

S&P Dow Jones Indices

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IHS Markit Benchmark Administration Limited Consultation on the Cessation of iTraxx MSCI ESG Screened Europe Total and Excess Return Indices

LONDON, NOVEMBER 18, 2022: IHS Markit Benchmark Administration Limited (IMBA) is conducting a consultation with market participants on the proposed cessation of the iTraxx MSCI ESG Screened Europe Total and Excess Return Indices.

BACKGROUND

The iTraxx MSCI ESG Screened Europe Total and Excess Return Indices aim to track the daily return of a long or short position in the underlying on-the-run series of the iTraxx MSCI ESG Screened Europe Index. The indices take into account coupon payments, credit events, and semi-annual roll transaction cost assumptions.

PROPOSAL

The iTraxx MSCI ESG Screened Europe Total and Excess Return Indices use the London 5pm pricing snap (LN1700) of the iTraxx MSCI ESG Screened Europe Index as published by the S&P Market Intelligence CDS Pricing Service. Due to lack of composite pricing data on the underlying iTraxx MSCI ESG Screened Europe Index since October 17, 2022, IMBA has not been able to calculate and publish the iTraxx MSCI ESG Screened Europe Total and Excess Return Indices. Currently, days in which we are unable to publish an index level due to lack of inputs are treated as market disruption days.

Below is the list of impacted benchmarks:

Ticker	Index
ITXEELTR	iTraxx MSCI ESG Screened Europe 5Y Long Total Return Index
ITXEESTR	iTraxx MSCI ESG Screened Europe 5Y Short Total Return Index
ITXEELER	iTraxx MSCI ESG Screened Europe 5Y Long Excess Return Index
ITXEELED	iTraxx MSCI ESG Screened Europe 5Y Long Excess Return with DRC
ITXEESED	iTraxx MSCI ESG Screened Europe 5Y Short Excess Return with DRC

In light of above and the issue of lack of adequate pricing data on the iTraxx MSCI ESG Screened Europe Index being likely to persist, IMBA proposes to cease publication of the above listed benchmarks.

CESSATION TIMING

The consultation period for the above proposal ends on Friday, December 2, 2022. IMBA is proposing to cease publication of the above benchmarks one week following the end of the consultation period, i.e. on **Friday, December 9, 2022**.

QUESTIONS

Please answer the following questions and provide IMBA with the reasoning behind your answers:

1. **Do you agree with the proposed cessation of the iTraxx MSCI ESG Screened Europe Total and Excess Return Index?**
2. **Do you agree with the proposed cessation date?**

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences on the proposal herein and the suggested timetable for its implementation. Please provide your feedback by **Friday, December 2, 2022**. After this date, IMBA will no longer accept survey responses. Prior to the Index Committee's final review, IMBA may request clarifications from respondents as part of that review. In the event that no responses are received contrary to the proposal above, IMBA will implement the cessation on 9th December 2022.

To participate in this consultation, please email your responses to SPDJI_Index_Governance@spglobal.com.

Please be advised that all comments will be reviewed and considered before a final decision is made; however, IMBA makes no guarantee and is under no obligation to comply with any of the responses. If IMBA decides to implement the cessation of these benchmarks, an announcement will be posted on our website. IMBA reserves the right to make a final decision on the proposal.

Thank you for taking the time to provide feedback on this proposal.

FOR MORE INFORMATION: indices@ihsmarkit.com