S&P Dow Jones Indices

A Division of S&P Global

CONSULTATION

S&P/BMV Fixed Income Indices Rebalancing Frequency and Par Amount Outstanding Consultation

MEXICO CITY, NOVEMBER 2, 2017: This consultation is now closed. For results, please click here.

For more information about S&P Dow Jones Indices, please visit *www.spdji.com*.

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MEXICO CITY, AUGUST 29, 2017: S&P Dow Jones Indices ("S&P DJI") is conducting a consultation with members of the investment community on potential changes to the S&P/BMV Fixed Income Indices.

Rebalancing Frequency. Currently, the indices, listed below in the *Impacted Indices* section, are rebalanced weekly. In an effort to align these indices with S&P DJI global index standards, S&P DJI is proposing to rebalance the indices on a monthly basis.

Please note that the S&P/BMV CETES Bond Indices are not impacted by this proposal.

1. **Do you agree with the proposed change to the rebalancing frequency of the indices listed in the table above?**
2. **Do you have any additional comments or concerns on the subject?**

Par Amount Outstanding. Currently, the minimum par amount outstanding required for eligibility in the S&P/BMV Corporate Eurobonos Bond Indices and S&P/BMV Corporate Eurobonos Spot Bond Indices is US$ 1 billion. S&P DJI is proposing to lower the minimum par amount outstanding required for index inclusion to US$ 100 million in order to increase the number of bonds eligible for an index.

1. **Do you agree with the proposed Par Amount change?**
2. **Do you recommend a different minimum par amount outstanding be used as the Par Amount criterion threshold?**

Par Amount Outstanding Impact Analysis. Reducing the par amount outstanding will impact the index family composition in terms of size and constituent count, as well as the number of issuers included in the index, as follows:

August 2017 Composition	Current Par Amount	Reduced Par Amount	Difference
Issuers	9	25	16
Constituent Count	45	109	64
Total Par Amount	US$ 76,221,611,000.00	US$ 110,832,524,000.47	US$ 34,610,913,000.47

The issuer with the largest weight in the S&P/BMV Corporate Eurobonos Bond index currently has 44.4193% of the index weight on 25 issuances. Reducing the par amount would increase the issuer's weight to 51.9738% on 41 issuances.

On a single issuance scale, the largest bond by weight would be diluted from 4.2547% to 2.8972%. All current constituents' weights would be diluted by 32%.

If the par amount outstanding eligibility rule is changed, the resultant impact on index size and composition would be a dilution of current constituents' weights and an increased number of issuers within the index. Additionally, the largest issuer's composition share of the index would increase.

Impacted Indices. The below table lists all the indices impacted by this consultation:

Indices	
S&P/BMV Quasi-Sovereign & Bank Floating Rate Bond Index	S&P/BMV Sovereign MBONOS 10-20 Year Bond Index 24
S&P/BMV Quasi-Sovereign & Bank Floating Rate Bond Index 24	S&P/BMV Sovereign MBONOS 1-3 Year Bond Index
S&P/BMV Sovereign 7+ Day Bond Index	S&P/BMV Sovereign MBONOS 1-3 Year Bond Index 24
S&P/BMV Sovereign 7+ Day Bond Index 24	S&P/BMV Sovereign MBONOS 1500+ Day Bond Index
S&P/BMV Sovereign BONDESD 0-1 Year Bond Index	S&P/BMV Sovereign MBONOS 1500+ Day Bond Index 24
S&P/BMV Sovereign BONDESD 0-1 Year Bond Index 24	S&P/BMV Sovereign MBONOS 20+ Year Bond Index
S&P/BMV Sovereign BONDESD 1-3 Year Bond Index	S&P/BMV Sovereign MBONOS 20+ Year Bond Index 24
S&P/BMV Sovereign BONDESD 1-3 Year Bond Index 24	S&P/BMV Sovereign MBONOS 3-5 Year Bond Index
S&P/BMV Sovereign BONDESD 3+ Year Bond Index	S&P/BMV Sovereign MBONOS 3-5 Year Bond Index 24
S&P/BMV Sovereign BONDESD 3+ Year Bond Index 24	S&P/BMV Sovereign MBONOS 5-10 Year Bond Index
S&P/BMV Sovereign BONDESD Bond Index	S&P/BMV Sovereign MBONOS 5-10 Year Bond Index 24
S&P/BMV Sovereign BONDESD Bond Index 24	S&P/BMV Sovereign MBONOS 600-1500 Day Bond Index
S&P/BMV Sovereign BPA182 Bond Index	S&P/BMV Sovereign MBONOS 600-1500 Day Bond Index 24
S&P/BMV Sovereign BPA182 Bond Index 24	S&P/BMV Sovereign MBONOS Bond Index
S&P/BMV Sovereign BPAG28 Bond Index	S&P/BMV Sovereign MBONOS Bond Index 24
S&P/BMV Sovereign BPAG28 Bond Index 24	S&P/BMV Sovereign Real Rate Bond Index
S&P/BMV Sovereign BPAG91 Bond Index	S&P/BMV Sovereign Real Rate Bond Index 24
S&P/BMV Sovereign BPAG91 Bond Index 24	S&P/BMV Sovereign UDIBONOS 10-20 Year Bond Index
S&P/BMV Sovereign Fixed Rate 185-365 Day Bond Index	S&P/BMV Sovereign UDIBONOS 10-20 Year Bond Index 24
S&P/BMV Sovereign Fixed Rate 185-365 Day Bond Index 24	S&P/BMV Sovereign UDIBONOS 1-3 Year Bond Index
S&P/BMV Sovereign Fixed Rate 93-184 Day Bond Index	S&P/BMV Sovereign UDIBONOS 1-3 Year Bond Index 24
S&P/BMV Sovereign Fixed Rate 93-184 Day Bond Index 24	S&P/BMV Sovereign UDIBONOS 20+ Year Bond Index
S&P/BMV Sovereign Fixed Rate Bond Index	S&P/BMV Sovereign UDIBONOS 20+ Year Bond Index 24
S&P/BMV Sovereign Fixed Rate Bond Index 24	S&P/BMV Sovereign UDIBONOS 3-5 Year Bond Index
S&P/BMV Sovereign Floating Rate 7+ Day Bond Index	S&P/BMV Sovereign UDIBONOS 3-5 Year Bond Index 24
S&P/BMV Sovereign Floating Rate 7+ Day Bond Index 24	S&P/BMV Sovereign UDIBONOS 5-10 Year Bond Index
S&P/BMV Sovereign Floating Rate Bond Index	S&P/BMV Sovereign UDIBONOS 5-10 Year Bond Index 24
S&P/BMV Sovereign Floating Rate Bond Index 24	S&P/BMV Sovereign UDIBONOS Bond Index
S&P/BMV Sovereign MBONOS 10-20 Year Bond Index	S&P/BMV Sovereign UDIBONOS Bond Index 24

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. Your responses will be kept confidential. Please respond to this survey by **September 25, 2017.** After this date, S&P Dow Jones Indices will no longer accept survey responses. Prior to the Index Committee's final review, S&P Dow Jones Indices will consider the issues and may request clarifications from respondents as part of that review. Alternative options to the proposed questions after the deadline require that the consultation be re-opened to the public.

To participate in this consultation, please respond to *index_services@spglobal.com*.

Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P Dow Jones Indices makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P Dow Jones Indices decides to change the index methodology, an announcement will be posted on our website.

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit *www.spdji.com*.

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ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has become home to over 1,000,000 indices across the spectrum of asset classes that have helped define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit *www.spdji.com*.

FOR MORE INFORMATION:

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