

Global Corporate IG Select Index

The Bloomberg Global Corporate IG Select Index is based on the flagship [Global Aggregate Corporate](#) Index, and applies additional criteria for security eligibility. This index includes bonds only from developed markets issuers within the industrial, utility and financial sectors. Additionally, to be eligible for the index, bonds must have both an OECD country of risk and country of incorporation. The index was launched in May 2023, with history backfilled to April 1, 2013.

The full Bloomberg Fixed Income Index methodology is available [here](#).

Rules for Inclusion

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| Sector | Corporate (industrial, utility and financial institutions) issuers only. |
| Eligible Currencies | <ul style="list-style-type: none"> Principal and coupon must be denominated in one of the following eligible currencies: <ul style="list-style-type: none"> Americas: CAD, COP, PEN, USD EMEA: CHF, CZK, DKK, EUR, GBP, HUF, NOK, PLN, RON, SEK Asian-Pacific: AUD, HKD, IDR, JPY, KRW, MYR, NZD, SGD, THB Eligible currencies will not necessarily have debt included in the index if no securities satisfy the inclusion rules. New currency inclusion is reviewed annually through the index governance process. To be considered for inclusion, new currency candidates must be rated investment grade and sufficiently tradable, convertible and hedgeable for international investors. From June 1, 2023 onwards, bonds from Emerging Markets currencies are excluded, as per the EM Country definition below. The list of EM currencies is reviewed annually. |
| Quality | <p>Securities must be rated investment grade (Baa3/BBB-/BBB- or higher) using the middle rating of Moody's, S&P and Fitch; when a rating from only two agencies is available, the lower is used; when only one agency rates a bond, that rating is used. In cases where explicit bond-level ratings may not be available, other sources may be used to classify securities by credit quality:</p> <ul style="list-style-type: none"> Expected ratings at issuance may be used to ensure timely index inclusion or to classify split-rated issuers properly. Unrated securities may use an issuer rating for index classification purposes, if available. Unrated subordinated securities are included if a subordinated issuer rating is available. |
| Coupon | <ul style="list-style-type: none"> Fixed-rate coupon (including zero coupon). Callable fixed-to-floating rate bonds are eligible during their fixed-rate term only. Bonds with a step-up coupon that changes according to a predetermined schedule are eligible. |
| Seniority of Debt | Senior and subordinated issues are included. |
| Market of Issue | Publicly issued in the global and regional markets. |

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| Country of Risk | Issuers must have an Organization for Economic Co-operation and Development (OECD) country of risk. Additionally, issuers from Emerging Markets country of risk are excluded, as per the EM Country definition below. | |
| EM Country Definition | <p>Bloomberg uses a fixed list of emerging market countries that is reviewed annually to define country eligibility in dedicated EM hard currency, local currency, and inflation-linked benchmarks. Criteria for inclusion in the EM country list are rules-based and include:</p> <ul style="list-style-type: none"> • Countries that meet one of the following two criteria: World Bank Income group classifications of low/middle income OR International Monetary Fund (IMF) classification as a non-advanced country. • Additional countries that bond investors classify as EM due to factors such as investability concerns, the presence of capital controls, and/or geographic considerations may also be included on the list and are also reviewed on an annual basis. As of April 2014, 4 additional markets are included in the Bloomberg EM country list: Czech Republic, Israel, South Korea and Taiwan. | |
| Country of Incorporation | Issuers must be incorporated in an Organization for Economic Co-operation and Development (OECD) country. The country of incorporation is based on the Bloomberg Terminal field DX650. | |
| Amount Outstanding | <p>Fixed minimum issue sizes are set for all local currency markets:</p> <ul style="list-style-type: none"> • 150mn: CAD • 200mn: GBP • 300mn: USD, EUR, CHF, AUD • 500mn: NZD, SGD • 1bn: RON, PEN • 2bn: DKK, NOK, PLN, HKD, MYR • 2.5bn: SEK • 10bn: CZK, THB • 35bn: JPY • 200bn: HUF • 500bn: KRW • 1trn: COP • 2trn: IDR | |
| Maturity | <ul style="list-style-type: none"> • At least one year until final maturity, regardless of optionality. • Bonds that convert from fixed to floating rate, including fixed-to-float perpetuals, will exit the index one year prior to conversion to floating rate. Fixed-rate perpetuals are not included. | |
| Taxability | <ul style="list-style-type: none"> • Only fully taxable issues are eligible. • Dividend Received Deduction (DRD) and Qualified Dividend Income (QDI) eligible securities are excluded. | |
| Security Types | <p>Included</p> <ul style="list-style-type: none"> • Bullet, putable, sinkable/amortizing and callable bonds • Original issue zero coupon bonds | <p>Excluded</p> <ul style="list-style-type: none"> • Contingent capital securities, including traditional CoCos and contingent write-down |

- Bonds issued through underwritten MTN programs
- Enhanced equipment trust certificates (EETC)
- Certificates of deposit
- Fixed-rate and fixed-to-float (including fixed-to-variable) capital securities
- Loan participation notes (as of April 1, 2013)
- securities, with explicit capital ratio or solvency/balance sheet-based triggers
- Bonds with equity type features (eg, warrants, convertibles, preferreds, DRD/QDI-eligible issues)
- Inflation-linked bonds, floating-rate issues
- Fixed-rate perpetuals
- Private placements, retail bonds
- USD 25/USD 50 par bonds
- Structured notes, pass-through certificates
- Securities where reliable pricing is unavailable

Rebalancing Rules

Frequency

For each index, Bloomberg maintains two universes of securities: the Returns (Backward) and the Projected (Forward) Universes. The composition of the Returns Universe is rebalanced at each month-end and represents the fixed set of bonds on which index returns are calculated for the next month. The Projected Universe is a forward-looking projection that changes daily to reflect issues dropping out of and entering the index but is not used for return calculations. On the last business day of the month (the rebalancing date), the composition of the latest Projected Universe becomes the Returns Universe for the following month.

