

Index Insights | Fixed Income

FTSE World Government Bond Index Q3 2024

October 2024

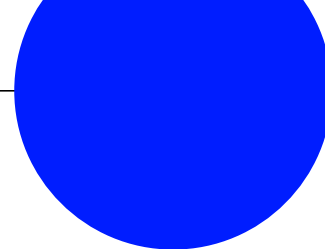


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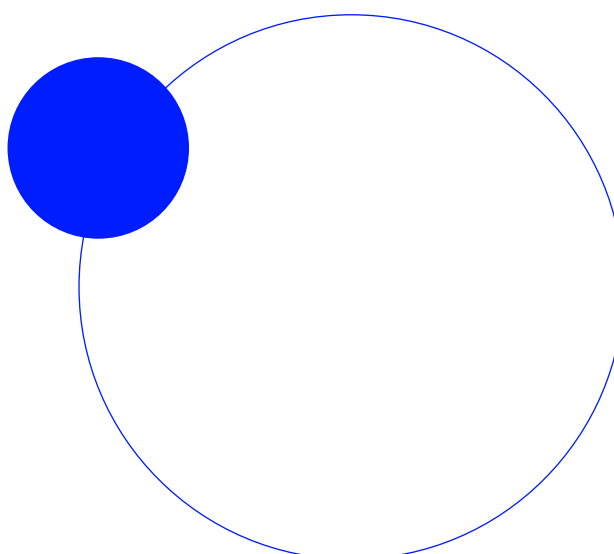
Overview

The FTSE World Government Bond Index (WGBI) is widely used as a standard foreign bond benchmark. This report is for those who use the WGBI as a benchmark and looks back on the returns in the second quarter of 2024, providing a market overview, a factor decomposition report, and recent profile information.

In the third quarter of 2024, interest rates in major countries are decline slightly, WGBI (excluding Japan) resulting in a positive of 3.72% on a local (local currency) basis. However, JPY rates was reverted from the historic depreciation and this appreciation reduced JPY base return (-5.63%).

China inclusion to WGBI has started in November of 2021 and this phasing period has competed at the 2024 October profile. Initially, we have estimated that the market will occupy about 6% of WGBI but due to massive issuance of CGB, current market weight of China is about 10%.

From November 2024 profile, Portugal will be re-entered into WGBI as the 25th country. Based on current market capital, we estimate the market will be about 0.58% (or 0.62% in case of Non-JPY version) of WGBI.



