markit®

Markit iBoxx Global Developed Markets High Yield Capped Index family

Independent, objective and transparent coverage and insight across all asset classes

The Markit iBoxx Global Developed Markets Liquid High Yield Capped Index Family is designed to reflect the performance of the global developed liquid high yield debt market.

Markit Indices are widely used as benchmarks by investors and asset managers. They benefit from multiple-contributor pricing from selected leading financial institutions, which also provide support to the index family in research and trading.

Inclusion criteria

Bond types	**Eligible:** Fixed coupon bonds, step-up bonds with coupon schedules known at issuance (or as functions of the issuer's rating), bonds with sinking funds, medium term notes, callable and putable bonds. 144A offerings are available for CAD, GBP and USD but RegS offerings are not. RegS offerings are available for EUR but 144A offerings are not.
	Excluded: Preferred shares, convertible bonds, bonds with other equity features attached (e.g., options/warrants), perpetual bonds, floating rate notes, pay-in kind bonds (during the pay-in-kind period), zero coupon bonds and zero step-ups, RegS offerings for CAD and GBP, Rule 144A offerings for EUR.
Issuer domicile	Bonds from countries classified as developed markets based on the Markit Global Economic Development Classification are eligible for the index. The issuer or, in the case of a finance subsidiary, the issuer's guarantor, must be domiciled and the country of risk must be in Andorra, Australia, Austria, Belgium, Bermuda, Canada, Cayman Islands, Cyprus, Denmark, Faeroe Islands, Finland, France, Germany, Gibraltar, Greece, Hong Kong, Iceland, Ireland, Italy, Japan, Liechtenstein, Luxembourg, Malta, Monaco, Netherlands, New Zealand, Norway, Portugal, San Marino, Singapore, Spain, Sweden, Switzerland, United Kingdom, United States.
Issuer Size	USD $1 billion, no issuer size restrictions for EUR, CAD and GBP bonds
Minimum time to maturity	1.5 years to maturity for new bonds, 1 year for existing index constituents
Time to maturity at issuance	15 years or less
Amount outstanding	– CAD 100 million for CAD denominated bonds – EUR 250 million for EUR denominated bonds – GBP 250 million for GBP denominated bonds – USD 400 million for USD denominated bonds
Rating	All bonds need to have an average rating of sub-investment grade. Ratings from Fitch Ratings, Moody's Investor Service and Standard & Poor's Rating Services are considered. If more than one agency provides a rating, the average rating is attached to the bond.
Capping	**Issuer Cap:** 3%
	RegS/144A cap: 10%
Lockout period	3 months
Minimum run	6 months

$1 Trillion
OTC value linked to Markit Indices

$47 Billion
in ETFs with Markit Fixed Income

8,000
bonds priced daily by
10 contributing banks

100+
licensed banks globally

Clients

Investment banks

Asset managers

Hedge funds

Insurance companies

More information

For more information on Markit indices, including access to index constituent data or to license any index for use as the basis of a financial product, please contact us at **iboxx@markit.com**, visit our website at **markit.com/indices** or call one of our regional offices:

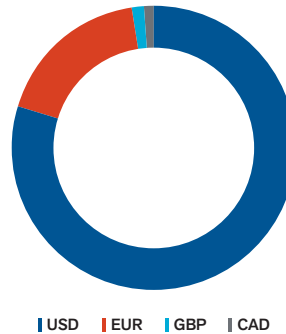|	
London	+44 20 7260 2000
New York	+1 917 441 6658
Dallas	+1 972 560 4420
Sydney	+61 2 8076 1111
Tokyo	+81 3 6402 0130
Singapore	+65 6922 4200
Frankfurt	+49 69 299 868 140
Amsterdam	+31 20 502 5800

markit.com

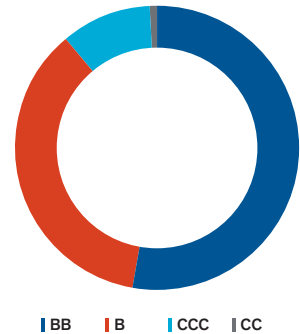# Markit iBoxx Global Developed Markets High Yield Capped Index family

Index details

Pricing sources	Barclays Capital, BNP Paribas, Deutsche Bank, Goldman Sachs, JP Morgan, Morgan Stanley, Royal Bank of Scotland and UBS.
Calculation frequency	Daily at approximately 4:00pm EST
Rebalancing	Monthly in accordance with rules available on **www.markit.com/indices**
Base date	31 December 2011
Bond weighting	Market capitalisation

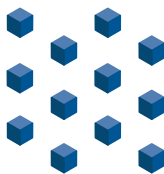### Currencies

▌USD ▌EUR ▌GBP ▌CAD
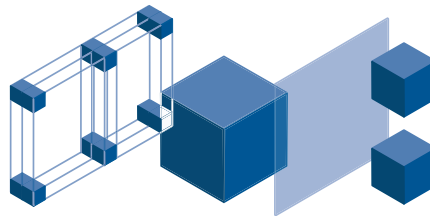
Ratings

▌BB ▌B ▌CCC ▌CC

Construction

Markit iBoxx Indices multi-dealer pricing contributions and rigorous data checks provide the clearest view of the market.
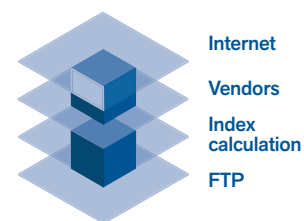
Raw quotes

Checking, consolidating and parsing

Individual checks

Internet

Vendors

Index calculation

FTP

Research & design	**Quality control**		**Distribution**
Index rules	Manage rebalancing process	Receive daily price data	Index and data publication
Market research documentation	Index research and previews	Price cleaning and control	Feeds to vendors
Index calculation methodology	Custom index development	Price consolidation	Vendor management
Data procurement	Daily control of constituent lists	Quality reporting and control	
Prototyping and testing	Client services	Index and analytics calculation	
Project management	Reference database control	Challenge process	