

# Bloomberg British Pound Spot Index (POUND)

## Overview

The Bloomberg British Pound Spot Index (POUND) tracks the performance of a basket of leading global currencies versus the British Pound Sterling. This document intends to provide an indicative summary of the index. Please see [here](#) for the full methodology.

The index represents currencies that have the highest liquidity in the currency markets and the biggest trade flows with the United Kingdom of Great Britain. The annually updated composition and diversified representation of currencies aims to provide a global measure of the British Pound Sterling.

## Index Summary

<b>Rebalancing</b>	Annual. The Index rebalances once a year on the last business day of June.
<b>Allocation</b>	Trade (50%) - International Monetary Fund (IMF) Direction of Trade Statistics versus the United Kingdom. Liquidity (50%) - Bank for International Settlements (BIS) Triennial Central Bank Survey of Foreign exchange turnover.
<b>Constituents</b>	Index constituents are a set of top currencies based on trading and liquidity. The weightings of index constituents are a function of both trading and liquidity. (see Fig. 1 below).
<b>Structure</b>	The index is long British Pound Sterling and short the counter currencies.
<b>Exclusions</b>	Currencies pegged to the British Pound Sterling. Currencies with weights of less than 2%.
<b>Exceptions</b>	Offshore Chinese Renminbi (CNH) has its exposure capped to 3%.

## Notable changes in the 2024 Rebalance

- The EUR overtook the USD increasing by +3.46% to become the largest weight at 40.81%.
- USD, NOK, CHF, JPY, AUD, and CAD all had their weights decreased, the largest being JPY at -4.04%.
- CNH and HKD increased by +2.95% and +2.83% respectively.
- HKD was a new inclusion this year and weight gain changes was from 0 to +2.83%.

**Composition** Effective after the close of June 28, 2024, see Fig.1 below.

Currency		2024 Weight	2023 Weight	Difference
<b>Euro</b>	EUR	40.81%	37.35%	<b>+3.46%</b>
<b>United States Dollar</b>	USD	36.64%	39.28%	<b>-2.64%</b>
<b>Offshore Chinese Renminbi</b>	CNH	6.38%	3.43%	<b>+2.95%</b>
<b>Norwegian Krone</b>	NOK	3.00%	3.99%	<b>-0.99%</b>
<b>Hong Kong Dollar*</b>	HKD	2.83%*	0.00%	<b>+2.83%</b>
<b>Swiss Franc</b>	CHF	2.80%	3.43%	<b>-0.63%</b>
<b>Japanese Yen</b>	JPY	2.77%	6.81%	<b>-4.04%</b>
<b>Australian Dollar</b>	AUD	2.54%	2.63%	<b>-0.09%</b>
<b>Canadian Dollar</b>	CAD	2.22%	3.50%	<b>-1.28%</b>

Fig. 1

\*HKD new inclusion in 2024

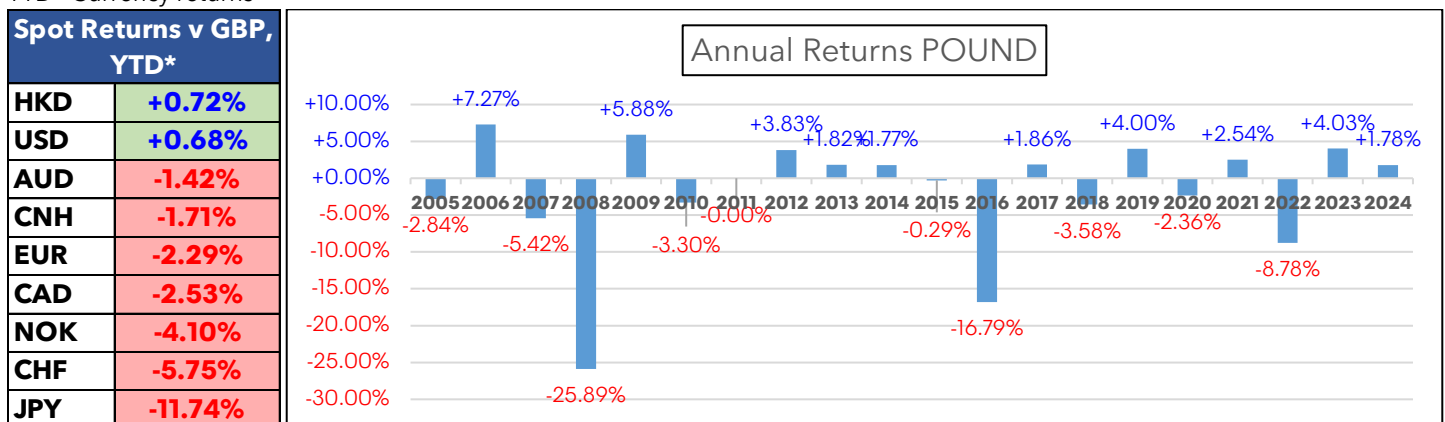
**Historical Performance** Effective after the close of June 28, 2024.

