

J.P. Morgan Government Bond Index United States 1-3 Year Select Maturity (GBIE13US)

Index Methodology and Profile

Highlights

The J.P. Morgan Government Bond Index (GBI) United States 1-3 Year aims to track the performance of eligible fixed-rate, US Dollar-denominated treasury bonds issued by the United States Government with time to maturity between 1 and 3 years. The index is based on the composition and established methodology of the J.P. Morgan Government Bond Index (GBI).

Index Criteria

| | |
|----------------------------|---|
| Instrument Type | Included: Liquid, bullet, fixed-rate coupon bonds Excluded: Callable, puttable, inflation linked or convertible features |
| Remaining Maturity | Remaining maturity at rebalance is at least 13 months and less than 3 years |
| Amount Outstanding | Minimum US\$1 billion |
| Currency | US Dollar denominated |
| Country Eligibility | Issued by the United States Government |

Index Characteristics and Methodology

| | |
|-------------------------|--|
| Pricing | Bid and Ask prices are taken from a third party pricing source |
| Aggregate Return | Weighted average of bond returns using closing mid prices |
| Rebalancing | Rebalances on the last weekday of the month. If FX rates from WM Reuters are unavailable on the last weekday of the month (i.e. Good Friday), indices are rebalanced on the previous business day. |
| Holiday Calendar | Calculated on every weekday |
| Coupon Treatment | Immediately reinvested back into the index |
| FX Rates | All FX rates are as of 4pm London time provided by WM Reuters |

Defining the universe of the Government Bond Index United States instruments

The J.P. Morgan Government Bond Index (GBI) United States Index consists of regularly traded, fixed-rate, US Dollar-denominated treasury bonds issued by the United States Government.

Eligibility for US Dollar-denominated domestic debt issues is determined using the following criteria:

Instrument Type

The index only includes liquid, bullet, fixed-rate coupon instruments. Floating-rate, inflation linked, and capitalizing/amortizing bonds are not eligible for index inclusion. Additionally, bonds with callable, puttable or convertible features are not part of the indices.

Liquidity

- *Pricing*: Bonds must trade with enough frequency to prevent stale price quotations. Regular pricing must be available through the primary third-party pricing source.
- *Availability*: Bonds must be regularly traded in size at acceptable bid-offer spreads and readily redeemable for cash. A reasonable two-way market must exist for the instrument to be included in the index portfolio.
- *Replication costs*: Investors should be able to replicate the index without incurring excessive transaction costs.

Index Profile, Characteristics and Returns

- As of Nov 30th, 2020, the Government Bond Index (GBI) United States 1-3 Year Select Maturity contains 89 bonds.
- The average index yield is 0.15% with an average duration of 1.99 years.

Where to find the index data

| | |
|------------------|--|
| Bloomberg Ticker | GBIE13US |
| DataQuery | DB(BIGI,US,13M3Y,TR,,LOC) |
| Morgan Markets | www.jpmm.com |
| | Research -> Index-> GBI Aggregate Index Family |

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