

## Price Source Review for the FTSE US High-Yield Market Index

As part of our commitment to strengthening our core credit index offering, FTSE Russell has reviewed the price source for the FTSE US High-Yield Market Index and the indices that derive their membership from it. This review included a qualitative and quantitative assessment of the current price source and alternatives, and incorporated feedback from index stakeholders. To further provide market participants with an opportunity to review the proposed price source change, we are opening a 30-day comment period to conclude on November 7, 2021. Upon conclusion of the comment period, FTSE Russell will confirm its final decision and communicate a timeline for implementation, targeting a three-month notice period. We value your input and participation.

### Details of the Proposed Price Source Change and Projected Impact

Based on its review, FTSE Russell proposes a change in the price source from the current methodology<sup>1</sup> to Refinitiv pricing. The price will continue to represent a bid-side price as of 4:00 p.m. (New York) snap time. Figure 1 provides an impact assessment for the FTSE US High-Yield Market Index as of August 2021 month-end. This change will also align the pricing methodology used for this index series with the majority of FTSE Fixed Income Indices, which are primarily driven by Refinitiv Pricing and Reference Data.

**Figure 1. Projected Impact of the Price Source Change for the FTSE US High-Yield Market Index**

Maturity Band	Average Price			Effective Duration		
	Current Price	Refinitiv	Difference	Current Price	Refinitiv	Difference
1-7 Year	68.04	68.00	-0.04	1.73	1.75	0.02
7-10 Year	29.84	29.82	-0.02	1.76	1.76	0.00
10+ Year	6.27	6.26	-0.01	0.64	0.64	0.00
<b>Total</b>	<b>104.15</b>	<b>104.08</b>	<b>-0.07</b>	<b>4.13</b>	<b>4.15</b>	<b>0.02</b>

Source: FTSE Russell. September 30, 2021

Please contact us at [fi.index@lse.com](mailto:fi.index@lse.com) to provide feedback and with any comments or questions.

FTSE Russell

<sup>1</sup> For additional details on the current methodology, please see: FTSE Fixed Income Index Guide.

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