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Performance of WGBI

		2023			2024											
		10	11	12	1	2	3	4	5	6	7	8	9	7~9	4~9	1~9
WGBI	Local	-0.712	3.022	3.015	-0.449	-0.842	0.648	-1.769	0.464	0.702	1.819	0.892	0.965	0.000	0.000	2.407
	JPY	0.374	2.381	-0.635	2.075	1.058	1.553	1.279	0.934	2.329	-3.791	-0.999	-0.149	0.000	0.000	4.219
	JPY Hedge	-1.102	2.638	2.522	-0.838	-1.213	0.279	-2.182	0.109	0.366	1.372	0.541	0.636	0.000	0.000	-0.974
Non JPY WGBI	Local	-0.498	3.049	3.343	-0.358	-1.024	0.752	-1.773	0.790	0.755	2.019	0.824	1.040	0.000	0.000	3.009
	JPY	0.737	2.323	-0.792	2.504	1.117	1.771	1.649	1.316	2.568	-4.207	-1.283	-0.206	0.000	0.000	5.153
	JPY Hedge	-0.942	2.614	2.785	-0.800	-1.441	0.337	-2.236	0.392	0.382	1.523	0.433	0.671	0.000	0.000	-0.793
Non JPY Non CNY WGBI	Local	-0.551	3.272	3.546	-0.477	-1.182	0.809	-1.989	0.829	0.736	2.167	0.906	1.153	0.000	0.000	2.924
	JPY	0.679	2.474	-0.588	2.421	0.953	1.865	1.396	1.429	2.521	-4.084	-1.291	-0.153	0.000	0.000	4.982
	JPY Hedge	-1.012	2.818	2.960	-0.942	-1.623	0.372	-2.484	0.404	0.336	1.636	0.482	0.755	0.000	0.000	-1.126
EGBI	Local	0.397	3.026	3.583	-0.427	-1.186	1.038	-1.429	-0.127	0.197	2.274	0.389	1.306	0.000	0.000	1.996
	JPY	1.722	3.815	0.007	1.522	0.795	1.966	1.471	1.258	1.257	-3.414	-0.624	0.344	0.000	0.000	4.555
	JPY Hedge	0.030	2.694	3.102	-0.805	-1.546	0.684	-1.815	-0.476	-0.128	1.836	0.071	0.997	0.000	0.000	-1.231
US	Local	-1.208	3.440	3.352	-0.264	-1.291	0.564	-2.237	1.450	1.006	2.174	1.289	1.191	0.000	0.000	3.864
	JPY	0.262	0.974	-1.440	3.411	1.069	1.689	1.652	1.308	3.394	-4.432	-1.980	-0.592	0.000	0.000	5.382
	JPY Hedge	-1.727	2.894	2.703	-0.773	-1.784	0.078	-2.798	0.981	0.564	1.586	0.798	0.739	0.000	0.000	-0.690
Canada	Local	0.403	3.630	3.100	-1.407	-0.539	0.437	-1.805	1.588	1.068	2.313	0.403	1.605	0.000	0.000	3.640
	JPY	-0.764	3.577	1.096	0.891	0.315	1.794	0.570	2.242	3.064	-5.209	-0.407	-0.422	0.000	0.000	2.636
	JPY Hedge	-0.053	3.193	2.588	-1.891	-0.965	-0.003	-2.270	1.178	0.683	1.758	0.030	1.237	0.000	0.000	-0.324
Mexico	Local	-0.167	4.428	2.647	-0.091	0.558	0.248	-2.721	1.809	0.217	1.341	1.280	2.666	0.000	0.000	5.337
	JPY	-2.467	5.938	0.413	2.137	3.620	4.082	-1.326	1.577	-4.325	-6.966	-7.047	1.076	0.000	0.000	-7.668
	JPY Hedge	-1.158	3.509	1.599	-1.096	-0.384	-0.757	-3.696	0.846	-0.688	0.354	0.300	1.730	0.000	0.000	-3.433
Australia	Local	-2.322	3.723	3.401	-0.037	-0.429	1.360	-2.427	0.343	0.875	1.665	1.341	0.290	0.000	0.000	2.957
