# FIXED INCOME ETF CREATION & REDEMPTION SOLUTION

Authorized participants (AP) and market makers (MM) can now create and redeem fixed income exchange-traded funds (FI ETFs) directly with an ETF Provider—all on the Bloomberg Professional® service.

## STREAMLINED & STANDARDIZED

» Bloomberg has created a suite of new FI ETF functions that enable fund providers to publish creation/redemption lists to permissioned APs and MMs.

» With the new Bloomberg fixed income ETF basket tool BSKT <GO>, APs and MMs can access creation/redemption basket lists, shop for eligible bonds and submit baskets for approval.

» Fund providers can accept, reject or amend AP and MM submitted baskets—all on the same platform.

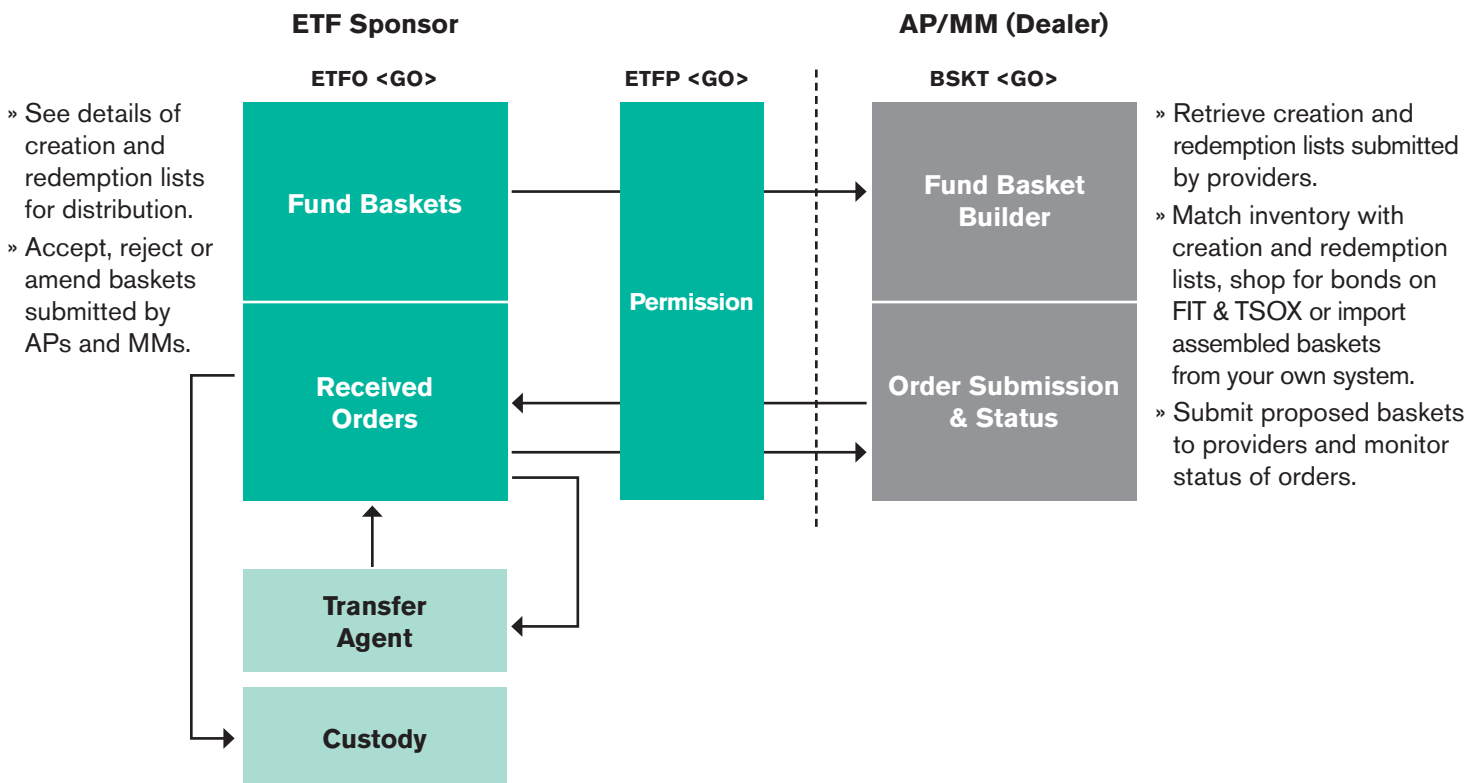## DISTRIBUTE & MONITOR WITH ETFO <GO>

ETFO <GO> enables fund sponsors to manage the distribution of their creation/redemption lists.

## SECURE

Fund sponsors can permission the APs and MMs they wish to share their creation/redemption lists with and accept orders from.

## EFFICIENT & SYSTEMATIC ETF BASKET CREATION

» The fund basket builder BSKT <GO> enables APs and MMs to deal directly with fund providers in the primary market for FI ETFs.

» APs and MMs can retrieve creation/redemption lists they are permissioned to see and submit proposed baskets and monitor the status of their orders.

» Bond liquidity data and basket-building analytics are included on BSKT <GO> to help APs and MMs optimize their basket building.

