

*Frequently Asked Questions***1. Why were the S&P/ASX Fixed Income Indices launched?**

The S&P/ASX Fixed Income Indices were introduced to complement the existing S&P/ASX Equity Indices family, which offers heightened transparency for equities. S&P Indices and ASX [Australian Securities Exchange] have a long history in servicing both debt and equity markets in domestic and international markets. S&P Indices, together with ASX, is a leading provider of benchmark indices for the Australian market.

2. Which indices are currently included in the S&P/ASX Fixed Income Indices family?

The S&P/ASX Australian Fixed Income Indices include:

- S&P/ASX Australian Fixed Interest Index
- S&P/ASX Bank Bill Index

These indices are designed to track investable, investment-grade, Australian dollar-denominated, locally-issued bonds and bills, respectively.

3. What portion of the market do these indices track?

The **S&P/ASX Australian Fixed Interest Index** is the flagship Australian bond index and measures the performance of Australian fixed rate bonds that meet specific investability criteria, with maturity dates greater than one year. Offered across defined maturity buckets and sector level indices, the index is designed to be a broad benchmark index serving the performance attribution and benchmarking needs of the investment community.

Maturity bucket indices for the S&P/ASX Australian Fixed Interest Index include:

- 1 - 5 Year Index
- 5 - 10 Year Index
- 10 - 15 Year Index
- 15+ Year Index

Sector level indices include:

- S&P/ASX Government Bond Index
- S&P/ASX Commonwealth Government Bond Index
- S&P/ASX State-Government Bond Index
- S&P/ASX Corporate Bond Index
- S&P/ASX Supranational and Sovereign Bond Index

The **S&P/ASX Bank Bill Index** offers short-term exposure to Australian dollar-denominated bank bills with maturity profiles of up to three months. This index is designed for use by institutional investment managers, mutual fund managers and professional advisors.

4. How are the indices constructed?

The S&P/ASX Australian Fixed Interest Index and its sub-indices are market value-weighted indices. The S&P/ASX Bank Bill Index uses a composite of bank bill rates to track the bank bill market. For complete index methodologies, visit www.indices.standardandpoors.com.

5. What makes these indices different from other Australian fixed income indices?

The S&P/ASX Fixed Interest Index uses multi-dealer source pricing to evaluate bond value. Whereas many similar indices use a single-dealer pricing method, which reflects just one dealer's perspective, the S&P/ASX Fixed Interest Indices take the views of multiple dealers into consideration, with the intent of minimizing tracking error caused by differences in the bond price as stated by the index and the actual bond transaction price.

The S&P/ASX Fixed Interest Indices use bond pricing from YieldBroker¹. YieldBroker collects bond pricing from multiple dealers, resulting in market-to-market pricing that is reflective of actual bond transactions in the OTC market.

The S&P/ASX Australian Bank Bill Index is designed to reflect the bank bill market by interpolating four Overnight Cash Rates using the Cubic Spline method on a daily basis.

6. In which currency are the S&P/ASX indices calculated?

The indices are currently available in Australian dollar [AUD] only. However, we are considering several hedged versions including the Yen, Euro, Canadian dollar and U.S. dollar versions.

7. How often are the indices rebalanced?

The S&P/ASX Australian Fixed Interest Index is reviewed and rebalanced on a monthly basis. The S&P/ASX Bank Bill Index is reviewed and rebalanced on a weekly basis.

8. When do index changes occur and when are they announced?

Index changes are effective after the close on the last business day of the month. For the S&P/ASX Fixed Interest Index and its sub-indices, pro-forma changes are published after the close of business, and no earlier than three business days prior to the last business day of the month. Final changes are published one business day prior to the last business day of the month.

The S&P/ASX Bill Index series is normally reviewed and rebalanced on a weekly basis. The rebalancing occurs at each Tuesday's market close, or the previous business day if Tuesday is a non-business day.

9. Are the constituents of the indices available?

Yes, each index's constituents are available via FTP on both a daily and monthly basis.

10. When are the index levels published and what index-level data is available on a daily basis?

Index levels for the S&P/ASX Australian Fixed Interest Index and its sub-indices are published daily after the market close, at approximately 5.30 p.m. Australian Eastern Standard Time. On a daily basis, the indices generate key data sets, heightening the transparency of these primarily Over-the-Counter [OTC] markets.

The following data is available on a daily basis for the S&P/ASX Australian Fixed Interest Index:

- Weighted Average Yield
- Weighted Average Price
- Weighted Average Modified Duration

¹ For more information about Yieldbroker, see their website at www.yieldbroker.com.

- Weighted Average Years to Maturity
- Weighted Average Coupon
- Total Market Value
- Total Par Value

The following data is available on a daily basis for the S&P/ASX Bank Bill Index:

- Weighted Average Yield
- Weighted Average Modified Duration
- Weighted Average Maturity

11. How much data history is available and how can I gain access?

The indices have a history dating back to December 31, 2004. All index data prior to October 13, 2011 is pro-forma. Index data is available on our website at www.indices.standardandpoors.com, the dedicated SPXF page on Bloomberg and IRESS.

Additional daily index data is available via FTP by subscription. For further information, please refer to our website at www.indices.standardandpoors.com.

Key Data Tickers

Index (Total Return Index)	Bloomberg	IRESS
S&P/ASX Government Bond Index	SPBDAGVT	SPBDAGVT
S&P/ASX Commonwealth Government Bond Index	SPBDAGCT	SPBDAGCT
S&P/ASX State-Government Bond Index	SPBDAGST	SPBDAGST
S&P/ASX Corporate Bond Index	SPBDACPT	SPBDACPT
S&P/ASX Supranational and Sovereign Bond Index	SPBDASAT	SPBDASAT
S&P/ASX Australian Fixed Interest Index	SPBDASXT	SPBDASXT
S&P/ASX Australian Fixed Interest 1-5 Year Index	SPBDAS1T	SPBDAS1T
S&P/ASX Australian Fixed Interest 5-10 Year Index	SPBDAS5T	SPBDAS5T
S&P/ASX Australian Fixed Interest 10-15 Year Index	SPBDA10T	SPBDA10T
S&P/ASX Australian Fixed Interest 15 Year + Index	SPBDA15T	SPBDA15T
S&P/ASX Bank Bill Index	SPBDABBT	SPBDABBT

12. Where can I find factsheets and methodologies for the S&P/ASX indices?

Factsheets and detailed methodology documents are available at www.indices.standardandpoors.com.

13. What other S&P/ASX Indices are available?

S&P Indices partnered with ASX in 2000 to produce a broad range of co-branded S&P/ASX equity indices. Since then, over 90 domestic indices have been created, the most well-known being the S&P/ASX 200. The index covers approximately 78% of Australian equity market capitalization.

In conjunction with ASX, S&P Indices continues to introduce new and innovative indices. S&P Indices is one of the world's leading index providers and maintains a wide variety of benchmark indices to meet an array of investor needs. Over \$4 trillion is benchmarked to S&P indices, which include the S&P 500®, the world's most followed stock market index.

14. Does S&P Indices create and calculate custom indices?

Yes, it is possible to customize indices. Please contact index_services@standardandpoors.com for further information or visit www.standardandpoors.com/indices/custom-indices.

15. Where can I obtain additional information and information on licensing?

Please visit www.indices.standardandpoors.com, contact index_services@standardandpoors.com or call 02.9225.9822.

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