

SOLUTION OVERVIEW

FTSE Emerging Markets Fixed Income Indices



Overview

FTSE Russell has developed a comprehensive suite of Emerging Market indices to support investors through these fast-evolving markets. The solution set covers a wide range of geographies across both frontier and emerging markets, delivering market-weighted indices, sustainable investment overlays and hold to maturity strategies.

Investors can be deliberate with their exposures to frontier versus mainstream emerging markets, balance various financial objectives with ESG overlays, target short duration exposures without forced-selling at the one-year to maturity mark, while being supported by a robust set of index-level and bond-level analytics.

Comprehensive country coverage

FTSE Emerging Markets Government Bond Index		FTSE Frontier Emerging Markets Government Bond Index	
Brazil	Peru	Bangladesh	Morocco
Chile	Philippines	Costa Rica	Nigeria
China	Poland	Dominican Republic	Pakistan
Colombia	Romania	Egypt	Serbia
Hungary	Thailand	Ghana	Ukraine
Indonesia	Turkey	Kenya	Vietnam
Mexico	South Africa	Kazakhstan	
Malaysia	Saudi Arabia	Sri Lanka	

Countries tracked as of January 2023. Country indices can be used as building blocks to deliver target custom exposures. FTSE Russell continually assesses nascent markets to expand coverage on an ongoing basis.

FTSE Russell produces universal tracker files in each regional package, to facilitate tracking of individual markets that may not be included in flagship aggregate Emerging Market indices, such as India and Qatar.

Features

Transparency and objectivity

Based on transparent and objective rules, our emerging market indices strike a balance between comprehensiveness and replicability.

Ease of customization

A unified methodology across markets, granular sub-indexing capability and flexible datasets enable investors to use FTSE Russell indices as building blocks for customized benchmarks to meet their unique investment objectives.

Strong governance

FTSE Russell has a long history of implementing robust index governance practices. We are committed to leading global best practice standards in index governance.

Innovative core and ESG frameworks

FTSE Russell pioneered the first Frontier Emerging Markets Government Bond Index, and has launched a series of ESG Emerging Markets Government Bond Indices, calibrating to emerging market-specific ESG risks and considerations.

Quality pricing and reference data

LSEG Data & Analytics is a market leader in evaluated pricing, an independent third party pricing provider with a transparent, robust methodology.



**FTSE
RUSSELL**
An LSEG Business

Breadth and depth of emerging market coverage

Our comprehensive range of indices offer broad emerging market coverage and extensive history for each index. In addition to standard benchmark solutions that track bonds with maturities greater than one year, 0+ versions of all market value-weighted indices are available. To support index users in volatile markets, the FTSE 0+ indices track the universe of securities that meet the eligibility criteria for existing emerging market indices through to maturity, providing both the short-term view, as well as hold-to-maturity functionality.

Index	Description	Base date
FTSE Emerging Markets Government Bond Index (EMGBI)	Local currency government bonds from EM as defined by the FTSE Fixed Income Country Classification Framework. A 10% per country capped version is available.	Dec 31, 2007
FTSE Frontier Emerging Markets Government Bond Index Series (FRNTEMGBI)	Local currency government bonds from frontier EM as defined by the FTSE Fixed Income Country Classification Framework. A 10% per country capped version is available.	Dec 31, 2017
FTSE Emerging Markets Inflation-Linked Securities Index (EMILSI)	Local currency inflation-linked government bonds from EM as defined by the FTSE Fixed Income Country Classification Framework.	Mar 31, 2008
FTSE Emerging Markets US Dollar Government Bond Index (EMUSDGBI)	Hard currency government bonds issued by governments in over 60 emerging markets.	Mar 31, 1995
FTSE Emerging Markets US Dollar Broad Bond Index (EMUSDBBI)	Investment-grade and high-yield US dollar-denominated debt issued by governments, regional governments, government-sponsored entities and corporations domiciled in over 60 emerging markets.	Dec 31, 2012
FTSE ESG Emerging Markets US Dollar Government Bond Index (ESG EMUSDGBI)	Incorporates a tilting methodology that adjusts index weights of the FTSE EMUSDGBI according to each country's relative ESG performance.	Dec 31, 2009
FTSE ESG Emerging Markets Government Bond Index – Capped (ESG EMGBI-C)	Incorporates a tilting methodology that adjusts index weights for the FTSE EMGBI-Capped according to each country's relative ESG performance.	Mar 31, 2011

FTSE Fixed Income country classification framework

FTSE Russell adopts a formal fixed income country classification framework to assess local government bond markets' index eligibility in a consistent and logical way. We summarize the results in a scoring system that assigns an accessibility level of 0 (lowest), 1 or 2 (highest) to each local currency bond market. In conjunction with market size, quality, and other criteria, this level determines eligibility for the FTSE EMGBI (minimum level 1) and FTSE FRNTEMGBI (minimum level 0).

