Hang Seng Markit iBoxx® Offshore RMB Bond Index

The Hang Seng Markit iBoxx Offshore RMB Bond Index is designed to reflect the performance of the Offshore RMB (CNH) denominated debt.

The index rules aim to offer a broad coverage of debt denominated in Chinese Yuan but issued and settled offshore, whilst upholding minimum standards of investability and liquidity. The index is the result of a partnership between Hang Seng Indexes Company Limited (“Hang Seng Indexes”) and IHS Markit, and currently comprises more than 180 bonds from 60+ issuers.

The index is an integral part of the global iBoxx index families, which provide the marketplace with accurate and objective indices by which to assess the performance of bond markets and investments. The index rules are transparent and the index is independently calculated and administered by IHS Markit.

Transparency
Documentation on our rules-based methodology for constituent selection, monthly rebalancing and daily total return calculations is publicly available.

Independence
iBoxx® products utilise independent multi-source pricing and reference data subject to rigorous quality testing, with a fully documented price challenge process in place. IHS Markit is committed to administering all financial benchmarks in compliance with IOSCO benchmark principles and is an authorised benchmark administrator under the European Benchmark Regulation (BMR).

Multi-dimensional analysis
A wide range of analytical values are published to support risk, performance measurement and attribution analysis.

Flexibility
iBoxx® offers the ability to customize indices to meet specific criteria.

Depth of Data
A broad history of index and sub-index returns and analytics are available and published frequently to support index analysis.

INDEX IDENTIFIERS

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<th>Index Name</th>
<th>ISIN</th>
<th>BBG Ticker</th>
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<td>IBXX001T</td>
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<td>Hang Seng Markit iBoxx Offshore RMB China Government Bond Index</td>
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INDEX STRUCTURE

Overall
China Government  Non-sovereign

Sovereigns & Sub-sovereigns
Corporates

Sovereigns
Sub-sovereigns
– Agencies
– Local Government
– Supranationals
– Other Sub-sovereigns

Financials
– Banks
– Financial Services
– Insurance
– Real Estate

Non-Financials
– Basic Materials
– Consumer Goods
– Consumer Services
– Healthcare
– Industrials
– Oil & Gas
– Technology
– Telecommunications
– Utilities

Single Market and Maturity Indices
– Ratings (Investment Grade, High Yield, AAA, AA, A, BBB, BB, B, Rated, Rated IG, Rated HY)
– Maturity (1-3, 3-5, 5-7, 7-10, 10+)

INDEX ELIGIBILITY CRITERIA

Issuer types
Sovereigns and sub-sovereigns

Eligible: Fixed coupon bonds, callable and puttable bonds, amortizing bonds and sinking funds, step-ups and event driven bonds, dated and undated fixed to floater bonds

Excluded: Zero coupon bonds, floating rate notes, certificates of deposit (CD), 144As and private placements, retail bonds, inflation and other index-linked bonds, structured notes, collateralized bonds, covered bonds, catastrophe bonds, payment-in-kinds (PIKs), convertibles, bonds cum-or ex-warrant

Time to maturity
No minimum requirement
Minimum initial time to maturity: 18 months (as measured from the first settlement date to the maturity date of the bond)

Amount outstanding
CNH 500 million
Large Cap Indices: CNH 1 Billion

Sub-sovereign issuer limit
5 issues per sub-sovereign issuer per currency (top 5 as per liquidity ranking if more than five bonds qualify)

Rating
No rating requirement
Any bond rated as being in default by one or more of Fitch, Moody’s or S&P, or which is trading flat of accrued or is distressed does not qualify for the index

Currency
CNH

INDEX DETAILS

Pricing sources
Bonds are priced using multi-source pricing

Calculation frequency
Daily

Rebalance frequency
Monthly

History start date
31 March 2011

Weighting
Market capitalization
Unrated bonds are included at 50% of their notional outstanding

For further information, please refer to the relevant guide on ihsmarkit.com/iBoxx

More information on IHS Markit products and services

AMERICAS
+1 212 931 4900
sales@ihsmarkit.com

EMEA
+44 20 7260 2000

APAC
+65 6922 4200

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