

## S&P Municipal Bond 50% Investment Grade / 50% High Yield Index Consultation

**NEW YORK, NOVEMBER 9, 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 Municipal Bond 50% Investment Grade / 50% High Yield Index.

S&P Dow Jones Indices is proposing to increase the minimum par amount outstanding required for index inclusion of investment grade securities from US\$ 2 million to US\$ 20 million. This change, if adopted, will enhance the index’s liquidity and replicability by significantly reducing the index composition from over 170,000 securities to approximately 28,000. The following tables detail the constituent counts by applying the current methodology, alternative minimum par amounts, and the proposed methodology to the November 2017 index composition.

Scenario	Minimum Par Amount Required	Constituent Count		
		Investment Grade	High Yield	Total
Current Methodology	2 million	172,146	6,998	179,144
Alternative Par Amount	10 million	44,381	2,314	46,695
Alternative Par Amount	20 million	20,781	1,160	21,941
Proposed Methodology	High Yield: 2 million Investment Grade: 20 million	20,781	6,998	27,779

### QUESTIONS:

- 1. Do you agree with the proposal to increase the minimum par amount outstanding required for index inclusion of investment grade securities? Is a minimum par amount outstanding of US\$ 20 million appropriate?**
- 2. Do you have any other comments or feedback on the proposal outlined in this consultation?**

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. S&P DJI will make responses to consultations freely available upon request.<sup>1</sup> If you do not want your response to be made available, you must clearly state that in your response. Please respond to this survey by **December 8, 2017**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee’s final review, S&P DJI 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 S&P DJI at [index\\_services@spglobal.com](mailto: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 DJI makes no guarantees or is under any obligation to comply*

<sup>1</sup> Individual and company names as well as contact details will be redacted.

*with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI 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](http://www.spdji.com).

## 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<sup>®</sup> and the Dow Jones Industrial Average<sup>®</sup>. 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](http://www.spdji.com).

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