To help index users anticipate future changes in a country's foreign accessibility level, countries under review for potential reclassification are placed on a watch list. Every March and September, FTSE Russell announces the results of the review. The ensuing inclusion of a country in any index will be announced with at least six months' notice.

The transparent nature of this process allows for open engagement between FTSE Russell and local central banks or regulators, to pass on investor feedback or advising on the changes needed for a level upgrade, while simultaneously providing portfolio managers with a clear view of expected index evolution.

Disclaimer

© 2023 London Stock Exchange Group plc and its applicable group undertakings ("LSEG"). LSEG includes (1) FTSE International Limited ("FTSE"), (2) Frank Russell Company ("Russell"), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, "FTSE Canada"), (4) FTSE Fixed Income Europe Limited ("FTSE FI Europe"), (5) FTSE Fixed Income LLC ("FTSE FI"), (6) The Yield Book Inc ("YB") and (7) Beyond Ratings S.A.S. ("BR"). All rights reserved.

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, YB and BR. "FTSE", "Russell", "FTSE Russell", "FTSE4Good", "ICB", "The Yield Book", "Beyond Ratings" and all other trademarks and service marks used herein (whether registered or unregistered) are trademarks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, YB or BR. FTSE International Limited is authorised and regulated by the Financial Conduct Authority as a benchmark administrator.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG, from sources believed by it to be accurate and reliable. Because of the possibility of human and mechanical error as well as other factors, however, such information and data is provided "as is" without warranty of any kind. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or of results to be obtained from the use of FTSE Russell products, including but not limited to indexes, data and analytics, or the fitness or suitability of the FTSE Russell products for any particular purpose to which they might be put. Any representation of historical data accessible through FTSE Russell products is provided for information purposes only and is not a reliable indicator of future performance.

No responsibility or liability can be accepted by any member of LSEG nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any error (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analyzing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG nor their respective directors, officers, employees, partners or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indexes cannot be invested in directly. Inclusion of an asset in an index is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

The information contained in this report should not be considered "research" as defined in recital 28 of the Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council ("MiFID II") and is provided for no fee.

Past performance is no guarantee of future results. Charts and graphs are provided for illustrative purposes only. Index returns shown may not represent the results of the actual trading of investable assets. Certain returns shown may reflect back-tested performance. All performance presented prior to the index inception date is back-tested performance. Back-tested performance is not actual performance, but is hypothetical. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. However, back-tested data may reflect the application of the index methodology with the benefit of hindsight, and the historic calculations of an index may change from month to month based on revisions to the underlying economic data used in the calculation of the index.

This document may contain forward-looking assessments. These are based upon a number of assumptions concerning future conditions that ultimately may prove to be inaccurate. Such forward-looking assessments are subject to risks and uncertainties and may be affected by various factors that may cause actual results to differ materially. No member of LSEG nor their licensors assume any duty to and do not undertake to update forward-looking assessments.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, YB, BR and/or their respective licensors.

About FTSE Russell

FTSE Russell is a leading global provider of index and benchmark solutions, spanning diverse asset classes and investment objectives. As a trusted investment partner we help investors make better-informed investment decisions, manage risk, and seize opportunities.

Market participants look to us for our expertise in developing and managing global index solutions across asset classes. Asset owners, asset managers, ETF providers, and investment banks choose FTSE Russell solutions to benchmark their investment performance and create investment funds, ETFs, structured products, and index-based derivatives. Our clients use our solutions for asset allocation, investment strategy analysis and risk management, and value us for our robust governance process and operational integrity.

For over 35 years, we have been at the forefront of driving change for the investor, always innovating to shape the next generation of benchmarks and investment solutions that open up new opportunities for the global investment community.

To learn more, visit lseg.com/ftse-russell; email info@ftserussell.com; or call your regional Client Service team office:

EMEA +44 (0) 20 7866 1810

North America +1 877 503 6437

Asia-Pacific

Hong Kong +852 2164 3333

Tokyo +81 (3) 6441 1430

Sydney +61 (0)2 7228 5659



**FTSE
RUSSELL**
An LSEG Business