# FTSE Euro Broad Investment-Grade Choice Bond Index

Multi-Sector | Euro

The FTSE Euro Broad Investment-Grade Choice Bond Index (EuroBIG Choice) provides a broad-based measure of the global fixed income markets with a rules-based methodology for defining how the products and conduct of a company impact society and the environment. The index covers a broad array of sectors and sub-indices are available in any combination of currency, maturity, and rating.

The EuroBIG Choice measures the performance of the FTSE Euro Broad Investment-Grade Bond Index (EuroBIG) after excluding issuers involved in Vice Products (Adult Entertainment, Alcohol, Cannabis, Gambling, Tobacco), Non-Renewable Energy (Nuclear Power, Fossil Fuels), and Weapons (Controversial Weapons, Conventional Weapons, Small Arms). Issuers are also excluded based on Controversial Conduct.

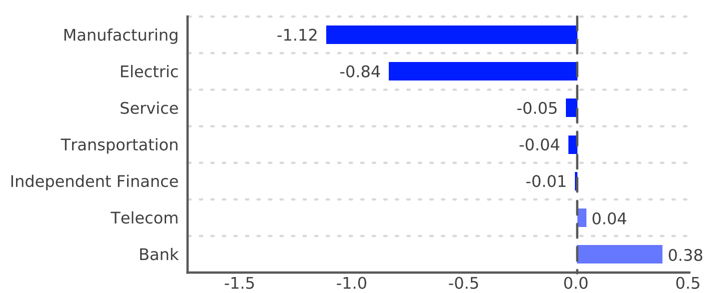
## INDEX PROFILE

| Description | # of Issues | Par Amount* | Market Value* | Market Weight (%) | Average Coupon (%) | Average Life (Years) | Yield to Maturity (%) | Effective Duration | OAS (bps) |
|---|---|---|---|---|---|---|---|---|---|
| EuroBIG Choice | 5,757 | 13,486.48 | 13,031.61 | 100.00 | 2.05 | 8.31 | 2.63 | 6.65 | 40 |
| AAA | 1,395 | 3,467.72 | 3,338.45 | 25.62 | 1.52 | 7.65 | 2.24 | 6.55 | 2 |
| AA | 1,151 | 4,610.12 | 4,326.29 | 33.20 | 1.77 | 10.07 | 2.60 | 7.73 | 32 |
| A | 1,400 | 2,384.30 | 2,343.89 | 17.99 | 2.28 | 7.50 | 2.74 | 6.14 | 53 |
| BBB | 1,811 | 3,024.34 | 3,022.99 | 23.20 | 2.90 | 7.04 | 3.03 | 5.59 | 83 |
| 1-3 Years | 1,686 | 3,251.94 | 3,231.02 | 24.79 | 1.67 | 2.01 | 2.36 | 1.94 | 33 |
| 3-5 Years | 1,505 | 2,858.44 | 2,831.04 | 21.72 | 1.97 | 4.00 | 2.47 | 3.78 | 43 |
| 5-7 Years | 992 | 2,087.97 | 2,004.99 | 15.39 | 1.78 | 6.00 | 2.62 | 5.60 | 48 |
| 7-10 Years | 871 | 2,116.63 | 2,118.56 | 16.26 | 2.59 | 8.47 | 2.75 | 7.55 | 42 |
| 10+ Years | 703 | 3,171.50 | 2,846.00 | 21.84 | 2.31 | 20.09 | 3.03 | 14.90 | 38 |
| Government | 1,699 | 10,288.23 | 9,885.44 | 75.86 | 1.99 | 9.37 | 2.55 | 7.37 | 28 |
| Domestic Sovereign | 401 | 7,835.55 | 7,597.97 | 58.30 | 2.10 | 9.56 | 2.52 | 7.46 | 24 |
| Foreign Sovereign | 166 | 202.00 | 187.99 | 1.44 | 2.64 | 8.17 | 3.78 | 6.32 | 157 |
| Government Related | 1,132 | 2,250.68 | 2,099.49 | 16.11 | 1.53 | 8.83 | 2.54 | 7.13 | 30 |
| Collateralized | 1,084 | 932.76 | 903.34 | 6.93 | 1.66 | 4.64 | 2.55 | 4.24 | 44 |
| Corporate | 2,974 | 2,265.49 | 2,242.84 | 17.21 | 2.48 | 5.01 | 3.04 | 4.43 | 91 |
| Finance | 1,468 | 1,189.35 | 1,190.09 | 9.13 | 2.66 | 4.31 | 3.09 | 3.89 | 99 |
| Industrial | 1,216 | 861.70 | 842.31 | 6.46 | 2.26 | 5.61 | 2.98 | 4.88 | 83 |
| Utility | 290 | 214.44 | 210.44 | 1.61 | 2.39 | 6.48 | 3.02 | 5.62 | 82 |
| EuroBIG | 6,722 | 14,226.43 | 13,753.02 | 100.00 | 2.07 | 8.18 | 2.66 | 6.56 | 43 |