	JPY	-2.751	6.032	1.476	0.412	0.424	2.691	0.980	2.625	3.695	-7.022	1.901	0.738	0.000	0.000	6.207
	JPY Hedge	-2.691	3.421	2.938	-0.424	-0.795	0.983	-2.895	-0.030	0.520	1.164	0.968	-0.071	0.000	0.000	-0.643
New Zealand	Local	-0.566	4.396	3.875	-1.057	-0.452	1.236	-1.540	0.984	1.162	2.691	1.000	0.386	0.000	0.000	4.425
	JPY	-2.311	8.215	1.544	-0.263	0.885	0.504	1.281	4.703	2.702	-6.376	2.958	0.288	0.000	0.000	6.470
	JPY Hedge	-1.043	4.076	3.299	-1.543	-0.914	0.744	-2.049	0.537	0.717	2.015	0.557	-0.043	0.000	0.000	-0.045
Japan	Local	-2.264	2.820	0.547	-1.128	0.591	-0.174	-1.737	-2.278	0.232	-0.002	1.491	0.334	0.000	0.000	-2.695
	JPY	-2.264	2.820	0.547	-1.128	0.591	-0.174	-1.737	-2.278	0.232	-0.002	1.491	0.334	0.000	0.000	-2.695
	JPY Hedge	-2.264	2.820	0.547	-1.128	0.591	-0.174	-1.737	-2.278	0.232	-0.002	1.491	0.334	0.000	0.000	-2.695
China	Local	0.207	0.241	0.937	1.024	0.712	0.157	0.376	0.430	0.926	0.733	0.120	0.119	0.000	0.000	4.688
	JPY	1.503	0.420	-3.218	3.473	2.924	0.799	4.166	0.255	2.998	-5.272	-1.213	-0.634	0.000	0.000	7.369
	JPY Hedge	-0.002	0.049	0.700	0.863	0.556	-0.030	0.223	0.276	0.790	0.547	0.019	-0.009	0.000	0.000	3.278
Malaysia	Local	-0.432	1.853	0.935	0.637	0.083	0.429	-0.660	0.907	0.480	1.142	0.200	0.397	0.000	0.000	3.663
	JPY	-0.420	1.665	-2.394	1.368	2.141	1.821	2.436	2.168	2.627	-2.864	3.068	3.389	0.000	0.000	17.204
	JPY Hedge	-0.717	1.568	0.613	0.361	-0.184	0.149	-0.946	0.643	0.219	0.842	-0.048	0.167	0.000	0.000	1.198
Singapore	Local	0.165	2.590	2.236	-0.788	-1.198	0.215	-2.354	1.086	1.405	2.453	1.406	1.276	0.000	0.000	3.457
	JPY	1.273	2.805	-1.359	1.540	0.544	0.961	0.476	1.845	3.531	-2.907	0.705	1.156	0.000	0.000	8.007
	JPY Hedge	-0.196	2.254	1.800	-1.159	-1.546	-0.136	-2.748	0.772	1.116	2.015	1.092	1.018	0.000	0.000	0.328
Austria	Local	0.209	3.633	3.757	-0.411	-1.262	0.972	-1.574	-0.469	0.658	2.496	0.286	1.337	0.000	0.000	1.984
	JPY	1.532	4.426	0.175	1.539	0.717	1.899	1.322	0.911	1.723	-3.204	-0.726	0.375	0.000	0.000	4.542
	JPY Hedge	-0.160	3.306	3.270	-0.788	-1.623	0.618	-1.964	-0.823	0.338	2.046	-0.031	1.028	0.000	0.000	-1.260
Belgium	Local	0.140	3.672	4.356	-0.666	-1.429	1.015	-1.605	-0.370	0.557	2.277	0.507	0.927	0.000	0.000	1.155
	JPY	1.462	4.465	0.753	1.278	0.547	1.943	1.290	1.012	1.621	-3.412	-0.507	-0.031	0.000	0.000	3.692
	JPY Hedge	-0.230	3.345	3.848	-1.049	-1.795	0.661	-1.996	-0.722	0.236	1.839	0.188	0.622	0.000	0.000	-2.062

