

markit[®]
Indices



Markit delivers a broad suite of independent, fixed income indices, as well as solutions to support the development of custom indices.

Index creation is led by a team of experienced product and asset class specialists. Our technical infrastructure and extensive content support the research, selection and weighting of index constituents.

Our indices are constructed using a rules-based approach to maintain transparency and objectivity, supported by independent multi-source pricing.



We provide benchmark and liquid indices to support performance measurement, risk management, valuation and trading.

Our benchmark indices represent the investable fixed income universe. Designed to be easily replicable and tradable, our liquid indices enable investors to gain exposure to fixed income instruments. Indices are maintained through regular rebalancing and quality control processes.

A range of financial products, including exchange traded funds, index funds, structured products and derivatives, are issued with our indices serving as the basis.

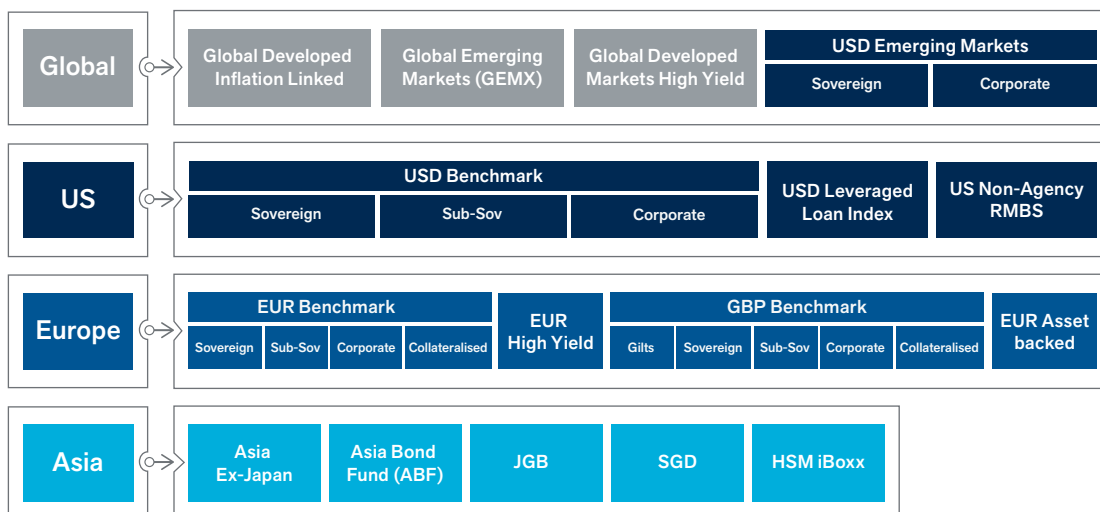
Our indices provide a transparent view of the fixed income market.

By monitoring and adapting to industry changes, we ensure our products align with customers' business and regulatory needs. Publicly available documentation provides transparency, including constituent details and construction, calculation and rebalancing rules.

Our data is available via end of day and intraday feeds, including automated XML feeds, as well as through downloadable XML and Excel files, the web and third party data providers.

