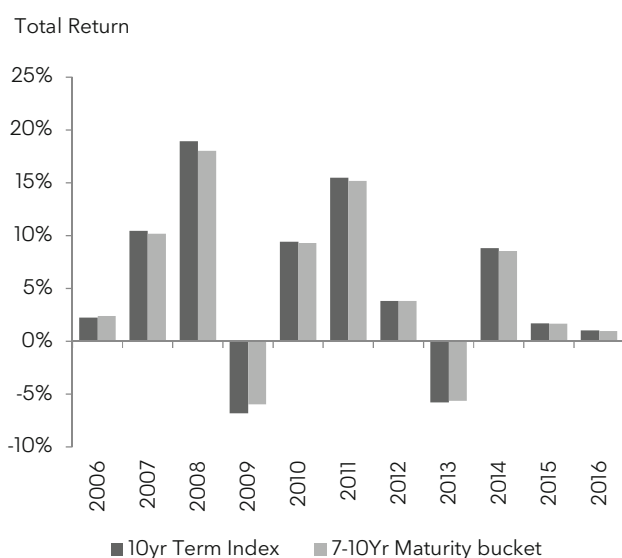


US Treasury Bond 10 Year Term Index

The Bloomberg Barclays US Treasury Bond 10 Year Term Index measures the performance of government bonds issued by the US Treasury.

The Term indices only include bonds near to their original term, rather than selecting all bonds in a maturity range. The benefit of the term methodology is that the term indices have similar yield, duration and risk/return characteristics to standard maturity based indices but are more compact and tend to be more liquid than the equivalent maturity based index, which also includes bonds issued at longer tenors and that have rolled down the yield curve.

Term Index Annual Returns versus Equivalent Maturity Bucket (%)



Term Index Statistics vs. Equivalent Maturity Index

	Term Index	Maturity Index
Attributes		
Yield (Semi Annual)	2.33	2.33
Mod Duration (Semi Annual)	7.63	7.56
Average life	8.52	8.55
No. Of Bonds	12	19
Market Value \$bn	742	841

Note: Data as of February 28, 2017.

Rules for Inclusion

Eligible Countries	US Treasury bonds only.
Eligible Currencies	Principal and interest must be denominated in USD.
Quality	<ul style="list-style-type: none"> 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. Local currency treasury bonds are classified using the middle issuer level rating from each agency, including unsolicited ratings, for all bonds, even if bond level ratings are available.
Amount Outstanding	USD 5bn minimum par amount outstanding.
Bond Type	<ul style="list-style-type: none"> Bonds must be fixed-rate coupon and bullet maturity. Callable bonds, inflation-linked bonds and zero-coupons bonds are excluded.
Term/Maturity	<ul style="list-style-type: none"> Eligible bonds must have an original term of between 9.75 and 11 years. Eligible bonds must have a calculated time to maturity greater than or equal to 7 and less than 10 years on the rebalancing date.

Rebalancing Rules

Frequency	The index is rebalanced on the last calendar day of each month.
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.
Minimum Number of Bonds	The index will contain at least six bonds at rebalancing. In the event that there are not enough eligible bonds, the maximum term of the index will be extended until six bonds are included. In the event that several bonds have the same original term, newer bonds will be given preference.
Maximum weight	The maximum weight of any one bond in the index is capped at 30% at rebalancing.

Pricing and Related Issues

Sources & Frequency	All bonds in the index are priced daily using Bloomberg's evaluated pricing service, BVAL.
Timing	<ul style="list-style-type: none"> • 3pm (New York time). • On early market closes, prices are taken as of 1pm (New York time), unless otherwise noted. • If the last business day of the month is a public holiday, prices from the previous business day are used.
Bid or Offer Side	The index uses mid-market prices.
Settlement Assumptions	<ul style="list-style-type: none"> • Local market settlement conventions are used for all calculations. • The index is calculated daily and has a value of each calendar day. For non-business days, prices are rolled from the previous business day. Business days following US bond market calendar.
Verification	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 using input from various sources.
Currency Hedging	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.
Base Date	December 31, 1998.
Index Series	Series-B index family.

March 13, 2017

Monthly Returns in USD, 2006-2017 (%)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2006	-0.90	-0.11	-1.45	-0.74	-0.09	0.34	1.55	1.96	1.18	0.55	1.36	-1.36	2.23
2007	-0.40	2.24	-0.21	0.59	-1.55	-0.47	2.23	2.28	0.30	1.11	3.93	0.05	10.45
2008	3.42	1.44	1.42	-2.51	-1.82	1.05	0.57	1.77	-0.02	-0.72	8.09	5.26	18.94
2009	-3.88	-0.98	3.31	-2.88	-2.22	-0.42	0.68	0.92	1.06	-0.07	2.03	-4.28	-6.81
2010	2.24	0.60	-1.29	1.66	2.85	3.12	1.10	3.34	0.03	-0.05	-0.87	-3.45	9.43
2011	0.01	-0.22	-0.04	1.62	2.60	-0.38	3.01	4.81	1.84	-1.37	1.00	1.76	15.46
2012	0.91	-0.96	-1.56	2.52	2.71	-0.40	1.33	-0.08	-0.24	-0.33	1.02	-1.07	3.83
2013	-1.29	1.12	0.45	1.43	-3.17	-2.45	-0.40	-1.11	1.55	0.89	-0.86	-1.96	-5.79
2014	2.66	0.53	-0.61	0.83	1.90	-0.25	-0.31	1.85	-1.08	1.64	1.27	0.13	8.82
2015	4.00	-2.27	0.86	-0.58	-0.17	-1.64	1.23	0.25	1.48	-0.60	-0.43	-0.31	1.69
2016	3.15	1.48	-0.02	-0.08	-0.10	2.93	0.31	-0.87	0.05	-1.44	-4.03	-0.14	1.02
2017	0.13	0.76	-	-	-	-	-	-	-	-	-	-	0.89

Index History

December 1998	US Treasury Term index inception/base date.
June 2006	<ul style="list-style-type: none">Index calculation methodology changes from daily reinvestment to monthly reinvestment of intra-month coupons.Coupons held as cash until month-end and earn a return accruing at local-market Libor.Rating rules based on local currency long-term sovereign ratings, rather than foreign currency ratings.
December 2010	<ul style="list-style-type: none">Index rating determination changes to use middle rating of Moody's, S&P and Fitch.Change in index methodology to remove deposit return on intra-month coupon held as cash.
September 2014	<ul style="list-style-type: none">Original term parameters of the US Term indices were reviewed and subsequently modified.An average life/maturity upper bound applied to Term indices.
March 2015	Index Inclusion of new bonds/taps will be determined by issue date (auction date) rather than settlement date.

Bloomberg Total Return Index Value Tickers: US 10 Term Index and Related Indices

Ticker (USD Unhedged)	Index	Ticker	Index
BCEY4T	US Treasury 10Yr Term	BCEY4M	US Treasury 10Yr Term Modified Duration
BCEY6T	US Treasury 1-3Yr Term	BCEY4L	US Treasury 10Yr Term Average Life
BCEY3T	US Treasury 5Yr Term	BCEY4Y	US Treasury 10Yr Term Average Yield
BCEY7T	US Treasury 3-7Yr Term	BCEY4C	US Treasury 10Yr Term Market Value

Total Return Index Values are available in other currencies and on a hedged basis. Attributes such as yield and duration, are also available. Please refer to Accessing Bloomberg Barclays Index Data Using Bloomberg Tickers for a full list of tickers and attributes that are available.

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US Treasury Term 10Yr Index 3

Accessing Index Data

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