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November 2014

Government Bond Index - Emerging Markets Series (GBI-EM^{SM})

Product Overview

GBI-EM Broad | GBI-EM Global | GBI-EM | GBI-EM Broad Div | GBI-EM Global Div | GBI-EM Div | GBI-EM Global Div- IG

Highlights:

The J.P. Morgan GBI EM series provides a comprehensive measure of local currency denominated, fixed rate, government debt issued in Emerging Markets. The three main composite indices are GBI-EM, GBI-EM Global and GBI-EM Broad, each having a Diversified version. The series is available in a number of different segments and breakouts including - maturity sectors, regions, individual countries as well as hedged and unhedged in certain currencies. Returns and Statistics are available from Jan 2002 for regular GBI EM series and from Jan 2003 for the Diversified versions.

Instrument Inclusion Criteria:

Instrument type:	Liquid, fixed-rate Liquid, fixed-rate, bullet bonds government securities.
Issuer Type:	Government debt issued in Emerging Markets
Remaining maturity:	At rebalance, bonds must have at least 13 months remaining until maturity
Currency:	Local currency of each included market
Country:	Index Entry: A country's GNI per capita must be below the JPMorgan defined Index Income Ceiling (IIC)* for 3 consecutive years Index Exit: If a country's GNI per capita is above the Index Income Ceiling (IIC) for three consecutive years as well as the country's long term local currency and the sovereign credit rating (the available ratings from all three agencies: S&P, Moody's & Fitch) is A-/A3/A- (inclusive) or above for three consecutive years

Index Characteristics and Methodology:

Pricing:	Mid prices are taken from a third party pricing source[1]
Country Return:	Country level total return is calculated as a market-weighted average of bond returns using previous-day weights
Aggregate Return:	Aggregate level total return is calculated as a weighted average of rebalance-to-date country returns using end-of-month weights
Aggregate Weights:	Country weights are determined by market value on the rebalance date and are used with rebalance- to-date returns to aggregate intra-month
Rebalancing:	Rebalances on the last weekday of the month (including holidays)
Coupon Treatment:	Indices are fully invested—all coupons received are immediately reinvested into the respective local market
FX Rates:	All FX rates used for hedged/unhedged returns are as of 4pm London time provided by WM/Reuters
Credit Rating:	Average Moody's/S&P/Fitch rating as of October 2014 - GBI-EM Diversified (Baa2/BBB+/BBB+), GBI-EM Global Diversified (Baa1/BBB+/BBB+), GBI-EM Broad Diversified (Baa1/BBB+/BBB+)

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Government Bond Index Series (GBI℠)

Product Overview

GBI Global | GBI Broad | GBI Global IG | GBI Broad IG

Highlights:

The J.P. Morgan GBI series provides a comprehensive measure of local currency denominated fixed rate government debt issued in developed markets. The global series tracks 13 countries and the broad series tracks 27 countries. The series is available in a number of different segments and breakouts including - maturity sectors and individual countries as well as hedged and unhedged in over twenty currencies.

Instrument Inclusion Criteria:

Instrument type:	Liquid, fixed-rate, domestic issue, bullet bond government securities
Issuer Type:	Government debt issued in Developed Markets
Remaining maturity:	At rebalance, bonds must have at least 13 months remaining until maturity
Amount Outstanding:	There is no minimum size requirement. However, liquidity requirements usually have the effect of excluding the relatively smaller issues in each market.
Currency:	Local currency of each included market

Index Characteristics and Methodology:

Pricing:	Mid prices are taken from a third party pricing source[1]
Country Return:	Country level total return is calculated as a market-weighted average of bond returns
Aggregate Return:	Aggregate level total return is calculated as a weighted average of rebalance-to-date country returns using first-of-month weights
Aggregate Weights:	Country weights are determined by market value on the rebalance date and are used with rebalance-to-date returns to aggregate intra-month
Rebalancing:	Rebalances on the last weekday of the month (including holidays)
Coupon Treatment:	Indices are fully invested—all coupons received are immediately reinvested into the respective local market
FX Rates:	All FX rates used for hedged/unhedged returns are as of 4pm London time provided by WM/Reuters
Country Domicile:	All bonds are domiciled in the issuing country
Credit Rating:	Not Applicable - Currently the credit rating for the GBI series is not tracked

Beta Exposure Options:

GBI Series Index	Products
Global	J.P. Morgan offers Total Return Swaps against this index.
EMU	J.P. Morgan offers Total Return Swaps against this index.
European	J.P. Morgan offers Total Return Swaps against this index.

