

S&P U.S. Mortgage-Backed Securities Index Modifications

NEW YORK, JUNE 30, 2023: S&P Dow Jones Indices (“S&P DJI”) announces changes to the S&P U.S. Mortgage-Backed Securities Indices

To align with industry standards, S&P DJI is updating the identifier assignment for the constituent cohorts of the S&P U.S. Mortgage-Backed Securities Index, as well as combining the aggregates of UMBS-qualifying pools issued by Fannie Mae and Freddie Mac into a single set of cohorts. Additionally, the index eligibility criteria will be updated as outlined below:

Change	Methodology	
	Previous	Updated
Amortization Term	--	Fixed rate generic mortgage aggregates for Fannie Mae, Freddie Mac and Ginnie Mae 15-year, 20-year, and 30-year are eligible.
Coupon	--	Generic mortgages with 50 basis point increment.
Exclusion Factors	--	<ul style="list-style-type: none"> Generic mortgages with amortization term of 10-year. Coupons with non-50 basis point increment. Hybrid Adjustable-Rate Mortgage (“ARM”) generics.

IMPACT ANALYSIS

Using data as of June 1, 2023, the table below shows the constituent count and index weight of the generic mortgages that would have been removed from the index had the updated methodology been applied at that time.

Eligibility Criteria	Generics	Index Weight
Amortization Term	13	0.3847%
Coupon	3	0.0194%
Exclusion Factors – Hybrid ARM	4	0.0237%

For further information on the constituent changes and identifier convention, please refer to sample provided [here](#).

This change will be implemented in conjunction with the August 2023 rebalancing, which takes effect prior to the market open on **Tuesday, August 1, 2023**. This change will first be visible in proforma files beginning on **Wednesday, July 26, 2023**.

Please note that the S&P U.S. Mortgage-Backed Securities Index Methodology on S&P DJI’s website is being updated to reflect this change.

For more information about S&P Dow Jones Indices, please visit www.spglobal.com/spdji.

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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