Securities Lending Returns in iBoxx USD Liquid High Yield Index

IHS Markit iBoxx USD Liquid High Yield Index is designed to reflect the performance of the USD denominated high yield corporate debt. The index rules aim to offer a broad coverage of the USD high yield liquid bond universe and is market-value weighted with an issuer cap of 5%. IHS Markit Securities Finance provides the securities lending return made from the bonds in the index where the USD high yield bond universe is set to a base value of 100.

**Indexed Utilization**

<table>
<thead>
<tr>
<th>Year</th>
<th>SL Return to Lendable, Low (bps)</th>
<th>SL Return to Lendable, Mid (bps)</th>
<th>SL Return to Lendable, High (bps)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>15%</td>
<td>28%</td>
<td>33%</td>
</tr>
<tr>
<td>2019</td>
<td>14%</td>
<td>25%</td>
<td>31%</td>
</tr>
<tr>
<td>2020</td>
<td>13%</td>
<td>23%</td>
<td>25%</td>
</tr>
<tr>
<td>2021</td>
<td>12%</td>
<td>23%</td>
<td>24%</td>
</tr>
</tbody>
</table>

**SL Revenue Contribution by Fee Categories**

<table>
<thead>
<tr>
<th>Period</th>
<th>GC Contribution</th>
<th>Warm Contribution</th>
<th>Special Contribution</th>
<th>Warm Securities</th>
<th>Special Securities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Month</td>
<td>2022</td>
<td>2022</td>
<td>2022</td>
<td>2022</td>
<td>2022</td>
</tr>
<tr>
<td>Jan</td>
<td>30% 48%</td>
<td>17% 17%</td>
<td>53% 35%</td>
<td>30% 30%</td>
<td>23% 16%</td>
</tr>
<tr>
<td>Feb</td>
<td>32% 50%</td>
<td>15% 22%</td>
<td>54% 28%</td>
<td>34 25%</td>
<td>23% 11%</td>
</tr>
<tr>
<td>Mar</td>
<td>32% 49%</td>
<td>13% 25%</td>
<td>55% 26%</td>
<td>38 25%</td>
<td>25% 12%</td>
</tr>
<tr>
<td>Apr</td>
<td>31% 50%</td>
<td>18% 25%</td>
<td>51% 24%</td>
<td>47 28%</td>
<td>28% 12%</td>
</tr>
<tr>
<td>May</td>
<td>30% 43%</td>
<td>14% 17%</td>
<td>57% 40%</td>
<td>56 27%</td>
<td>38% 12%</td>
</tr>
<tr>
<td>Jun</td>
<td>29% 42%</td>
<td>13% 20%</td>
<td>58% 38%</td>
<td>64 27%</td>
<td>40% 11%</td>
</tr>
<tr>
<td>Jul</td>
<td>43% 45%</td>
<td>18% 38%</td>
<td>28% 11%</td>
<td>28 11%</td>
<td>13% 19%</td>
</tr>
<tr>
<td>Aug</td>
<td>41% 39%</td>
<td>14% 47%</td>
<td>30 14%</td>
<td>36 16%</td>
<td>14% 17%</td>
</tr>
<tr>
<td>Sep</td>
<td>35% 32%</td>
<td>21% 47%</td>
<td>34 17%</td>
<td>33 19%</td>
<td>17% 19%</td>
</tr>
<tr>
<td>Oct</td>
<td>31% 20%</td>
<td>20% 49%</td>
<td>53 7%</td>
<td>50 27%</td>
<td>27% 19%</td>
</tr>
</tbody>
</table>

**SL Revenue and SL Return to Lendable by Years to Maturity and Ratings for Jun 2022**

<table>
<thead>
<tr>
<th>Ratings</th>
<th>SL Return to Lendable (bps)</th>
<th>SL Revenue Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>BB</td>
<td>2.3</td>
<td>24.6%</td>
</tr>
<tr>
<td>B</td>
<td>6.7</td>
<td>43.8%</td>
</tr>
<tr>
<td>CCC</td>
<td>21.0</td>
<td>31.0%</td>
</tr>
<tr>
<td>CC</td>
<td>100.4</td>
<td>0.7%</td>
</tr>
</tbody>
</table>

**Notes**

- **SL Return to Lendable, Low**
  - Returns from securities lending relative to lendable value from all the lender funds who are part of the IHS Markit Securities Finance group. Finance trades are removed from our calculation.

- **SL Return to Lendable, Mid**
  - Returns from securities lending relative to lendable value from only those lender funds with active loans in respective market areas that are part of the index. Index rules are used in the report unless stated otherwise.

- **SL Return to Lendable, High**
  - Returns from securities lending relative to lendable value from only those lender funds with the highest loan value that represent 60% of the cumulative loan value in respective market areas that are part of the index. Funds are classified on a daily basis for individual market areas within the index. Finance trades are removed from our calculation.

- **Indexed Utilization**
  - Indexed Utilization tracks the daily change in lender loan value relative to lendable value calculated for the iBoxx index with an index base date of 1st Jan 2015 where the index is set to a base value of 100.

- **Fee Classification**
  - GC: Securities with value weighted average securities lending fee of <= 35 bps are classified as GC.
  - Warm: Securities with value weighted average securities lending fee of > 35 bps & <= 150 bps are classified as Warm.
  - Special: Securities with value weighted average securities lending fee of > 150 bps are classified as Special. This fee classification is done on a daily basis.