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Emerging Markets Bond Index Family (EMBI[SM])

Product Overview

EMBI Global | EMBIG Diversified | EMBIG Diversified IG/HY | EMBIG Diversified Sov

Highlights:

The J.P. Morgan EMBI Global/ EMBI Global Diversified series comprises of USD denominated Brady bonds, Eurobonds and Traded loans issued by sovereign and quasi sovereign entities. The Diversified version limits the weights of the index countries by only including a specified portion of those countries' eligible current face amounts of debt outstanding. This provides a more even distribution of weights within the countries in the index. The EMBI+ series also tracks the universe of emerging markets bonds but places a stricter liquidity requirement rule for inclusion. In addition quasi-sovereigns are not included in the EMBI+. The Returns and Statistics are available from Dec 1993.

Instrument Inclusion Criteria:

Instrument type:	Includes both fixed and floating rate securities along with capitalizing/amortizing bonds or loans. Excludes convertibles, inflation-linked instruments and sukuk instruments.
Issuer Type:	Only those bonds or loans issued by sovereign and quasi sovereign entities are eligible in the index. Quasi sovereign entities are defined as being 100% guaranteed or 100% owned by the government. Instruments issued by municipalities or provinces that meet this criteria are eligible for inclusion.
Remaining maturity:	Only those instruments with at least 2.5 years until maturity are considered for inclusion. Once added, an instrument may remain in the index until 12 months before it matures.
Amount Outstanding:	Only issues with a current face amount outstanding of $500 million or more are considered for inclusion
Currency:	Only USD denominated bonds are included. Instruments where the amount of coupon or redemption payment is linked to an exchange rate are not eligible for inclusion.
Country:	Index Entry: A country's GNI per capita must be below the JPMorgan defined Index Income Ceiling (IIC) for 3 consecutive years. Index Exit: If a country's GNI per capita is above the Index Income Ceiling (IIC) for three consecutive years as well as the country's long term local currency sovereign credit rating (the available ratings from all three agencies: S&P, Moody's & Fitch) is A-/A3/A- (inclusive) or above for three consecutive years.

Index Characteristics and Methodology:

Pricing:	Bid and Ask prices are taken from a third party pricing source[1]
Aggregate Return:	Index/Country level total return is calculated as a market-weighted average of bond returns using bid side prices
Rebalancing:	Rebalances on the last US business day of the month
Coupon Treatment:	All coupons received are immediately reinvested into the index
FX Rates:	All FX rates used for hedged/unhedged returns are as of 4pm London time provided by WM/Reuters
Credit Rating:	Average Moody's/S&P rating as of October 2014 - EMBI Global (Baa3/BBB-), EMBI Global Diversified (Baa3/BBB-), EMBI+ (Baa3/BB+)

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Corporate Emerging Market Bond Index (CEMBI[SM])

Product Overview

CEMBI | CEMBI Broad | CEMBI Div | CEMBI Broad Div | CEMBI Broad IG/HY | CEMBI Broad Div IG/HY

Highlights:

The J.P. Morgan CEMBI/CEMBI Broad index series was created in response to investor demand for a liquid global emerging market corporate benchmark and the rapid increase in corporate issuance. The Diversified versions of the CEMBI/CEMBI Broad indices limits the weights of the index countries by only including a specified portion of those countries' eligible current face amounts of debt outstanding. This provides a more even distribution of weights within the countries in the index. Returns and statistics for the CEMBI family are available beginning December 31, 2001.

Instrument Inclusion Criteria:

Instrument type:	CEMBI series includes fixed rate securities and CEMBI Broad includes fixed, floating, amortizing and capitalizing instruments
Issuer Type:	Only those bonds issued by corporate entities are eligible in the index. Instruments issued by sovereign or quasi sovereign entities are not eligible for inclusion.
Remaining maturity:	Only those instruments with at least 5 years until maturity are considered for inclusion. Once added, an instrument may remain in the index until 12 months before it matures for the CEMBI Broad/ Diversified indices and 3 years for the CEMBI/ Diversified indices.
Amount Outstanding:	Bonds with face amt out of $500 million or more are considered for inclusion for CEMBI/Diversified and those with $300 million or more are considered for CEMBI Broad/Diversified.
Currency:	Only USD denominated bonds are included. Instruments where the amount of coupon or redemption payment is linked to an exchange rate are not eligible for inclusion.
Country:	The CEMBI/ Broad includes a specific set of emerging markets countries. We monitor a distinct set of countries falling in Asia ex-Japan, Eastern Europe, the Middle East and Latin America.

