

Product highlights

FTSE
Russell

FTSE US Municipal Tax-Exempt Investment-Grade Bond Index

Overview

The FTSE US Municipal Tax-Exempt Investment-Grade Bond Index is designed to measure the performance of the investment-grade tax-exempt US municipal bond market. The index includes US Dollar-denominated bonds issued by municipalities or other municipal entities domiciled in the US and US territories.

A barometer for the US' large and diverse municipal bond market

The index provides broad, representative coverage of the US municipal bond market, including granular sub-indexes to allow for greater visibility and analysis of the municipal bond market structure.

Analytics provided by The Yield Book platform



The index is supported by a comprehensive suite of analytics calculated by the Yield Book, a trusted and authoritative source for fixed income analytics that enables market makers and institutional investors to perform complex and accurate analysis and risk management.

Features

Representative:

The index provides broad, comprehensive coverage of the US municipal tax-exempt investment-grade bond market.

Transparent:

The index is constructed according to a transparent, publicly available set of rules that were designed to incorporate extensive feedback from market participants.

Pricing:

Pricing is provided by Refinitiv, a recognized, reliable pricing source and one of the world's largest providers of financial markets data and infrastructure.

Customizable:

The index is fully customizable based on a wide range of attributes, including credit quality, state, municipal sector classification, and maturity.

FTSE US Municipal Tax-Exempt Investment-Grade Bond Index

Number of bonds	33,681
Par Amount (USD millions)	1,037,754
Market value (USD millions)	1,165,850
Class breakdown (by market value %)	GO: 29.3% Rev: 70.7%

Source: FTSE Russell as of March 29, 2019.

Index inclusion and methodology summary

Coupon	Semi-annual fixed-rate bonds and zero coupon bonds
Currency	USD
Minimum maturity	Minimum one year to maturity
Minimum issue size	USD \$75 million
Minimum outstanding	USD \$10 million
Minimum credit quality	Investment-grade in accordance with FTSE's definition of investment quality, which is the higher of S&P and Moody's in the event of an investment grade and high yield rating split.
Securities included	General obligation, revenue, and double-barrel bonds issued by US state, local government, agency, or territories. Includes pre-funded, partial pre-funded with newly issued CUSIPs, and escrow-to-maturity bonds.
Securities excluded	Crossover refunded bonds, bonds containing both pre-funded and un-refunded portions with original issue CUSIPs, secondary insured bonds, monetary defaults, derivatives, letters of credit, guaranteed investment contracts, limited offerings, private placements, and convertibles.
Weighting	Market capitalization-weighted
Rebalancing frequency	Monthly on the final business day of the month. Pricing as of the last business day of the month and settlement as of the last calendar day of the month.
Reinvestment of cash flow	Reinvested at daily average of the one-month Eurodeposit rate, calculated from the actual scheduled payment date of the cash flow through the end of the reporting period
Taxability	Federal tax exempt, but may be subject to AMT
Pricing	Prices are sourced from Refinitiv and are taken as of 4:00 pm Eastern on the bid side.
Base date	December 31, 2012

Source: FTSE Russell.

About FTSE Russell

FTSE Russell is a leading global index provider creating and managing a wide range of indexes, data and analytic solutions to meet client needs across asset classes, style and strategies. Covering 98% of the investable market, FTSE Russell indexes offer a true picture of global markets, combined with the specialist knowledge gained from developing local benchmarks around the world.

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