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Denmark	Local	0.318	2.629	3.329	-0.667	-1.619	0.953	-1.785	-0.254	1.292	1.641	0.392	1.230	0.000	0.000	1.124
	JPY	1.642	3.415	-0.238	1.278	0.353	1.880	1.105	1.130	2.364	-4.012	-0.621	0.269	0.000	0.000	3.660
	JPY Hedge	-0.049	2.295	2.855	-1.048	-1.987	0.599	-2.180	-0.603	0.979	1.236	0.074	0.921	0.000	0.000	-2.059
Finland	Local	0.339	3.161	3.513	-0.532	-1.395	0.974	-1.453	-0.329	0.614	2.106	0.495	1.252	0.000	0.000	1.686
	JPY	1.663	3.951	-0.061	1.415	0.581	1.901	1.447	1.054	1.678	-3.573	-0.519	0.291	0.000	0.000	4.237
	JPY Hedge	-0.028	2.830	3.034	-0.912	-1.760	0.620	-1.839	-0.680	0.293	1.677	0.176	0.944	0.000	0.000	-1.530
France	Local	0.257	2.948	3.828	-0.668	-1.405	0.779	-1.537	-0.173	-0.618	2.296	0.416	0.766	0.000	0.000	-0.203
	JPY	1.580	3.737	0.244	1.277	0.571	1.704	1.361	1.212	0.433	-3.394	-0.597	-0.190	0.000	0.000	2.300
	JPY Hedge	-0.112	2.616	3.338	-1.051	-1.770	0.423	-1.926	-0.522	-0.952	1.857	0.098	0.462	0.000	0.000	-3.387
Germany	Local	0.318	2.629	3.329	-0.667	-1.619	0.953	-1.785	-0.254	1.292	1.641	0.392	1.230	0.000	0.000	1.124
	JPY	1.642	3.415	-0.238	1.278	0.353	1.880	1.105	1.130	2.364	-4.012	-0.621	0.269	0.000	0.000	3.660
	JPY Hedge	-0.049	2.295	2.855	-1.048	-1.987	0.599	-2.180	-0.603	0.979	1.236	0.074	0.921	0.000	0.000	-2.059
Ireland	Local	0.165	3.236	4.041	-0.277	-1.465	0.722	-1.588	-0.194	0.569	2.240	0.811	1.587	0.000	0.000	2.364
	JPY	1.487	4.026	0.448	1.675	0.510	1.647	1.308	1.191	1.633	-3.447	-0.206	0.623	0.000	0.000	4.931
	JPY Hedge	-0.204	2.906	3.543	-0.652	-1.830	0.365	-1.978	-0.543	0.248	1.803	0.489	1.275	0.000	0.000	-0.886
Italy	Local	0.643	3.322	3.296	0.123	-0.564	1.341	-1.075	0.033	-0.277	2.847	0.299	2.028	0.000	0.000	4.789
	JPY	1.971	4.113	-0.270	2.084	1.429	2.271	1.836	1.421	0.779	-2.874	-0.713	1.059	0.000	0.000	7.418
	JPY Hedge	0.278	2.991	2.826	-0.245	-0.913	0.989	-1.452	-0.314	-0.607	2.379	-0.018	1.712	0.000	0.000	1.478
Netherlands	Local	0.240	3.177	3.928	-0.685	-1.662	1.190	-1.870	-0.232	0.917	2.020	0.435	1.142	0.000	0.000	1.189
	JPY	1.563	3.967	0.340	1.260	0.309	2.119	1.018	1.152	1.985	-3.654	-0.579	0.181	0.000	0.000	3.727
	JPY Hedge	-0.128	2.847	3.434	-1.067	-2.032	0.838	-2.268	-0.581	0.600	1.595	0.116	0.834	0.000	0.000	-2.020
Spain	Local	0.594	2.775	3.472	-0.369	-0.882	1.145	-1.069	0.099	0.259	2.262	0.392	1.372	0.000	0.000	3.207
	JPY	1.922	3.562	-0.101	1.582	1.105	2.074	1.842	1.488	1.320	-3.425	-0.621	0.409	0.000	0.000	5.796
	JPY Hedge	0.229	2.441	2.995	-0.746	-1.237	0.792	-1.445	-0.247	-0.066	1.826	0.074	1.062	0.000	0.000	-0.033
Sweden	Local	0.431	2.049	3.467	-0.669	-1.444	0.942	-0.691	0.492	1.990	1.497	0.400	0.662	0.000	0.000	3.176
	JPY	-0.889	6.213	2.596	0.455	0.765	-1.223	0.593	4.729	3.682	-6.193	1.684	-0.095	0.000	0.000	4.077
	JPY Hedge	0.059	1.768	3.097	-1.041	-1.816	0.569	-1.040	0.176	1.711	1.079	0.100	0.380	0.000	0.000	0.067
UK	Local	-0.481	3.312	6.129	-2.581	-1.232	1.902	-3.384	0.854	1.371	1.913	0.538	0.021	0.000	0.000	-0.744
	JPY	0.412	5.212	1.915	0.902	0.455	2.904	-0.423	2.406	3.026	-3.141	-0.449	0.285	0.000	0.000	5.963
	JPY Hedge	-0.965	2.910	5.419	-3.154	-1.689	1.448	-3.939	0.410	0.946	1.383	0.105	-0.388	0.000	0.000	-4.923
Poland	Local	0.634	0.294	1.874	0.391	-0.230	0.002	-0.473	0.507	0.746	1.547	0.585	1.248	0.000	0.000	4.389
	JPY	5.792	3.393	-1.417	2.758	2.035	1.125	1.989	3.153	0.997	-3.783	0.020	0.134	0.000	0.000	8.564
	JPY Hedge	0.061	-0.221	1.202	-0.140	-0.731	-0.528	-0.977	0.002	0.251	0.984	0.091	0.759	0.000	0.000	-0.305
Norway	Local	0.201	2.654	1.738	-0.676	-1.283	1.678	-1.329	0.806	0.797	1.410	1.217	0.100	0.000	0.000	2.699
	JPY	-3.140	3.860	2.973	0.021	-0.283	0.453	0.506	6.153	1.765	-7.636	1.117	-1.107	0.000	0.000	0.471
	JPY Hedge	-0.204	2.299	1.340	-1.092	-1.682	1.253	-1.740	0.445	0.419	0.920	0.835	-0.269	0.000	0.000	-0.960
Israel	Local	-2.569	3.538	1.492	-0.504	0.179	-0.549	-1.592	-0.954	0.546	0.926	0.884	-0.130	0.000	0.000	-1.216
	JPY	-6.950	9.794	0.097	2.116	4.475	-1.964	0.438	-0.769	1.642	-5.450	1.228	-4.321	0.000	0.000	-2.974
	JPY Hedge	-2.791	3.377	1.083	-0.948	-0.187	-0.926	-1.972	-1.288	0.209	0.547	0.654	-0.436	0.000	0.000	-4.295
Portugal	Local	0.708	2.402	3.358	-0.173	-0.990	0.961	-1.132	-0.116	0.169	2.315	0.480	1.415	0.000	0.000	2.917
	JPY	2.037	3.186	-0.210	1.782	0.995	1.888	1.777	1.270	1.229	-3.376	-0.534	0.452	0.000	0.000	5.499
	JPY Hedge	0.345	2.065	2.884	-0.545	-1.346	0.607	-1.509	-0.464	-0.156	1.875	0.161	1.104	0.000	0.000	-0.323