Bonds

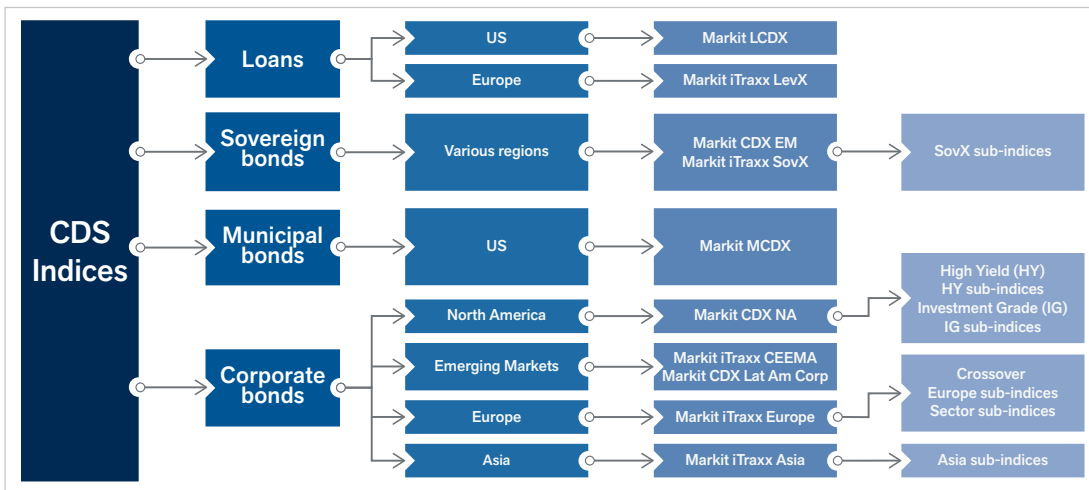
Markit iBoxx fixed income indices are independent and based on multi-source pricing for improved accuracy. They serve as tools for passive or active portfolio management, ETFs and structured products. The indices cover major currencies and bond segments. We have established relationships with a wide range of ETF issuers.



Families include maturity, rating and sector indices where appropriate

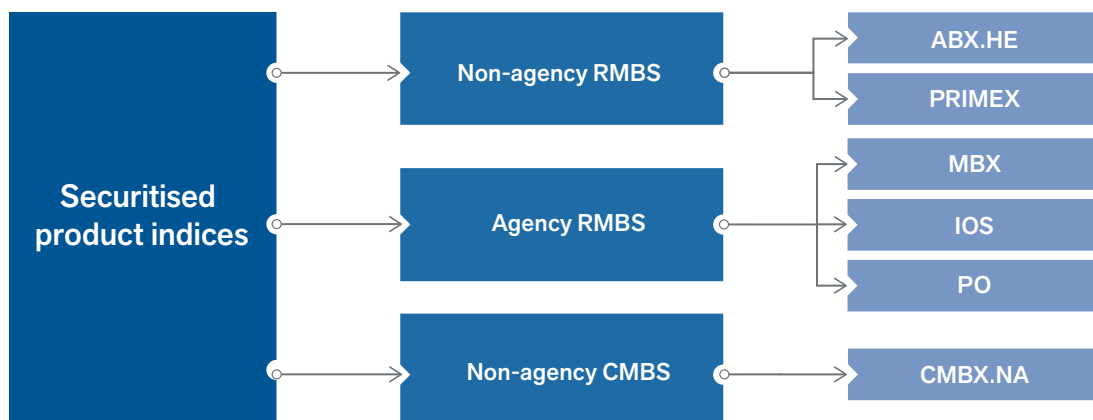
Credit derivatives

Markit delivers global credit default swap indices that cover loans as well as corporate, municipal and sovereign debt. The indices are composed of underlying credit default swaps and are tradable products that allow investors to establish long or short credit risk positions in specific credit markets or segments.



Securitised products

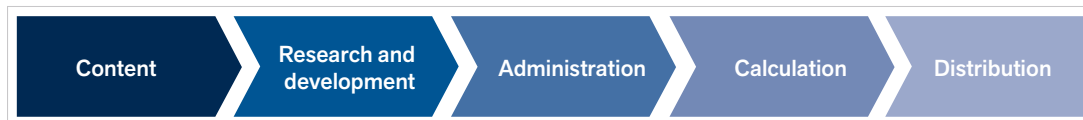
Our securitised product indices are synthetic, tradable index products that allow investors to gain exposure to securitised products through credit default swaps and total return swaps.



We are an end to end index solutions provider.

Beyond our indices, we deliver products and services across the entire index value chain, to support custom index development as well as outsourced index operations.

Value chain



Content

A broad array of pricing inputs from multiple sources is fed into a dynamic model to produce prices validated against observable parameters.

Research and development

Our experienced index and asset class specialists support the design and construction of relevant products.

Administration

We manage the full administration cycle, including rebalancings, index rolls and weighting adjustments.

