methodology?**
- 2. Do you agree with the proposed change to exclude securities classified as Bond Anticipation Notes, Tax Anticipation Notes, Revenue Anticipation Notes, and Tax & Revenue Anticipation Notes from the S&P National AMT-Free Municipal Bond Index Methodology?**
- 3. If the proposed change is adopted, do you agree with the proposed implementation date?**
- 4. Do you have any other comments or feedback regarding the proposed change 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. Please respond to this survey by **June 25, 2021**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI may request clarifications from respondents as part of that review.

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

For further information about this consultation, please contact S&P Dow Jones Indices at SPDJ Index_Governance@spglobal.com.

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

CONSULTATION

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit 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.

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