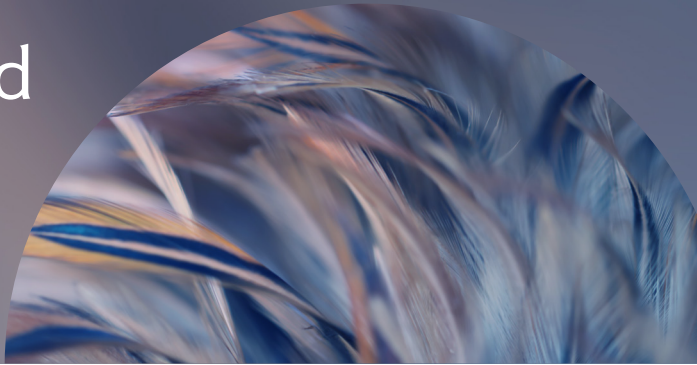


## SOLUTION OVERVIEW

# FTSE South Korean Broad Bond Index

Access to Korean Won-denominated bonds via an investable index solution



### Overview

The FTSE South Korean Broad Bond Index (KRBBBI) measures the performance of Korean Won-denominated bonds issued both in and outside of the Korean bond market.

The KRBBBI includes Korea Treasury Bonds (KTB), Monetary Stabilisation Bonds (MSB), government-related securities, collateralised, and corporate debts. The index covers a broad array of asset classes and sub-indices are available in any combination of asset class, maturity, and rating.

### Features

#### Comprehensive

A comprehensive coverage of the Korean bond market that provides global investors with access to opportunities 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 (KTB and MSB), the corporate sector and the semi-government sector (agency, supranational and other government-related).

#### 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.



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## Index methodology

The FTSE South Korean Broad Bond Index (KRBBBI) measures the performance of Korean Won-denominated bonds issued both in and outside of the Korean bond market.

<b>Coupon</b>	Fixed-rate, fixed-to-floating rate and zero-coupon
<b>Currency</b>	KRW
<b>Minimum maturity</b>	At least one year Fixed-to-floating bonds are removed one year prior to the fixed-to-floating rate start date
<b>Minimum issue size</b>	Korea Treasury Bond/Monetary Stabilisation Bond: KRW 1 trillion Government sponsored/government guaranteed: KRW 150 billion Corporate/regional government <sup>1</sup> /others: KRW 80 billion
<b>Minimum credit quality</b>	No minimum S&P or Moody's rating requirements, defaulted bonds are excluded
<b>Composition</b>	Securities included: Fixed-rate bonds issued by governments, regional governments, government-sponsored entities and corporations  Securities excluded: Private placements, convertibles, asset-backed, mortgage-backed, fixed-rate perpetual and inflation-indexed bonds. Contingent capital securities that convert to common equity or suffer principal write-downs based on explicit balance-sheet or regulatory capital pre-specified triggers <sup>2</sup> . Korean National Housing Bonds and 10-Year Korea Treasury Bond issued prior to January 1, 2003
<b>Redemption features</b>	Bullet, sinking fund, puttable, extendable, or callable
<b>Weighting</b>	Market capitalisation
<b>Rebalancing</b>	Once a month on the last business day of the month
<b>Reinvestment of cash flow</b>	Intra-month cash flows from interest and principal payments are not reinvested as part of monthly index total return calculations.
<b>Pricing</b>	LSEG Pricing Service bid-side 4:00 p.m. (Tokyo)
<b>Calculation frequency</b>	Daily
<b>Settlement date</b>	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.
<b>Fixing date</b>	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.
<b>Base date</b>	December 31, 2020

<sup>1</sup> Regional government includes regional government, regional government-guaranteed and regional government-sponsored.

<sup>2</sup> Securities that can be converted at the discretion of local regulators are eligible provided they meet other index inclusion criteria.

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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.

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## Contact Us

To learn more, visit [lseg.com/ftse-russell](https://lseg.com/ftse-russell); email [info@ftserussell.com](mailto: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

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