

Markit iBoxx GBP Benchmark Indices

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

The Markit iBoxx GBP Benchmark Indices represent the investment grade fixed-income market for Sterling-denominated bonds.

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.

\$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

Index structure

Overall			
Gilts	Non-gilts		
	Sovereigns & Sub-sovereigns	Collateralised	Corporates
	Sovereigns	Securitised	Financials
	Sub-sovereigns	ABS	4 industries
	Agencies	MBS	Non-financials
	Public banks	Whole business	9 sectors
	Regions	Covered	15 industries
	Supranationals	Other collateralised	Senior
	Other Sub-sovereigns		Subordinated
Maturity & rating indices			

Clients

Investment banks
Asset managers
Hedge funds
Insurance companies

Inclusion criteria

Bond types	<p>Eligible: Fixed coupon bonds, zero coupon bonds, amortising bonds and sinking funds with a fixed sinking schedule, step-ups and step-up callable bonds, callable/puttable and extendable bonds with European options, event-driven bonds (rating or tax-driven with a maximum of one coupon change per period), callable dated and undated subordinated corporate debt, soft bullets.</p> <p>Excluded: Other bonds with American options and undated bonds, floating rate notes and other fixed-to-floater bonds, CDOs and bonds collateralised by CDOs, retail bonds, bonds with differences between accrual period, coupon period and monthly paying bonds and optionally and mandatory convertible bonds.</p>
Minimum time to maturity	1 year
Amount outstanding	<p>Gilts: GBP 2 billion</p> <p>Non-gilts: GBP 100 million</p>
Rating	<p>Gilts: No rating requirement.</p> <p>Non-gilts: All bonds need to have an average rating of 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.</p>
Collateralised bond classification	<p>Covered: Bonds structured according to UCITS 22.4</p> <p>Securitised: ABS, MBS and Whole Business Securitisations, no CDOs</p>

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:

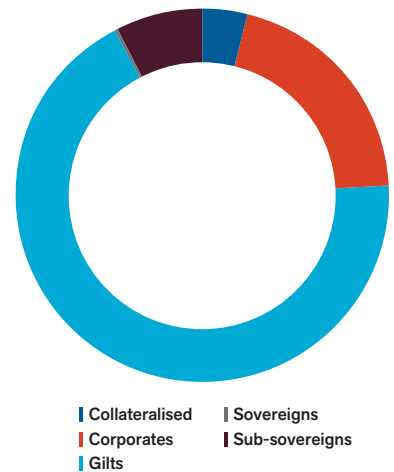
London	+44 20 7260 2000
New York	+1 917 441 6658
Dallas	+1 972 560 4420
Sydney	+61 2 8076 1100
Tokyo	+81 3 6402 0130
Singapore	+65 6922 4200
Frankfurt	+49 69 299 868 140
Amsterdam	+31 20 502 5800

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Index details

Pricing sources	Barclays Capital, BNP Paribas, Commerzbank, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, and UBS.
Calculation frequency	Major indices calculated once per minute; others daily
Rebalancing	Monthly in accordance with rules available on www.markit.com/indices .
Standard rating indices	AAA, AA, A, BBB
Standard maturity bands	1-3, 1-5, 1-10, 1-15, 3-5, 5+, 5-7, 5-10, 5-15, 7-10, 10+, 10-15, 15+, 25+
Base date	31 December 1997
Bond weighting	Market capitalisation

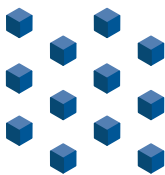
Index Weights as of 30 June 2012



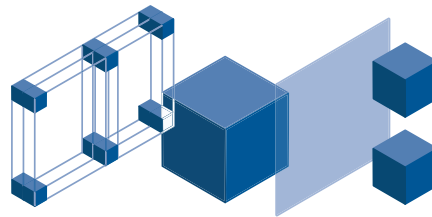
Construction

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

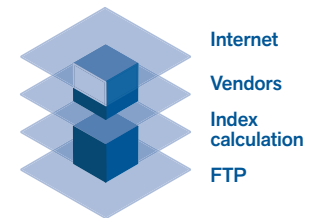
Raw quotes



Checking, consolidating and parsing



Individual checks



Research & design

Index rules
Market research documentation
Index calculation methodology
Data procurement
Prototyping and testing
Project management

Quality control

Manage rebalancing process
Index research and previews
Custom index development
Daily control of constituent lists
Client services
Reference database control

Receive daily price data
Price cleaning and control
Price consolidation
Quality reporting and control
Index and analytics calculation
Challenge process

Distribution

Index and data publication
Feeds to vendors
Vendor management