Bloomberg Bond Futures Curve Steepener and Flattener Indices

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Bloomberg

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Introduction

The Bloomberg Bond Futures Curve Steepener and Flattener Indices aim to reflect the performance of holding long and short positions across different tenors of the yield curve. The indices aim to maintain a duration neutral profile through monthly rebalance. Calculation follows the methodology specified in the Bloomberg Yield Curve Indices Methodology. These documents collectively constitute the index methodology for these indices.

Index Specification

Duration	The duration of the cheapest-to-deliver bond corresponding to the future contract.
Duration Observation Lag	3
Duration Observation Business Day	Each day that the US bond market is open, as recommended by Securities Industry and Financial Markets Association (SIFMA).
Fixings	(see table below)
Funded Constituents	n/a
Index Base Value	100.0000
Index Business Days	Monday to Friday
Index Currency	The relevant currency as specified under column 'Index Currency' in Table 1.
Leverage	1 (one)
Pricing Days	Monday to Friday
Rebalance Length	1 (one) day
Rebalance Start Date	The last Trading Day each month.
Trading Days	The Trading Days of the Constituent.
Unfunded Constituents	The set of indices listed Table 2 whose currency listed under column 'Constituent Currency' is the same as the Index Currency.
Units Determination Business Days	Trading Days
Units Determination Lag	1 (one)
Weighting Scheme	Duration Weight
Weights Determination Business Days	Trading Days
Weights Determination Lag	1 (one)

Fixings:

Fixing	FX Data Source
Closing Fixing	BISL Derived FX Data Methodology BFIX London 4 P.M.

Table 1: Index Information

Index	Index Base Date	Index Commencement Date	Ticker	Index Currency
Bloomberg US Curve 2-10 Steepener Index	28 February 2007	15 January 2024	BTSISU10	USD
Bloomberg US Curve 2-10 Flattener Index	28 February 2007	15 January 2024	BTSIFU10	USD

Table 2: Constituents

Contituent Tag	Constituent Currency	Constituent	Constituent Ticker
Fixed Income	USD	Bloomberg 2Y UST Note Future Tracker 1DR ER Index	BTSITU1E
Fixed Income	USD	Bloomberg 10Y UST Note Future Tracker 1DR ER Index	BTSITY1E

Table 3: Signal

Index	Bloomberg 2Y UST Note Future Tracker 1DR ER Index	Bloomberg 10Y UST Note Future Tracker 1DR ER Index
Bloomberg US Curve 2-10 Steepener Index	1	-1
Bloomberg US Curve 2-10 Flattener Index	-1	1

Table 4: Multiplier

Index	Bloomberg 2Y UST Note Future Tracker 1DR ER Index	Bloomberg 10Y UST Note Future Tracker 1DR ER Index
Bloomberg US Curve 2-10 Steepener Index	1	1
Bloomberg US Curve 2-10 Flattener Index	1	1

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