Index Characteristics and Methodology:

Pricing:	Bid and Ask prices are taken from a third party pricing source[1]
Aggregate Return:	Index/Country level total return is calculated as a market-weighted average of bond returns using bid side prices
Rebalancing:	Rebalances on the last US business day of the month
Coupon Treatment:	All coupons received are immediately reinvested into the index
Exclusion Criteria:	Default of a bond will force its removal from the CEMBI index series. The instrument will be removed on the month-end after the grace period unless there is an official documentation claiming moratorium.
FX Rates:	All FX rates used for hedged/unhedged returns are as of 4pm London time provided by WM/Reuters
Credit Rating:	Average Moody's/S&P rating as of October 2014 - CEMBI (Baa2/BBB), CEMBI Diversified (Baa2/BBB), CEMBI Broad (Baa2/BBB), and CEMBI Broad Diversified (Baa2/BBB)

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Next Generation Markets Index (NEXGEM℠)

Product Overview

Highlights:

The J.P. Morgan Next Generation Markets Index tracks USD-denominated debt issued by sovereign and quasi-sovereign next generation issuers. The index provides a benchmark for the smaller, less liquid population of emerging market credits, where investment opportunities in external debt markets are limited relative to the larger, more traditional emerging economies where external debt issuance is frequent and large. NEXGEM was launched in November 2011 and the returns and statistics for the index are available beginning December 31, 2001.

Instrument Inclusion Criteria:

Instrument type:	Includes both fixed and floating rate securities along with amortizing/capitalizing bonds or loans
Issuer Type:	Only those bonds or loans issued by sovereign and quasi sovereign entities are eligible in the index. Quasi sovereign entities are defined as being 100% guaranteed or 100% owned by the government. Instruments issued by municipalities or provinces that meet this criteria are eligible for inclusion.
Remaining maturity:	Only those instruments with at least 2.5 years until maturity upon issuance are considered for inclusion. Once added, an instrument may remain in NEXGEM until 12 months before it matures.
Amount Outstanding:	Bonds with current face amount outstanding of $500 million or more are considered for inclusion
Currency:	Only USD denominated bonds are included. Instruments where the amount of coupon or redemption payment is linked to an exchange rate are not eligible for inclusion.
Country:	Countries classified as "Next Generation" are non-investment grade, relatively infrequent issuers and less liquid markets. It must have possessed a weight of less than 2% of the EMBI Global Diversified for the past 12 consecutive months. It cannot be a European Union member or be engaged in the process of seeking EU membership. The country must have a rating of Ba1/BB+ or lower by both Moody's and S&P. A country will no longer be eligible if it is rated IG by either S&P or Moody's.

Index Characteristics and Methodology:

Pricing:	Bid and Ask prices are taken from a third party pricing source[1]
Aggregate Return:	Index/Country level total return is calculated as a market-weighted average of bond returns using bid side prices
Rebalancing:	Rebalances on the last US business day of the month
Coupon Treatment:	All coupons received are immediately reinvested into the index
FX Rates:	All FX rates used for hedged/unhedged returns are as of 4pm London time provided by WM/Reuters
Credit Rating:	Average Moody's/S&P Rating for NEXGEM is B1/B+ as of October 2014

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Middle East Composite Index (MECI℠)

Product Overview

Highlights:

The J.P. Morgan Middle East Composite Index, MECI, tracks USD denominated debt issued by sovereign, quasi-sovereign and corporate issuers in the Middle East. While the EMBI Global and CEMBI Broad include many Middle East issuers, the MECI incorporates sovereign and quasi-sovereign issuers not eligible for any of these other flagship J.P. Morgan emerging market indices. The Middle East debt market is unique in terms of the domination of Government Related Entities (GRE), which represent nearly 75% of corporate bonds in the region.