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### ETF Sponsor

**ETFO <GO>**

**ETFP <GO>**

### AP/MM (Dealer)

**BSKT <GO>**

» See details of creation and redemption lists for distribution.

» Accept, reject or amend baskets submitted by APs and MMs.

**Fund Baskets**

**Permission**

**Received Orders**

**Fund Basket Builder**

**Order Submission & Status**

» Retrieve creation and redemption lists submitted by providers.

» Match inventory with creation and redemption lists, shop for bonds on FIT & TSOX or import assembled baskets from your own system.

» Submit proposed baskets to providers and monitor status of orders.

**Transfer Agent**

**Custody**

# Bloomberg

## AP/MM CAN ACCESS CREATION/REDEMPTION LISTS ON BSKT <GO>



| | Ticker | ETF Name | Bskt Detail | Type | Sender | Region | Date/Time | IB |
|---|---|---|---|---|---|---|---|---|
| 11) | BNDS US | SPDR® Barclays US Aggregate Bond ETF | Redeem | Flex | SSGA | US | 4/4/2016 11:23:01 AM | |
| 12) | LWC US | SPDR® Barclays Long Term Corporate... | Create | Flex | SSGA | US | 4/4/2016 10:10:01 AM | |
| 13) | ITR US | SPDR® Barclays Intermediate Term C... | Redeem | Cash/Flex | SSGA | US | 4/4/2016 10:04:01 AM | |
| 14) | JNK US | SPDR® Barclay's High Yield Bond ETF | Redeem | Flex | SSGA | US | 4/4/2016 9:35:01 AM | |
| 15) | JNK US | SPDR® Barclay's High Yield Bond ETF | Create | Flex | SSGA | US | 4/4/2016 8:53:01 AM | |
| 16) | SJNK US | SPDR® Barclays Short Term High Yiel... | Redeem | Flex | SSGA | US | 4/4/2016 8:35:01 AM | |
| 17) | ITR US | SPDR® Barclays Intermediate Term C... | Create | Cash/Flex | SSGA | US | 4/4/2016 8:19:01 AM | |
| 18) | SJNK US | SPDR® Barclays Short Term High Yiel... | Create | Flex | SSGA | US | 4/4/2016 8:16:05 AM | |
| 19) | SCPB US | SPDR® Barclays Short Corporate Bon... | Redeem | Flex | SSGA | US | 4/4/2016 8:16:01 AM | |
| 20) | SCPB US | SPDR® Barclays Short Corporate Bon... | Create | Flex | SSGA | US | 4/4/2016 8:12:01 AM | |
| 21) | ITE US | SPDR® Barclays Intermediate Term T... | Create | Fixed | SSGA | US | 4/4/2016 8:01:06 AM | |
| 22) | TLO US | SPDR® Barclays Long Term Treasury ... | Create | Fixed | SSGA | US | 4/4/2016 8:01:05 AM | |
| 23) | FLRN US | SPDR® Barclays Investment Grade Fl... | Create | Flex | SSGA | US | 4/4/2016 8:01:03 AM | |
| 24) | SST US | SPDR® Barclays Short Term Treasury... | Create | Fixed | SSGA | US | 4/4/2016 8:01:01 AM | |
| 25) | TRSY LN | SPDR US TREASURY BOND ETF | Redeem | Fixed | SSGA | EUROPE | 4/4/2016 5:29:03 AM | |
| 26) | TRSY LN | SPDR US TREASURY BOND ETF | Create | Fixed | SSGA | EUROPE | 4/4/2016 5:29:02 AM | |
| 27) | TRS3 LN | SPDR BARCLAYS 1-3 US TREAS | Redeem | Fixed | SSGA | EUROPE | 4/4/2016 4:29:05 AM | |

**ETF Basket Creation BSKT <GO> —** See all creation/redemption lists in one place.

❶ The Fund Basket tab on BSKT <GO> displays each basket that has been shared with you by an ETF provider.

❷ The Drafts tab shows the unfinished basket that you have worked on but have not submitted. Monitor the status the of your orders on the Sent Orders tab.

❸ Select and click the line item to see the list and generate a basket for submission.

## AP/MM CAN CREATE BASKETS ON THE LIQUIDITY SECTION OF BSKT <GO>



**BSKT <GO> —** Drill down to where you can assemble and submit a basket all from one screen.

The BSKT tool calculates your basket NAV in real time to help dealers determine when they have a deliverable basket.

❶ See the criteria and constraints applied to the creation and redemption baskets.

❷ See dealer inventories and bid/offer messages on the Bloomberg Terminal to help determine the liquidity available for assembling deliverable baskets.

❸ Calculate a basket's NAV and know when a basket matches criteria and constraints for good delivery.

## COMPREHENSIVE SOLUTION

BSKT <GO> is fully integrated with the Bloomberg Professional service, including Bloomberg Trading Solutions Order Execution (TSOX), Portfolio Risk & Analytics (PORT) and Fixed Income Trading Solutions (FIT).

## LEARN MORE

To learn more, contact your regional representative.

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