

Bloomberg US High Yield Very Liquid 1-5 year ex China Issuer and Sector Cap Cpn \geq 4.5% Index

The rules of this Index are described in [Bloomberg US Corporate High Yield Index](#) ("Parent Index") with the exception of the "Features Specific to this Index" described below. These documents collectively constitute the index methodology for this Index.

The Bloomberg US High Yield Very Liquid 1-5 year ex China Issuer and Sector Cap Cpn \geq 4.5% Index measures the USD-denominated, high yield corporate bond market. The Index includes securities with at least one , and up to, but not including, five years until final maturity, and a minimum par amount outstanding of USD 500mn. The index was created in January 2024, with history backfilled to January 1, 2019.

Index ID	38504
Base Currency Index Ticker	I38504US: Total Return USD Unhedged

Features Specific to this Index

Minimum Liquidity Requirements	USD 500mn minimum par amount outstanding.
Maturity	At least one years and up to, but not including, five years until final maturity, regardless of optionality.
Seniority of Debt	Subordinated issues are excluded
Issue Date	Bond must have been issued within the past 5 years
Coupon	Coupon rate of 4.5% or higher
Country of Risk	Bonds with China as country of risk are excluded

Rebalancing Rules

Rebalancing Frequency	Monthly
Issuer Capping	Sectors (Issuer Class 3) are capped at 15% and issuers at 2%. An initial capping of 15% applied on all sectors (Issuer class 3) across the Index, which means if any sector exceed 15% of total market value of the Index; the extra market value will be distributed among other sectors at pro-rata basis; the process will be repeated until no sector exceeds 15% of total market value in the index. Once sector capping is applied, a 2% Capping will be applied at Issuer level which means, any Issuer exceeds 2% of total market value of the Index; the extra market value will be distributed among other Issuer at pro-rata basis; the process will be repeated until no sector exceeds 2% of total market value in the index.

Publication Currency

Bloomberg may offer this index in additional currencies for both unhedged and hedged indices.

- See Appendix 2 of the [Bloomberg Fixed Income Index Methodology](#) for Currency Hedging and Currency Returns.
- See Appendix 12 of the [Bloomberg Fixed Income Index Methodology](#) for Index Identification and Publication Currency.

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.

Document Version History

Date	Update
January 2024	Initial publication

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