Instrument Inclusion Criteria:

Instrument type:	Includes fixed, floaters, amortizers, capitalizers and sukuk
Issuer Type:	Only those bonds or loans issued by sovereign and quasi sovereign entities are eligible in the index
Remaining maturity:	Only those instruments with at least 5 years until maturity upon issuance are considered for inclusion. Once added, an instrument may remain in MECI until 12 months before it matures.
Amount Outstanding:	Bonds with current face amount outstanding of $300 million or more are considered for inclusion
Currency:	Only USD denominated bonds are included. Instruments where the amount of coupon or redemption payment is linked to an exchange rate are not eligible for inclusion
Country/Region:	Middle East

Index Characteristics and Methodology:

Pricing:	Bid and Ask prices are taken from a third party pricing source[1]
Aggregate Return:	Index/Country level total return is calculated as a market-weighted average of bond returns using bid side prices
Rebalancing:	Rebalances on the last US business day of the month
Coupon Treatment:	All coupons received are immediately reinvested into the index
FX Rates:	All FX rates used for hedged/unhedged returns are as of 4pm London time provided by WM/Reuters
Credit Rating:	Average Moody's/S&P Rating for MECI is A3/A- as of October 2014

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JP Morgan Asia Credit Index (JACI^{SM})

Product Overview

Highlights:

The J.P. Morgan Asia Credit Index (JACI) measures the performance of Asia ex Japan USD denominated bond market. JACI was launched on December 31st, 1999 and was revamped in September 2006; data series are available from September 2005 for the new JACI. JACI provides a benchmark for investment opportunities in fixed and floating rate US dollar-denominated bonds issued by Asia sovereigns, quasi-sovereigns and corporates. The series is available in a number of different segments and breakouts including credit rating, sectors, industries and individual countries.

Instrument Inclusion Criteria:

Instrument type:	Sovereign, Quasi-Sov and Corporates, includes fixed coupon, floats, puttable and callable bonds. An instrument issued in reliance on Reg-S principles, will follow the standard 15th day rule inclusion criteria for rebalancing.
Remaining maturity:	At rebalance, bonds must have at least 12 months remaining until maturity.
Amount Outstanding:	Bonds with current face amount outstanding of $150 million or more are considered for inclusion
Currency:	USD denominated debt only
Settlement Date:	Eligible bond should settle before the 15th of the month for inclusion in the same month. Bonds settling on or after the 15th of the month are eligible for inclusion in the following month's rebalance.

Index Characteristics and Methodology:

Pricing:	Bid and Ask prices are taken from a third party pricing source[1]
Aggregate Return:	Aggregate level total return calculated as a market-weighted average of individual bond level returns (previous day's market cap weights are used to roll up current day returns)
Rebalancing:	Rebalances on the last US business day of the month
Coupon Treatment:	Coupon is reinvested into the index on the day of coupon repayment
Exclusion Criteria:	Default of a bond will force its removal from the JACI Index. The instrument will be removed on the month-end after the 30 day grace period unless there is an official documentation claiming a moratorium.
Country Domicile:	Bonds from Asia-domiciled (ex-Japan) entities
Credit Rating:	Investment grade and high yield sub-indices are separately available. For a bond to be classified as investment grade, it must be rated IG by either of the two rating agencies amongst Moody's and S&P. Average Moody's/S&P rating as of October 2014 is Baa1/BBB+.
Holiday Calendar:	JACI follows the US EMTA Bond Market Calendar.
Other Indices:	JACI Investment Grade

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European Monetary Union (EMU[SM])
Product Overview

Highlights:

The J.P. Morgan EMU Index provides a comprehensive measure of Euro-zone, Euro-denominated, fixed rate, government debt; this index consists of domestic government bonds issued by 10 Euro-zone countries. The EMU Index is complemented by the J.P. Morgan EMU IG Index which includes only investment grade issues; this index consists of domestic government bonds issued by 8 Euro-zone countries. The index is available daily with index returns hedged and unhedged in over twenty currencies and statistics such as duration, convexity, yield, etc. The EMU index was launched in March 1998 with historic returns and levels dating back to January 31, 1995. EMU IG index levels and statistics are available from Jan 1999.