- The POUND has returned +1.78% year to date.
- Year to date, the Japanese Yen (JPY) underperformed the most against the British pound sterling (GBP) at -11.74%.

**Annual Returns POUND (by Month)**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual Return
2005	+0.31%	+1.24%	-0.36%	+1.18%	-2.25%	-0.44%	-1.85%	+1.39%	-0.78%	+0.77%	-1.22%	-0.81%	-2.84%
2006	+1.72%	-0.53%	-1.48%	+2.17%	+1.55%	-0.84%	+1.05%	+2.04%	-1.04%	+1.40%	+0.95%	+0.15%	+7.27%
2007	+1.08%	-1.07%	-0.43%	+0.43%	-0.21%	+1.07%	+0.39%	-0.81%	-1.53%	+0.73%	-1.64%	-3.47%	-5.42%
2008	-1.25%	-1.65%	-2.33%	+0.84%	-0.22%	+0.02%	+0.15%	-4.78%	-0.29%	-4.79%	-4.20%	10.50%	-25.89%
2009	+3.39%	-0.10%	-2.55%	+2.69%	+4.78%	+2.41%	-0.04%	-3.08%	-3.44%	+2.32%	-1.23%	+0.98%	+5.88%
2010	+0.27%	-4.04%	-0.12%	+1.45%	-1.07%	+2.48%	+1.29%	-1.13%	-1.55%	+0.70%	+0.58%	-2.02%	-3.30%
2011	+1.77%	+0.73%	-2.53%	+1.25%	-0.11%	-2.97%	+1.99%	-1.00%	+0.20%	+0.98%	-0.85%	+0.69%	-0.00%
2012	+0.57%	+0.30%	+0.81%	+1.47%	-1.52%	+0.34%	+1.13%	+0.08%	+0.56%	-0.28%	-0.72%	+1.06%	+3.83%
2013	-3.34%	-2.30%	+1.01%	+1.11%	-0.92%	+0.19%	-1.28%	+2.41%	+2.97%	-1.16%	+2.63%	+0.71%	+1.82%
2014	+0.17%	+0.49%	-0.33%	+0.83%	+0.03%	+1.76%	-0.02%	-0.85%	+0.28%	-0.70%	-1.25%	+1.39%	+1.77%
2015	-0.65%	+3.12%	-2.03%	+0.91%	+1.03%	+1.96%	+0.61%	-2.60%	-1.26%	+2.53%	-0.25%	-3.44%	-0.29%
2016	-2.99%	-3.38%	+0.55%	+0.85%	+1.10%	-9.53%	-1.23%	-0.47%	-1.89%	-4.32%	+4.73%	-0.96%	-16.79%
2017	+0.10%	-0.57%	+0.56%	+2.56%	-2.07%	+0.19%	-0.62%	-2.34%	+4.18%	+0.05%	+0.74%	-0.77%	+1.86%
2018	+2.85%	-2.23%	+1.54%	-0.64%	-2.19%	-0.31%	-0.50%	-0.91%	+0.62%	-0.69%	-0.36%	-0.70%	-3.58%
2019	+2.52%	+1.65%	-1.32%	+0.29%	-3.01%	-0.65%	-2.88%	+0.34%	+1.50%	+4.08%	+0.58%	+1.07%	+4.00%
2020	+0.40%	-2.64%	-2.88%	+1.34%	-2.70%	-0.43%	+3.06%	+1.23%	-2.62%	+0.53%	+1.50%	+1.05%	-2.36%
2021	+0.59%	+2.11%	+0.57%	-1.26%	+1.98%	-0.98%	+0.37%	-0.81%	-1.12%	+1.44%	-1.83%	+1.58%	+2.54%
2022	+0.15%	+0.28%	-2.04%	-1.78%	-1.13%	-2.37%	+0.73%	-3.37%	-2.10%	+2.39%	+1.62%	-1.37%	-8.78%
2023	+1.07%	-0.59%	+1.20%	+1.39%	+0.62%	+1.24%	+0.22%	-0.18%	-2.43%	-0.06%	+2.04%	-0.49%	+4.03%
2024	+0.90%	-0.09%	+0.26%	-0.12%	+0.94%	-0.12%							+1.78%

YTD\* Currency returns



\*Year to date as of, June 28, 2024

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