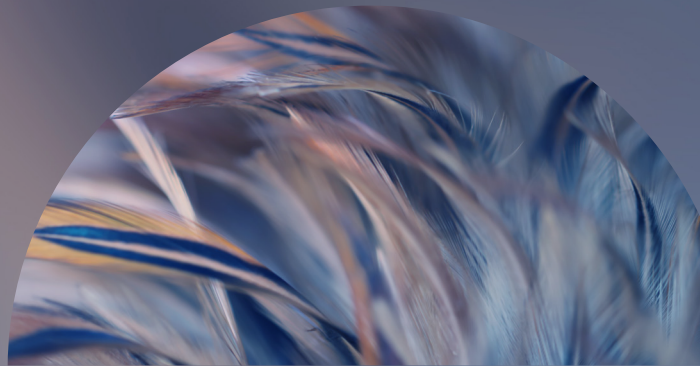


SOLUTION OVERVIEW

FTSE Hong Kong Broad Bond Index

Access to Hong Kong Dollar-denominated bonds via an investable index solution



Overview

The FTSE Hong Kong Broad Bond Index (HKBBI) measures the performance of Hong Kong Dollar-denominated bonds. It includes fixed-rate securities issued in domestic and international markets that are accessible to institutional investors.

The HKBBI includes government, government-related and corporate bonds. The index covers a broad array of asset classes and sub-indices are available in any combination of asset class, maturity, and rating.

FTSE Russell offers a wide range of related indices, including the Hong Kong Broad Investment-Grade Bond Index. It tracks the universe of securities that meet the eligibility criteria for the flagship FTSE Hong Kong Broad Bond Index with minimum credit quality either BBB- by S&P or Baa3 by Moody's.

Features

Comprehensive

A comprehensive coverage of the Hong Kong bond market that provides global investors with access to opportunities that are genuinely available under normal market conditions.

Relevant

This index can be segmented into sub-indices that capture the most relevant sectors to investors, including the government sector, the corporate sector and the semi-government sector.

Flexible

There is a 0+ year version of the index that tracks the universe of eligible securities through maturity, allowing for a seamless transition for index users looking to better replicate their hold to maturity strategies.

Data Analytics and Customisation Capability

Supported by a robust suite of analytics and customisation capabilities through The Yield Book platform. A variety of specifications, including weighting cap, issue-level exclusions and alternative weighting schemes, can be applied.



**FTSE
RUSSELL**
An LSEG Business

Index methodology

The FTSE Hong Kong Broad Bond Index (HKBBI) measures the performance of Hong Kong Dollar-denominated bonds in domestic and international markets.

Coupon	Fixed-rate, fixed-to-floating rate and zero-coupon
Currency	HKD
Minimum maturity	At least one year Fixed-to-floating bonds are removed one year prior to the fixed-to-floating rate start date
Minimum issue size	Sovereign: HKD 800 Million Other: HKD 300 Million
Minimum credit quality	No minimum S&P or Moody's rating requirements, defaulted bonds are excluded
Composition	Securities included: HK Dollar-denominated debt issued by governments, agencies and corporations. Securities excluded: <ul style="list-style-type: none"> – Private placements, convertible bonds, fixed-rate perpetual bonds, index-linked notes and certificates of deposits. – Contingent capital securities that convert to common equity or suffer principal write-downs based on explicit balance-sheet or regulatory capital pre-specified triggers¹. – Asset-backed and mortgage-backed securities.
Redemption features	Bullet, sinking fund, puttable, extendable, or callable
Weighting	Market capitalisation
Rebalancing	Once a month on the last business day of the month
Reinvestment of cash flow	Intra-month cash flows from interest and principal payments are not reinvested as part of monthly index total return calculations.
Pricing	Refinitiv bid-side 6:00 p.m. (Tokyo)
Calculation frequency	Daily
Settlement date	Monthly: Settlement is on the last calendar day of the month. 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.
Fixing date	Each month, the upcoming month's index constituents are "fixed" on the profile fixing date. Each year's scheduled fixing dates are published on the website.
Base date	September 30, 2018

¹ Securities that can be converted at the discretion of local regulators are eligible provided they meet other index inclusion criteria.

About FTSE Russell

FTSE Russell is a leading global provider of index and benchmark solutions, spanning diverse asset classes and investment objectives. As a trusted investment partner we help investors make better-informed investment decisions, manage risk, and seize opportunities.

Market participants look to us for our expertise in developing and managing global index solutions across asset classes. Asset owners, asset managers, ETF providers and investment banks choose FTSE Russell solutions to benchmark their investment performance and create investment funds, ETFs, structured products, and index-based derivatives. Our clients use our solutions for asset allocation, investment strategy analysis and risk management, and value us for our robust governance process and operational integrity.

For over 35 years we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

Contact Us

To learn more, visit lseg.com/ftse-russell; email info@ftserussell.com; or call your regional Client Service team office:

EMEA +44 (0) 20 7866 1810

Asia-Pacific

North America +1 877 503 6437

Hong Kong +852 2164 3333

Tokyo +81 (3) 6441 1430

Sydney +61 (0)2 7228 5659

Disclaimer

© 2024 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) FTSE (Beijing) Consulting Limited ("WOFE") (7) Refinitiv Benchmark Services (UK) Limited ("RBSL"), (8) Refinitiv Limited ("RL") and (9) Beyond Ratings S.A.S. ("BR"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL, and BR. "FTSE®", "Russell®", "FTSE Russell®", "FTSE4Good®", "ICB®", "Refinitiv", "Beyond Ratings®", "WMM™", "FR™" and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. Refinitiv Benchmark Services (UK) Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG Products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index and/or rate returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index or rate inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index or rate was officially launched. However, back-tested data may reflect the application of the index or rate methodology with the benefit of hindsight, and the historic calculations of an index or rate may change from month to month based on revisions to the underlying economic data used in the calculation of the index or rate.

This document may contain forward-looking assessments. These are based upon a number of assumptions concerning future conditions that ultimately may prove to be inaccurate. Such forward-looking assessments are subject to risks and uncertainties and may be affected by various factors that may cause actual results to differ materially. No member of LSEG nor their licensors assume any duty to and do not undertake to update forward-looking assessments.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.



**FTSE
RUSSELL**
An LSEG Business