Source: FTSE Russell, Yield Book

Return attribution

The return attribution results for the WGBI ex Japan and WGBI ex Japan and China are shown below. Local-based returns are decomposed into two components: rolling yield and market factors. The cost of currency hedging and hedging error factors are then added to calculate the yen-hedged return (return assuming 100% currency hedging). The difference between the yen-hedged return and the yen-based return is defined as the FX advantage factor.

After the historically depreciation of JPY, USD/JPY rates was reversed during Q3 and as this result, JPY Base return suffered the appreciation of JPY against major currencies. On the other hand, long term interest rates in major government bond market declined. Thus, local base and JPY Hedged returns are healthy positive territories.

The first half of fiscal year results are similar to Q3 but head wind of FX is somewhat mitigated. 2024 YTD return are positive in JPY return, but JPY hedge return suffered.

WGBI ex Japan

Month	Local Base			JPY Hedge	FX Adv	JPY Base
	Rolling	Market	Total			
1	0.282	-0.639	-0.358	-0.799	3.330	2.504
2	0.271	-1.291	-1.024	-1.441	2.596	1.117
3	0.311	0.439	0.752	0.337	1.430	1.771
4	0.295	-2.062	-1.773	-2.237	3.975	1.649
5	0.332	0.457	0.790	0.392	0.920	1.316
6	0.313	0.440	0.755	0.382	2.178	2.568
7	0.318	1.695	2.019	1.523	-5.644	-4.207
8	0.294	0.528	0.824	0.433	-1.708	-1.283
9	0.281	0.757	1.040	0.671	-0.871	-0.206
Q3	0.896	3.006	3.929	2.647	-8.063	-5.631
Mar - Sep	1.847	1.789	3.670	1.129	-1.428	-0.317
YTD	2.730	0.271	3.010	-0.792	5.993	5.151

WGBI ex Japan and China

Month	Local Base			JPY Hedge	FX Adv	JPY Base
	Rolling	Market	Total			
1	0.288	-0.762	-0.477	-0.941	3.394	2.421
2	0.278	-1.456	-1.182	-1.623	2.618	0.953
3	0.322	0.486	0.809	0.372	1.488	1.865
4	0.305	-2.287	-1.989	-2.484	3.979	1.396
5	0.346	0.481	0.829	0.404	1.021	1.429
6	0.327	0.408	0.736	0.336	2.177	2.521
7	0.333	1.828	2.167	1.635	-5.627	-4.084
8	0.308	0.597	0.906	0.482	-1.764	-1.291
9	0.294	0.857	1.153	0.755	-0.901	-0.153
Q3	0.938	3.314	4.281	2.896	-8.127	-5.467
Mar - Sep	1.928	1.850	3.813	1.084	-1.395	-0.327
YTD	2.836	0.087	2.922	-1.126	6.177	4.981

