

Bloomberg US High Yield ex China Cash Pay 1-5 Year 2% Issuer Capped Index

This document is intended to be read in conjunction with the [US Corporate High Yield Index](#) and the [Bloomberg Fixed Income Index Methodology](#); these documents collectively constitute the index methodology for this Index.

The Bloomberg US High Yield ex China Cash Pay 1-5 Year 2% Issuer Capped Index (the "Index") measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. The Index excludes bonds with a country of risk of China. Bonds from issuers with an emerging markets country of risk, based on the indices' EM country definition, are excluded. The US High Yield ex China Cash Pay 1-5 Year 2% Issuer Capped Index is a subset of the US Universal and Global High Yield Indices. The index was launched in August 2018, with index history backfilled to August 1, 2012.

Index Ticker I33326US Index: Total Return USD Unhedged

Eligibility Requirements:

Currency	Principal and interest must be denominated in USD
Sector	Corporate (industrial, utility and financial institutions) issuers only
Credit Rating	Securities must be rated high yield (Ba1/BB+/BB+ or below) using the Bloomberg index rating methodology
Amount Outstanding	USD750mn minimum par amount outstanding
Coupon	<ul style="list-style-type: none"> Fixed-rate coupon. Zero coupon bonds issued as original issue discounts (OIDs) are excluded. Securities must be cash pay bonds. Single coupon type only. Coupon ≥ 0.01
Maturity	At least 1 year and up to, but not including, 5 years until final maturity
Country of Risk	Bonds with a country of risk of China are excluded
Seniority of Debt	Subordinated issues are excluded

Security Types

Included

- Bullet securities only
- Cash pay bonds
- Single Coupon

Excluded

- Debt issued by emerging markets corporate issuers
- Defaulted bonds
- Contingent capital securities, including traditional CoCos and contingent write-down securities, with explicit capital ratio or solvency/balance sheet-based triggers
- Bonds with equity type features (eg, warrants, convertibles, preferreds, DRD/QDI-eligible issues)
- Fixed-to-float and step-up coupon securities
- Putable, sinkable/amortizing and callable bonds
- Pay-in-kind (PIK) and partial PIK bonds
- Original issue zero coupon bonds
- Eurodollar issues
- Inflation-linked bonds, floating-rate issues
- Private placements, retail bonds
- Structured notes, pass-through certificates
- Illiquid securities with no available internal or third-party pricing source
- Securities with China as their country of risk

Rebalance Frequency

Monthly

Environmental, Social and Governance (ESG) Disclosures

This index does not take into account any ESG factors or pursue any ESG objectives. Please refer to the [Bloomberg Fixed Income Methodology](#) for ESG disclosures.

Disclaimer

BLOOMBERG, BLOOMBERG INDICES and Bloomberg US High Yield ex China Cash Pay 1-5 Year 2% Issuer Capped Index (the "Indices") are trademarks or service marks of Bloomberg Finance L.P. Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited, the administrator of the Indices (collectively, "Bloomberg") or Bloomberg's licensors own all proprietary rights in the Indices. Bloomberg does not guarantee the timeliness, accuracy or completeness of any data or information relating to the Indices. Bloomberg makes no warranty, express or implied, as to the Indices or any data or values relating thereto or results to be obtained therefrom, and expressly disclaims all warranties of merchantability and fitness for a particular purpose with respect thereto. It is not possible to invest directly in an Index. Back-tested performance is not actual performance. Past performance is not an indication of future results. To the maximum extent allowed by law, Bloomberg, its licensors, and its and their respective employees, contractors, agents, suppliers and vendors shall have no liability or responsibility whatsoever for any injury or damages - whether direct, indirect, consequential, incidental, punitive or otherwise - arising in connection with the Indices or any data or values relating thereto - whether arising from their negligence or otherwise. This document constitutes the provision of factual information, rather than financial product advice. Nothing in the Indices shall constitute or be construed as an offering of financial instruments or as investment advice or investment recommendations (i.e., recommendations as to whether or not to "buy", "sell", "hold", or to enter or not to enter into any other transaction involving any specific interest or interests) by Bloomberg or a recommendation as to an investment or other strategy by Bloomberg. Data and other information available via the Indices should not be considered as information sufficient upon which to base an investment decision. All information provided by the Indices is impersonal and not tailored to the needs of any person, entity or group of persons. Bloomberg does not express an opinion on the future or expected value of any security or other interest and do not explicitly or implicitly recommend or suggest an investment strategy of any kind. Customers should consider obtaining independent advice before making any financial decisions. © 2023 Bloomberg. All rights reserved. This document and its contents may not be forwarded or redistributed without the prior consent of Bloomberg.

The BLOOMBERG TERMINAL service and Bloomberg data products (the "Services") are owned and distributed by Bloomberg Finance L.P. ("BFLP") except (i) in Argentina, Australia and certain jurisdictions in the Pacific islands, Bermuda, China, India, Japan, Korea and New Zealand, where Bloomberg L.P. and its subsidiaries distribute these products, and (ii) in Singapore and the jurisdictions serviced by Bloomberg's Singapore office, where a subsidiary of BFLP distributes these products.

Take the next step.

For additional information,
email indexhelp@bloomberg.net
or press the <HELP> key twice
on the Bloomberg Terminal*

bloomberg.com/indices

Beijing +86 10 6649 7500	Hong Kong +852 2977 6000	New York +1 212 318 2000	Singapore +65 6212 1000
Dubai +971 4 364 1000	London +44 20 7330 7500	San Francisco +1 415 912 2960	Sydney +61 2 9777 8600
Frankfurt +49 69 9204 1210	Mumbai +91 22 6120 3600	São Paulo +55 11 2395 9000	Tokyo +81 3 4565 8900