Calculation

Our automated index platform can run complex calculations across multiple custom indices with a short turnaround time.

Calculation

We can run index calculations on an intraday and end of day basis.

Distribution

Flexible delivery options enable customers to consume information through their preferred channels.

Working closely with customers, we can develop custom indices built to their exact composition, calculation and distribution specifications.

**Definition**

Determine constituent selection method, such as ranking or filtering, and characteristics.

Calculation

Constituents can be weighted, capped, hedged or tax adjusted. Indices can be aggregated, hedged and converted to any currency.

Distribution

Flexible options around output format, delivery channels and publication frequency are available, as well as the ability to white label indices.

In addition, we collate and provide official data on equity indices via a single feed through our Markit Index Management service. Data is sourced directly from index providers and exchanges and validated ahead of market open. Underlying constituents are referenced to multiple standard market identifiers to allow for easier navigation.

Along with the support of our dedicated, global indices team, customers can leverage our extensive data to power the research and development of new indices.

Markit Pricing Data

Pricing data coverage of more than 2.3 million bonds, 2,600 CDS entities and 6,400 leveraged loan facilities provides customers with a wide pool of potential index constituents. Data quality is fueled by diverse pricing inputs from industry practitioners and observable sources, with rigorous cleaning processes and calculation methodologies applied. In addition to transparency into our inputs and models, we provide liquidity metrics, such as bid ask spreads, price source counts and calculated liquidity scores, for use in index design decisions.

Markit Reference Data

Index product development is fuelled by our comprehensive reference data across bonds, CDS and loans. Detailed descriptive data fields include instrument and entity identifiers, sector classifications and detailed terms and conditions information. We aggregate data through direct sourcing and third party partnerships. By validating and proactively monitoring for updates such as corporate actions, credit events and new issues, we enhance the accuracy of our data.

Beyond our core data, customers can leverage our collection of specialised datasets, including our independent dividend forecasts, stock selection signals and monthly economic surveys of the private sector. These can be used to derive overlays or to create indices based on an underlying theme, such as economic indicators, dividends, price momentum and social and corporate governance.

Markit Dividend Forecasting

We deliver independent forecasts on the amount and timing of individual dividend payments for a wide universe of global stocks. Estimates are determined by experienced analysts, and are based on factors such as company fundamentals, investor relations guidance, historical patterns, distribution policies and consensus estimates.

Markit Research Signals

We provide a comprehensive library of global stock selection and strategy signals. We extract valuable investment insights from a broad range of raw financial and industry-specific data sources. Our data is complemented by a rich set of analytical tools that support performance analysis, portfolio attribution and bespoke model development.

Markit Purchasing Managers' Index™ (PMI™)

The Markit PMI™ series are monthly economic surveys of carefully selected companies. They provide advance insight into the private sector economy by tracking variables such as output, new orders, employment and prices across key sectors.

Markit Securities Finance

Our securities finance dataset covers more than \$15 trillion of global securities in the lending programmes of over 20,000 institutional funds. It includes more than ten years of history with over 3 million intraday transactions. Our data is sourced directly from numerous market participants, including prime brokers, custodians, asset managers and hedge funds.

14,000+ indices

500+ customers

50+ data sources

150+ ETFs

\$80bn AUM in ETFs

These numbers are changing as you read this.

Industry Recognition 2013

Best Index Provider in APAC

– The Asset

Best Tradeable Index Provider in APAC

– Asian Investor

Best Evaluated Prices Service Provider

– Inside Reference Data

Best Corporate Actions Solution Provider

– Waters Technology

About Markit

Markit is a leading global provider of financial information services.

Our customers include banks, hedge funds, asset managers, central banks, regulators, auditors, fund administrators and insurance companies. Founded in 2003, we employ over 4,000 people in 11 countries.

Markit shares are listed on Nasdaq under the symbol MRKT.

More information

For more information on the products and services from Markit, please contact us at sales@markit.com or call one of our sales offices:

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markit[®] mines data,
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& transforms business.