Source: FTSE Russell, Yield Book

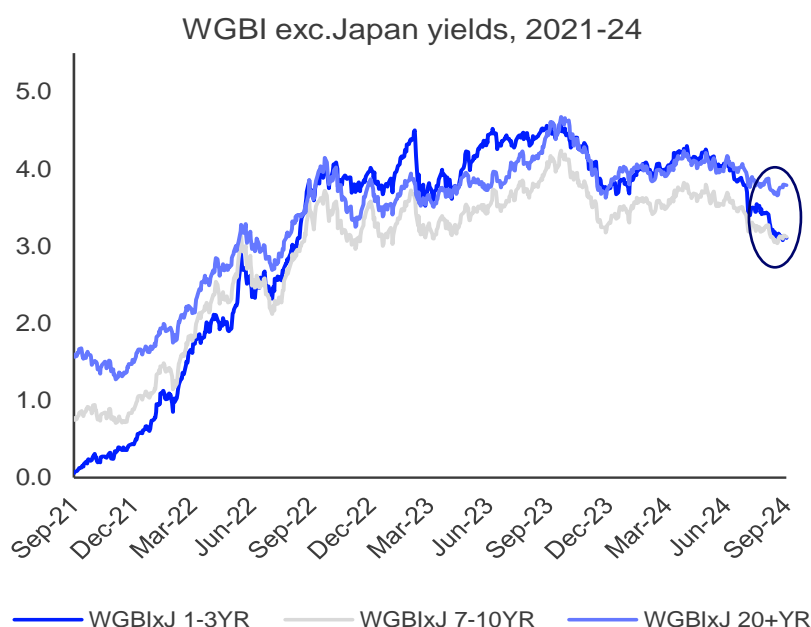
Market review of Q3

Robin Marshall, Director GIR, October 7th, 2024

WGBI ex Japan and China the strongest performer

Global bond markets rallied in Q3 2024, as the Chart for WGBI ex Japan yields shows. The Fed pivoted towards monetary easing at the July 30 FOMC meeting, and finally cut rates, by 50 bp, on September 18th. European central banks continued the easing in monetary policy that began in June, as headline inflation rates fell towards, or even below 2% inflation targets. Yields have fallen significantly since the highs of October 2023, led by the front end of the curve, driven by lower policy rates, as Chart 1 shows.

Chart 1: WGBI ex Japan, yields 2021-24



Source: FTSE Russell, data to September 30, 2024

Within WGBI constituents, US sovereign spreads narrowed, as the Fed finally eased rates, but further rate cuts by the Bank of Canada and ECB prevented US spreads narrowing far. The other key feature of Q3 was US dollar weakness, and yen strength, after the Fed pivot to ease policy, which reduced returns in US Treasuries sharply, in yen terms.

Q3 returns show outperformance by WGBI ex Japan and China (JPY hedged)

Drilling down into returns in Q3, 2024 the Table 1 shows the impact of the yen rally since returns were squeezed hard to negative 7% in US Treasuries and China govt bonds, whilst they were 3.2% positive in Treasuries when the yen exposure was hedged out. Also note that because WGBI ex Japan and China returns were so strong in local currency terms, with gains of 4.3%, even with the cost of the yen hedge, returns were still as high as 2.9% and exceeded JGB returns of 1.8% in Q3, and WGBI returns of 2.6%. US Treasury returns of 4.7% in dollars were the biggest driver of WGBI, and WGBI ex Japan returns, reflecting the impact of the Fed's policy pivot to cut rates 50bp.

Table 1; WGBI performance in Q3, 2024, and major constituent performance

Q3 (Jun-Sept 2024)	Local	JPY Base	JPY Hedged
WGBI	3.718	-4.894	2.569
WGBI ex Japan	3.928	-5.630	2.647
WGBI ex Japan and China	4.282	-5.467	2.897
US	4.723	-6.878	3.153
EGBI	4.013	-3.686	2.925
UK	2.483	-3.301	1.096
China	0.974	-7.013	0.557
Japan	1.828	1.828	1.828

Source: FTSE Russell, data to September 30, 2024

Duration also became the investor's friend in Q3. Longer duration bonds outperformed, despite the steepening of yield curves, as duration and convexity effects outweighed the impact of the bigger fall in short dated yields. This is most marked for the US Treasury market, and shown in Table 2.

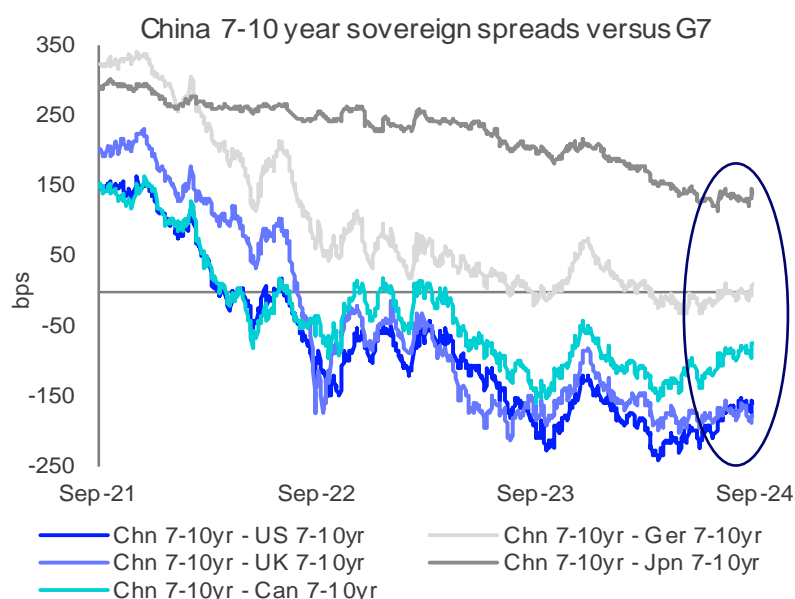
Table 2: Longer bonds outperformed in Q3 (local currency)

