

Bloomberg U.S. Treasury 10+ Yr Enhanced Yield and Cpn Select Index

The rules of this Index are described in [Bloomberg US Treasury 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 U.S. Treasury 10+ Yr Enhanced Yield and Cpn Select Index measures US dollar-denominated, fixed-rate, nominal debt issued by the US Treasury. The index is based on the [Bloomberg US Treasury: Long Index](#) and is optimized to maximize coupon and yield by selecting 30 bonds to be included in the index. The index was created in August 2024, with history backfilled to January 2019.

Index ID	38898
Base Currency Index Ticker	I38898US: Total Return USD Unhedged

Features Specific to this Index

Maturity	At least ten years until final maturity, regardless of optionality
Amount Outstanding	USD 5 billion minimum par amount outstanding
Determination Date	The optimization is run once per month to update the projected universe on the fourth-to-last business day (T-3) prior to month-end using T-4 prices and positions

Optimization Constraints and Calculations

Overview

The objective of the optimizer is to maximize the index coupon and yield to worst while ensuring the index remains at 30 bonds and weight of securities do not deviate beyond a certain range relative to the base index (Bloomberg US Treasury: Long Index).

Optimization Goals

#	Name	Calculation	Unit	Trade-Off
1	Yield to Worst	Weighted Average	%	1
2	Coupon	Weighted Average	%	1

Constraints

The following constraints are designated either "soft" or "hard" according to corresponding roles. Relative measures are relative to the base index (Bloomberg US Treasury: Long Index). The optimizer will limit solutions in reference to the following boundaries:

#	Name	Calculation	Type		Measure	Unit	Range	
			Hard/Soft	Penalty			Lower	Upper
1	Holdings	Number of securities	Hard		Absolute	#	30	30
2	Turnover	Total Buy/Sell	Soft	0.1	Absolute	%		5
3	Bonds	Market Weight	Hard		Relative	%	-5	5
4	Bonds	Market Weight	Hard		Absolute	%	1	8

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1. No short positions are allowed.
2. No cash exposure (long or short) immediately after rebalance
3. Only securities eligible for the base index are eligible.

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
August 2024	First publication

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+86 10 6649 7500

Dubai
+971 4 364 1000

Frankfurt
+49 69 9204 1210

Hong Kong
+852 2977 6000

London
+44 20 7330 7500

Mumbai
+91 22 6120 3600

New York
+1 212 318 2000

San Francisco
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São Paulo
+55 11 2395 9000

Singapore
+65 6212 1000

Sydney
+61 2 9777 8600

Tokyo
+81 3 4565 8900