Index Changes

During the month, indicative changes to securities (credit rating change, sector reclassification, amount outstanding changes, corporate actions, and ticker changes) are reflected daily in the Projected and Returns Universe of the index. These changes may cause bonds to enter or fall out of the Projected Universe of the index on a daily basis, but will affect the composition of the Returns Universe at month-end only, when the index is next rebalanced.

Reinvestment of Cash Flows

Intra-month cash flows from interest and principal payments contribute to monthly index returns but are not reinvested at a short-term reinvestment rate between rebalance dates. At each rebalancing, cash is effectively reinvested into the Returns Universe for the following month so that index results over two or more months reflect monthly compounding.

New Issues

Qualifying securities issued, but not necessarily settled on or before the month-end rebalancing date, qualify for inclusion in the following month's index if the required security reference information and pricing are readily available.

Pricing and Related Issues

Sources & Frequency

All index-eligible bonds are priced on a daily basis by Bloomberg's evaluated pricing service, BVAL, except CHF-denominated bonds (which are priced by SIX) and JPY-denominated credit (which are priced by JSDA).

Pricing Quotes

Bonds are quoted as a percentage of par.

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| Timing | <p>Prices are snapped at the following times:</p> <ul style="list-style-type: none"> • North American currency bonds: 4pm (New York time); 4pm (Toronto time) for CAD-denominated securities. USD-denominated bonds prior to January 14, 2021 used 3pm New York time pricing snap. • Pan European currency bonds: 4:15pm (London time); 4pm (London time) for CHF-denominated securities. • Asian currency bonds: 5pm (Sydney time) for AUD-denominated and NZD-denominated securities; 3pm (Tokyo time) for JPY-denominated securities; 5pm (Tokyo time) for all other securities. <p>If the last business day of the month is a public holiday in a major regional market, prices from the previous business day are used to price bonds in the particular market.</p> |
| Bid or Offer Side | <p>Bonds in the index are priced on the bid side. The initial price for new corporate issues entering the index is the offer side; after the first month, the bid price is used.</p> |
| Settlement Assumptions | <p>T+1 calendar day settlement basis for all bonds. At month-end, settlement is assumed to be the first calendar day of the following month, even if the last business day is not the last day of the month, to allow for one full month of accrued interest to be calculated.</p> |
| Verification | <p>Daily price moves for each security are analyzed by the index pricing team to identify outliers. Index users may also challenge price levels, which are then reviewed and updated as needed.</p> |
| Currency Hedging | <p>Returns hedged to various currencies are published for multi-currency indices. The indices' FX hedging methodology takes rolling one-month forward contracts that are reset at the end of each month and hedges each non-reporting currency-denominated bond in the index into the reporting currency terms. No adjustment is made to the hedge during the month to account for price movements of constituent securities in the Returns Universe of the index.</p> |
| Calendar | <p>The Global Corporate IG Select Index is a global, multi-currency index that is generated every business day of the year except for January 1, the only holiday common to all regional calendars. During holidays observed by local markets, the index will still be generated using prices from the previous business day. FX rates are updated daily using WM Reuters 4pm (London) rates. FX forwards are also sourced from WM Company.</p> |

Accessing Index Data

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| Bloomberg Terminal® | <p>Bloomberg benchmarks are the global standard for capital markets investors.</p> <ul style="list-style-type: none"> • INDE<GO> - The Bloomberg Indices dashboard page, which contains daily, monthly, and year-to-date index returns for key indices from each index family as well as a link to index publications. • IN<GO> - The Bloomberg Index Browser displays the latest performance results and statistics for the indices as well as history. IN presents the indices that make up Bloomberg's global, multi-asset class index families into a hierarchical view, facilitating navigation and comparisons. The "My Indices" tab allows a user to focus on a set of favorite indices. • DES<GO> - The index description page provides transparency into an individual index including membership information, aggregated characteristics and returns, and historical performance. • INP<GO> - The Bloomberg Indices Publications page, which includes methodologies, factsheets, monthly reports, announcements and technical notes. A user may also subscribe to index publications via the "Actions" button. • PORT<GO> - Bloomberg's Portfolio & Risk Analytics solution includes tools to analyze the risk, return, and current structure of indices. Analyze the performance of a portfolio versus a benchmark or use models for performance attribution, tracking error analysis, value-at-risk, scenario analysis, and optimization. |
| Bloomberg Indices Website (www.bloomberg.com/indices) | <p>The index website makes available limited index information including:</p> <ul style="list-style-type: none"> • Index methodology and factsheets • Current performance numbers for select indices |
| Data Distribution | <p>Index subscribers may choose to receive index data in files. Files may include:</p> <ul style="list-style-type: none"> • Index level and/or constituent level returns and characteristics for any indices • Automatic delivery of files via email or SFTP following the completion of the index production process after market close • Clients may receive standard files or may customize file contents • Index data is also available via authorized redistributors |
| Index Ticker | I37936US: Total Return USD Unhedged |

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