

# iBoxx SGD Non-Sovereigns ex-T1 Investment Grade 1-25 Index Consultation on Constituent Weightings

**LONDON, SEPTEMBER 24, 2024:** S&P Dow Jones Indices ("S&P DJI") is conducting a consultation with market participants on a potential change to the iBoxx SGD Non-Sovereigns ex-T1 Investment Grade 1-25 Index.

## BACKGROUND

The index measures the performance of SGD-denominated non-sovereign bonds with investment grade credit ratings and remaining time to maturity of greater than or equal to one year and less than 25 years. As of August 31, 2024, the index is made up of 179 bonds from 12 countries.

## PROPOSAL

S&P DJI proposes to amend the index constituent weighting rules to include subordinated bonds at 50% of the bonds' full notional.

Change	Previous	Methodology
		Updated
Constituent Weightings	--	<p><b>4.2 Constituent Weightings.</b> Except for the iBoxx SGD Non-Sovereigns ex-T1 Investment Grade 1-25 Index, the indices market weight constituents.</p> <p><b>iBoxx SGD Non-Sovereigns ex-T1 Investment Grade 1-25 Index.</b> At each rebalancing, subordinated constituent bonds are included at 50% of each bond's full notional.</p>

## IMPACTED INDEX

Index Name	ISIN (TRi)
iBoxx SGD Non-Sovereigns ex-T1 Investment Grade 1-25	GB00BL09HK25

## IMPACT ANALYSIS

Using data from August 31, 2024, the following changes were observed with the proposed methodology update.

Month	Current Monthly Returns	Proposed Monthly Returns	Differences
May-2024	0.61%	0.58%	-0.03%
Jun-2024	0.39%	0.45%	0.06%
Jul-2024	0.94%	0.97%	0.03%
Aug-2024	1.31%	1.31%	-0.01%

Seniority	Rating	Current Weights	Proposed Weights	Differences
Subordinated	Rated	22.10%	12.42%	-9.68%
	Unrated	0.15%	0.17%	0.02%

Seniority	Rating	Current Weights	Proposed Weights	Differences
Others	Rated	59.89%	67.33%	7.44%
	Unrated	17.85%	20.07%	2.22%

## IMPLEMENTATION TIMING

S&P DJI is proposing to implement the previously described methodology change, if adopted, in conjunction with the September 2024 month-end rebalancing, which takes effect prior to the market open on **November 1, 2024**. If adopted, the change will first be visible to clients in preliminary membership files beginning on **October 21, 2024**.

## 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 the constituent weightings rule to include subordinated bonds at 50% of their full notional?**
- 2. Should the proposed methodology change be adopted, do you agree with the proposed implementation date?**
- 3. Do you have any other comments or feedback regarding the proposed change outlined above?**

Participation in this consultation is important as S&P DJI gathers information from various market participants to properly evaluate the market participants' views and preferences. Please respond to this survey by **October 15, 2024**, as S&P DJI does not accept responses post the survey closure date. 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](#).

*Please be advised that S&P DJI reviews and considers all feedback before a final decision is made. However, S&P DJI 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 S&P DJI decides to change the index methodology, the change(s) will be announced to clients and posted on the S&P DJI website with prior notice ahead of the effective date.*

Thank you for taking the time to complete this survey.

## 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.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit [www.spglobal.com/spdji](http://www.spglobal.com/spdji).

**FOR MORE INFORMATION:**  
[indices@ihsmarkit.com](mailto:indices@ihsmarkit.com)

## CONSULTATION