Q3 (Jun-Sept 2024)	1-3 yr	7-10 yr	20+ yrs
WGBI	2.26	4.14	5.59
WGBI ex Japan	3.40	4.39	6.17
WGBI ex Japan and China	2.63	4.87	6.61
US	2.87	5.72	7.96
EGBI	2.18	4.55	6.19
UK	1.83	2.51	2.58
China	0.64	1.05	2.15
Japan	0.05	1.91	2.45

Source: FTSE Russell, data to September 30, 2024

China returns still positive in Q3 but underperformed versus G7

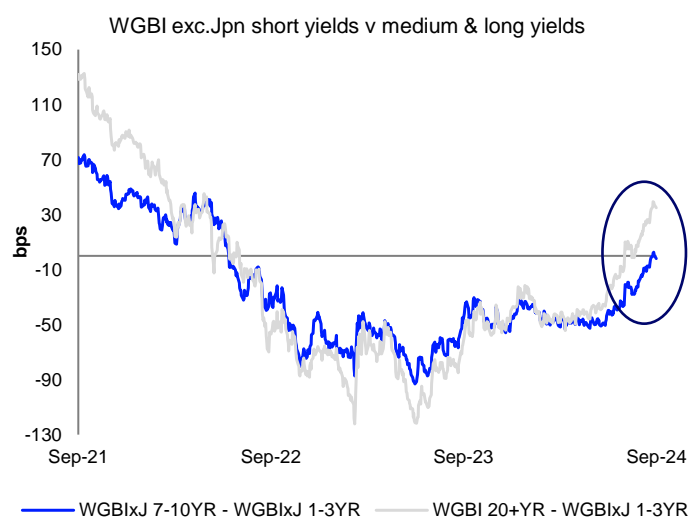
Despite further rate cuts by the PBOC in Q3, Chinese spreads edged back out against G7 markets, as yields fell further in US Treasuries, Canada, Bunds and UK gilts, as Chart 2 shows. So although Chinese bonds showed positive returns, they were outperformed by the US, Canada, Germany and the UK in local currency terms, in Q3, after a long period in which Chinese bonds outperformed.

Chart 2: China 7-10 year sovereign spreads versus G7

Source: FTSE Russell, data to September 30, 2024

Yield curve disinversion a key feature, WGBI ex Japan, in Q3

The other key development to note in Q3 was the unwinding of inverted yield curves, as short yields fell more than mediums and longs, as Chart 3 shows. This bull steepening of curves normally occurs during central bank easing cycles, and turned the gradient of the 10s/2s yield curve positive for the first time since 2022 in the WGBI ex Japan curve. The long end now shows a positive yield pick-up of about 30 bp versus shorts, a reversal of the negative carry that characterised yield curves when central banks were tightening policy.