Instrument Inclusion Criteria:

Instrument type:	EMU consists of liquid, fixed-rate, bullet bonds issued by the government. EMU IG consist of liquid, fixed-rate, investment grade bullet bonds.
Remaining maturity:	Upon rebalancing, bonds must have at least 13 months remaining until maturity
Amount Outstanding:	There is no minimum size requirement for EMU index; liquidity requirements usually have the effect of excluding the smallest relative part in each market
	EMU IG issues have a minimum size requirement of EUR 1 Billion for new inclusions. Country level minimum total outstanding amount of EUR 20 Billion.
Currency:	Euro

Index Characteristics and Methodology:

Pricing:	Mid prices are taken from a third party pricing source[1]
Country Return:	Country level total return is calculated as a market-weighted average of bond returns using previous-day weights
Aggregate Return:	Aggregate level total return is calculated as a market-weighted average of MTD country returns using first-of-month weights
Aggregate Weights:	Country weights in the aggregates are determined by market value on rebalance date and remain fixed throughout the month
Rebalancing:	Rebalances on the last weekday of the month (regardless of holidays)
Coupon Treatment:	Indices are fully invested—all coupons received are immediately reinvested into the respective local market
FX Rates:	All FX rates used for hedged/unhedged returns are as of 4pm London time provided by WM/Reuters
Country Domicile:	Euro-zone
Credit Rating:	None for EMU. For a country to be eligible in EMU IG, it should have an Investment grade rating from each of the rating agencies - S&P, Moody's, and Fitch.
	Credit rating buckets such as AAA, AAA to AA, and AAA to A are now available
Other Indices:	EMU Investment Grade

Beta Exposure Options:

GBI Series Index	Products
Global	J.P. Morgan offers Total Return Swaps against this index.
EMU	J.P. Morgan offers Total Return Swaps against this index.

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Appendix

Defining the universe of eligible countries

Index Income Ceiling - EMBI and GBI-EM

A country's GNI per capita must be below the Index Income Ceiling (IIC) for three consecutive years to be eligible for inclusion to the EMBI and GBI-EM families. J.P. Morgan defines the Index Income Ceiling as the GNI per capital level that is adjusted every year by the growth rate of the World GNI per capita, Atlas method (current US$), provided by the World Bank annually. An existing country may be considered for removal from the index if its GNI per capita is above the Index Income Ceiling (IIC) for three consecutive years and the country's long term foreign currency sovereign credit rating (the available ratings from all three agencies: S&P, Moody's & Fitch) is A-/A3/A- (inclusive) or above for three consecutive years. The current IIC level is $19,713.

CEMBI and JACI

The CEMBI family for country inclusion is dependent on region: Asia ex- Japan, Latam, Eastern Europe, Middle East/Africa. The JACI only includes Asia ex-Japan countries.

Instrument type

The EMBI, CEMBI Broad/ Diversified, and JACI series of indices includes both fixed and floating rate instruments, as well as capitalizing/amortizing bonds or loans. Bonds or loans with embedded options and warrants are eligible for inclusion if a) the options/warrants are attached to instruments that would otherwise be included in the index and b) the quotation convention—as recommended by the Emerging Markets Traders Association (EMTA)—is for instrument prices to be quoted cumulative options or warrants. Convertible bonds are not eligible for inclusion into the index. Note for the CEMBI/Diversified narrow series, only the two largest instruments from any one issuer is included and only fixed bullet bonds are included.

The GBI-EM only includes fixed coupon instruments. Floating-rate and capitalization/amortizing bonds are not eligible for index inclusion. Bonds with callable, puttable, or convertible features are not part of the indices.

Issuer Type

The EMBI series of indices contains only those bonds or loans issued by sovereign and quasi-sovereign entities from index-eligible countries. Historically, any quasi-sovereign issue was considered eligible for inclusion. As of May 31, 2002, we strengthened our definition of "quasi-sovereign" as an entity that is 100% guaranteed or 100% owned by the national government, and resides in the index eligible country. Instruments issued by municipalities or provinces that meet this criteria are eligible for index inclusion.

The CEMBI index series requires the issuer is headquartered in an Emerging Markets country, 100% of the issuer's assets are located with EM economies, and the issue is 100% guaranteed by an entity with EM economy. Quasi-sovereigns that are 100% owned or guaranteed by the government are not eligible.

The JACI index includes instruments issued by sovereigns, quasi-sovereigns (as defined above) and corporate entities that reside in the index eligible country.

