Markit iBoxx GBP Liquid Corporates Large Cap Index

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

The Markit iBoxx GBP Liquid Corporates Large Cap Index consist of liquid GBP investment grade corporates bonds, selected to provide a balanced representation of the broad GBP investment grade corporate bond universe.

The index is used as a basis for tradable products, including ETFs. Multi-contributor pricing and support for the index from leading financial institutions ensure that the index is a tradable reflection of the GBP corporate investment grade bond market.

Inclusion criteria

| Bond types | Included: Fixed coupon, step-ups, rating-driven bonds, non-callable lower tier 2 bonds. |
| Excluded: Zero coupon, sinking funds, perpetual bonds, floating rate notes, fixed-to-floating bonds and other callable bonds. |
| Minimum time to maturity | 18 months at index inclusion, 1 year for existing index bonds |
| Amount outstanding | GBP 300m |
| Rating | 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. |
| Issuer size | GBP 750m |
| Issuer cap | 4% |
| Lockout period | 3 months |
| Minimum run | 6 minimum run |

$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
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Index details

- **Pricing sources**: Barclays Capital, BNP Paribas, Commerzbank, Deutsche Bank, Goldman Sachs, HSBC, J.P. Morgan, Morgan Stanley, Royal Bank of Scotland, and UBS.
- **Calculation frequency**: Daily after 16.15 London time
- **Base date**: December 31, 2012
- **Bond weighting**: Market capitalisation

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

See the figure for a visual representation of the process.