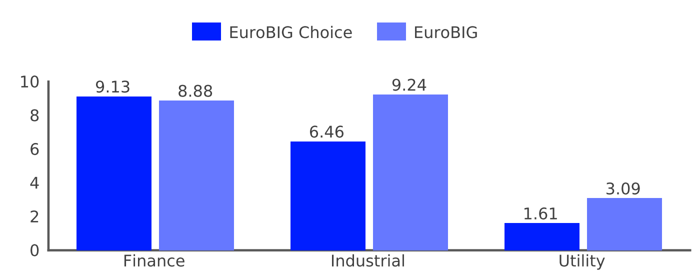
* In EUR billions

## COMPARATIVE ANALYSIS OF MARKET WEIGHT (in %)

### Top Underweights and Overweights (EuroBIG Choice) - (EuroBIG)

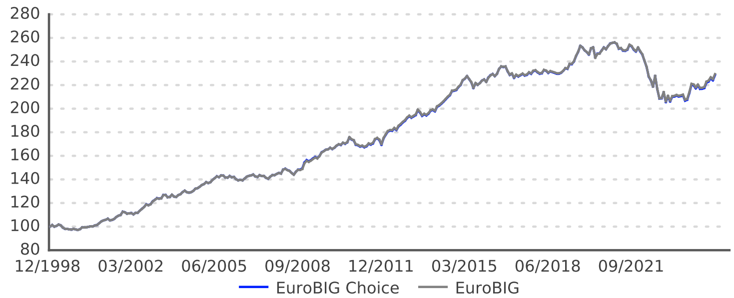



### Corporate - Industry (Market Weight in %)



## HISTORICAL YIELD TO MATURITY


## HISTORICAL INDEX LEVEL (in EUR)




## ANNUALIZED RETURNS (in %)

| | EuroBIG Choice | | | | | | | EuroBIG | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | EUR | USD | | GBP | | JPY | | EUR | USD | | GBP | | JPY | |
| | Unhgd | Unhgd | Hgd | Unhgd | Hgd | Unhgd | Hgd | Unhgd | Unhgd | Hgd | Unhgd | Hgd | Unhgd | Hgd |
| YTD* | 3.67 | -0.88 | 5.19 | -0.58 | 4.91 | 5.59 | -0.25 | 3.73 | -0.82 | 5.25 | -0.52 | 4.97 | 5.66 | -0.18 |
| 1 Year | 7.11 | 3.68 | 8.87 | 3.27 | 8.52 | 5.33 | 2.59 | 7.16 | 3.73 | 8.92 | 3.31 | 8.57 | 5.38 | 2.64 |
| 3 Years | -3.18 | -5.22 | -1.22 | -3.94 | -1.99 | 4.05 | -5.79 | -3.08 | -5.12 | -1.12 | -3.84 | -1.89 | 4.15 | -5.69 |
| 5 Years | -1.62 | -2.47 | -0.01 | -2.12 | -0.63 | 3.89 | -3.13 | -1.56 | -2.40 | 0.06 | -2.06 | -0.56 | 3.96 | -3.06 |
| Since EuroBIG Choice Inception | 3.24 | 2.82 | 4.11 | 3.89 | 4.36 | 3.96 | 1.61 | 3.25 | 2.83 | 4.13 | 3.91 | 4.37 | 3.98 | 1.63 |

* Not annualized

## DESIGN CRITERIA AND CALCULATION METHODOLOGY

| | |
|---|---|
| Coupon: | Fixed-rate, including zero-coupon and fixed-to-float bonds |
| Currency: | EUR |
| Minimum Maturity: | At least one year<br>Fixed-to-floating rate bonds are removed one year prior to the fixed-to-floating rate start date. |
| Minimum Size Outstanding: | EMU Sovereigns: EUR 2.5 billion or the equivalent for the non-redenominated bonds<br>Other: EUR 500 million or the equivalent for non-redenominated bonds |
| Minimum Quality: | BBB- by S&P or Baa3 by Moody's |
| Exclusionary Screening: | Vice Products (Adult Entertainment, Alcohol, Cannabis, Gambling, Tobacco), Non-Renewable Energy (Fossil Fuels, Nuclear Power), Weapons (Controversial Weapons, Conventional Weapons, Small Arms), and Controversial Conduct |
| Weighting: | Market capitalization |
| Rebalancing: | Once a month at month end |
| Reinvestment of cash flows: | Intra-month cash flows from interest and principal payments are not reinvested as part of monthly index total return calculations. |
| Pricing: | LSEG Pricing Service |
| Calculation Frequency: | Daily |
| Settlement Date: | Monthly – Settlement is on the last calendar day of the month.<br>Daily – Same day settlement except if the last business day of the month is not the last calendar day of the month; then, settlement is on the last calendar day of the month. |
| Base Date: | December 31, 1998 |

## VENDOR CODES

SBECL FTSE Euro Broad Investment-Grade Choice Bond Index, in EUR terms