Chart 3: WGBI ex Japan short yields vs medium and long yields

Source: FTSE Russell, data to September 30, 2024

The latest profile of WGBI

	Issue	Par amount (百万ドル)	Mkt Value (百万ドル)	Weight		Coupon	Remaining	Yield (%)	Mod Dur	Rating
				WGBI	WGBI xJP					
WGBI	1288	31,012	29,404	100.0%	-	2.45	9.56	3.18	7.09	AA
WGBI_X_JP	1014	27,753	26,310	89.5%	100.0%	2.62	9.01	3.42	6.55	AA
WGBI_X_JP_X_CN	933	25,023	23,420	79.6%	89.0%	2.61	9.28	3.61	6.66	AA
EGBI	386	8,407	7,983	27.2%	30.3%	2.08	9.58	2.82	7.22	AA-
US_TSY	280	13,059	12,219	41.6%	46.4%	2.86	8.42	3.97	6.01	AA+
CA_TSY	42	552	530	1.8%	2.0%	2.54	8.93	3.21	6.68	AAA
MX_TSY	15	213	197	0.7%	0.7%	7.47	9.31	9.81	4.84	BBB+
AU_TSY	28	381	352	1.2%	1.3%	2.58	8.34	3.85	6.54	AAA
NZ_TSY	15	79	73	0.2%	0.3%	2.79	8.93	4.18	6.75	AAA
JP_TSY	274	3,259	3,095	10.5%	-	1.05	14.24	1.14	11.71	A+
WGBI_CN	81	2,730	2,890	9.8%	11.0%	2.70	6.53	1.86	5.63	A+
MY_TSY	30	133	139	0.5%	0.5%	4.09	10.09	3.71	7.37	A
SG_TSY	22	110	108	0.4%	0.4%	2.45	10.89	2.68	8.23	AAA
AT_TSY	31	332	304	1.0%	1.2%	1.75	13.56	2.71	8.46	AA+
BE_TSY	33	452	424	1.4%	1.6%	2.18	12.35	2.80	8.91	AA
DK_TSY	8	72	70	0.2%	0.3%	1.74	10.09	2.30	7.99	AAA
FI_TSY	25	152	136	0.5%	0.5%	1.29	9.43	2.68	7.57	AA+
FR_TSY	51	2,173	2,022	6.9%	7.7%	1.86	9.83	2.84	7.29	AA-
DE_TSY	65	1,674	1,595	5.4%	6.1%	1.53	9.03	2.29	7.31	AAA
IE_TSY	17	142	127	0.4%	0.5%	1.18	9.65	2.58	7.97	AA
IT_TSY	90	1,860	1,822	6.2%	6.9%	2.98	8.51	3.30	6.38	BBB
NL_TSY	23	382	357	1.2%	1.4%	1.48	10.43	2.51	8.39	AAA
ES_TSY	51	1,241	1,196	4.1%	4.5%	2.29	9.19	2.91	6.91	A
SE_TSY	7	43	42	0.1%	0.2%	1.28	6.29	1.92	5.82	AAA
GB_TSY	61	1,687	1,437	4.9%	5.5%	2.65	15.19	4.13	9.44	AA
PL_TSY	15	148	141	0.5%	0.5%	3.32	4.62	5.00	3.92	A
NO_TSY	10	44	42	0.1%	0.2%	2.07	6.16	3.27	5.40	AAA
IL_TSY	14	96	86	0.3%	0.3%	2.55	8.39	4.55	5.85	A+
PT_TSY	19	180	174	-	-	2.28	8.25	2.73	6.56	A-

Index announcement

September 2024 Country Classification Result

South Korea

The Market Accessibility Level for South Korea will be reclassified from 1 to 2, and South Korean government bonds will be added to the FTSE World Government Bond Index.

India

The Market Accessibility Level for India will be reclassified from 0 to 1, and FAR-eligible Indian government bonds will be included in the FTSE Emerging Markets Government Bond Index (EMGBI).

Price Source Change for US Treasury, European Government and UK Gilts in the FTSE Global Fixed Income Indices

FTSE Russell is pleased to announce a price source change for US Treasuries, European government bonds and UK Gilts to Tradeweb FTSE Closing Prices, effective March 2025. The change will be effective across all FTSE global fixed income indices, including the FTSE World Government Bond Index (WGBI), the FTSE World Broad Investment Grade Index (WorldBIG), the FTSE US Broad Investment Grade Index (USBIG), the FTSE Euro Broad Investment Grade Index (EuroBIG), the FTSE UK Broad Investment Grade Index (UKBIG) and indices that derive their membership from these.

Please see the full announcement from the link below:

https://www.lseg.com/content/dam/ftse-russell/en_us/documents/country-classification/fixed-income-country-classification-october-2024-results.pdf

Final reminder of Portugal inclusion

In March 2024, FTSE Russell announced the inclusion of Portuguese local currency, fixed-rate government bonds in the FTSE World Government Bond Index (WGBI), effective with November 2024 index profiles. As of September 30, 2024, 19 EUR-denominated Portuguese government bonds (EUR 163.1 billion in par amount outstanding) are projected to enter the FTSE WGBI, representing 0.59% of the index on a market value weighted basis.

Fixing Date for remainder of 2024

FTSE Fixed Income Index rules stipulate that there must be a minimum of four business days following each index fixing date and before calendar month-end in all of the following business regions: US, UK, Eurozone, Japan, and Australia. Index fixing dates are subject to change if unforeseen circumstances arise affecting these business days.

The following are the fixing dates for Q4 of 2024. For more information on inclusion dates, please refer to the Index Guide.

October 25, 2024

November 22, 2024

December 20, 2024

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