Weighting Methodology

The EMBIG and CEMBI families limit the weights of those index countries with larger debt stocks by only including a specified portion of these countries' eligible current face amounts of debt outstanding. The EMBIG Diversified and CEMBI/CEMBI Broad Diversified indices are geared toward managers who want maximum diversification or those who face limitations on the amount of portfolio exposure they can take to individual issuers. Once these instrument allocations are derived for each country, the current settlement price for each instrument is applied to its indices' allocation to calculate the market capitalization of each issue in the index. The weight of each instrument is then determined by dividing its market capitalization by the total market capitalization of the index. The result represents the weight of each issue expressed as a percentage of the index. By allocating their portfolios according to these exact instrument weights, and accounting for coupon reinvestments and index instrument allocation changes, investors can replicate the performance of these indices. Country weights for the index are easily calculated by aggregating the weights of the instruments for all countries.

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Appendix

Weighting Methodology (cont'd)

The diversified bond allocation calculation process starts with each country's current face amount of debt outstanding. The following inclusion schedule is applied to these amounts to determine the constrained amounts eligible for inclusion in the EMBI and CEMBI families. From each country's total eligible debt stock, the diversified indices include:

- 100% of the first US$5 billion of the eligible debt stock;
- 75% of the eligible debt stock that exceeds US$5 billion, but does not exceed US$10 billion;
- 50% of the eligible debt stock that exceeds US$10 billion, but does not exceed US$15 billion;
- 25% of the eligible debt stock that exceeds US$15 billion, but does not exceed US$25 billion;
- 10% of the eligible debt stock that exceeds US$25 billion, but does not exceed US$35 billion; and
- 0% of the eligible debt stock that exceeds US$35 billion

For the GBI-EM family, our unique methodology limits the weights of countries with larger debt stocks and redistributes those weights to countries with smaller weights. The maximum weight to a country is capped at 10%. The excess is redistributed to those countries that have a market capitalization of less than 10%. The portion that is redistributed is based on the market capitalization of each country, which preserves the relative size of each market within the index. The JACI uses the traditional market weighted approach by using the market capitalization for all instruments in the index.

New Issue Timing

A new issue that meets the EMBI/CEMBI/JACI family of indices admission requirements is added to the index on the first month-end business date after its issuance, provided its issue date falls before the 15th of the month. A new issue whose issue date falls on or after the 15th of the month is added to the index on the last business day of the next month. There are two exceptions to the EMBIG/Diversified indices:

•The first exception applies to a new issue that is released as part of a debt exchange program. For example, assume a country exchanges a portion of its outstanding debt for a new issue after the 15th of the month. At the month-end rebalancing date immediately following this event, the amount of debt retired in this exchange would be removed from the indices, and the new issue would be added to the index (provided official exchange results are made available in a timely manner AND the issue settle by month end).

•The second exception concerns Reg S securities. An instrument that is issued purely in reliance on Regulation S of the US Securities Act of 1933 and not pursuant to Rule 144A will be ineligible for inclusion in the EMBI Indices until it is seasoned (that is, until the expiration of the relevant Regulation S restricted period). The date at which the seasoning restriction is lifted will effectively be the new “issue” date, at which point the 15th of the month rule will apply.

If an announcement is made for a bond to be called, it is removed the month-end prior to its call date on the basis of having less than the required maturity for the index. If an announcement is not made in time for the bond to be removed the prior month-end, it will be removed the first month-end following the announcement. For the CEMBI and JACI index series, a default will force the removal of the affected instrument. The instrument will be removed on the month-end after the grace period unless there is an official documentation claiming moratorium. A default will not force the removal of the affected instrument from the EMBI series of indices.

Appendix

Settlement and Interest Calculations

Index calculations take into account accrued interest conventions, settlement conventions, and ex-coupon/ex-amortization conventions of each security and market.

Price Verification

Daily indicative pricing for each security and FX rate is closely scrutinized and are closely reconciled using market movements and other pricing sources as guidance.

Total Return Calculation

The total return for EMBI/CEMBI series on a performing instrument is measured from one trade day to the next using the following generalized equation:

$$tr_t = \frac{ESV_{s(t)} + C_{v(t)} + AM_{v(t)}}{ESV_{s(t-1)}} * \frac{FX_{i,t}}{FX_{i,t-1}} - 1$$

The index total return on day t, TRt, is the arithmetically weighted average of each instrument's return from the period t-1 to t. The weights are market capitalization weights from the prior business day, t-1.

The total return for GBI-EM/GBI indices is calculated as the following:

$$Total\ Return_t = \left(\frac{P_t + A_{v(t)}}{P_{t-1} + A_{v(t-1)}}\right) - 1$$

where P represents the local market closing clean price of a bond and A represents the accrued interest for a bond.

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Disclosures

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