
November 2023

FTSE/CORECOMMODITY CRB[®] INDEX

BENCHMARK STATEMENT

Date of Issue: 18 November 2023

Date of last update: 18 November 2023

Document Classification: Public



**FTSE
RUSSELL**
An LSEG Business

CONTENTS

1.	INTRODUCTION.....	3
2.	OVERVIEW OF METHODOLOGY.....	4
3.	INPUT DATA ERRORS AND INSUFFICIENT DATA HANDLING	4
4.	POTENTIAL LIMITATIONS OF THE BENCHMARK.....	4
5.	METHODOLOGY CHANGES AND BENCHMARK CESSATION	4
6.	FURTHER INFORMATION.....	5
	ANNEX: CLIMATE RELATED DISCLOSURES	6

FTSE/CoreCommodity CRB® Index Benchmark Statement

INTRODUCTION

The FTSE/CoreCommodity CRB® Index (the “Benchmark”) was introduced in 2005 as 10th revision of original CRB index founded in 1957 to provide a more liquid and economically relevant benchmark that will provide a timely and accurate representation of commodities as an asset class. The FTSE/CoreCommodity CRB® Indices are classified as Regulated-data benchmark as per Article 3 (24)(a)(i) of the BMR and categorized as Non-Significant Benchmark.

The historic CRB Index has undergone 9 previous weighting revisions since its inception to ensure market representative and the current model is a continuation from 2005 revision.

	1957	1961	1967	1971	1973	1974	1983	1987	1992	1995	2005
Number of Futures Markets	26	25	26	27	28	27	27	21	21	17	19
Number of Spot Markets	2	2	2	2	0	0	0	0	0	0	0
Markets in Index	28	27	28	29	28	27	27	21	21	17	19
Markets Removed		1	0	10	1	1	4	6	1	5	1
Markets Added		0	1	9	2	0	4	0	1	1	3
Forward Averaging Window (months)	12	12	12	12	12	12	12	9	9	6	Rolling Nearby
Averaging technique	←————— Geometric —————→										Arithmetic Monthly Rebalancing

The FTSE/CoreCommodity CRB® Indices are calculated for the Primary CRB Index comprising 19 individual commodity futures, the Non-Energy CRB index excludes energy segment and comprises 15 individual commodity futures, the Non-Agri and Livestock CRB index excludes both agricultural and livestock commodity futures and comprises 9 individual commodity futures. All the CRB index segments are calculating the excess return, total return based on 3 month US Treasury Bill and total return (daily compound) based on US Fed published overnight rate version along with 3 month forward excess return and total return versions. A euro dominated and currency hedged index is also calculated for the Primary CRB total return index using 1 month forex forwards with a daily adjusted notional.

Refinitiv Benchmark Services (UK) Limited (“RBSL” or “the Administrator”) is the administrator of the FTSE/CoreCommodity CRB Index segments and all related versions. The FTSE/CoreCommodity CRB® Index is a commodity benchmark based on exchange traded commodity futures and subject to the UK Benchmark Regulation (“BMR”)¹. RBSL administers the FTSE/CoreCommodity CRB® Index in accordance with Article 26 (“non-significant benchmarks”) of the BMR. RBSL has adopted policies and procedures to comply with the ESMA’s Regulation.

The Benchmark is intended to cover the commodity futures traded over world leading regulated derivative exchanges where there is sufficient liquidity in the commodity futures market to provide accurate index representation. Currently the Benchmark comprises 19 commodity futures as listed in the Benchmark Methodology and the Benchmark disseminated at the close of business day on which US futures market is open for business.

The primary infrastructure used to source commodity futures data used in the determination of the Benchmark is the LSEG Elektron data delivery system which directly linked with global derivative exchanges. For Total Return Euro Daily Hedge Index, the WMR Currency benchmarks 16:00 LDN rates to be used in hedge component calculation.

The benchmark is using primarily three major derivative exchanges CME (which owns CBOT, NYMEX and COMEX), ICE (which owns NYBOT) and LME and all exchanges are regulated by derivative exchange regulators. The Benchmark is not based on the contribution of input data. Benchmark also using 3 months US treasury previous day high value for Total Return Treasury Bill version calculation and using US Fed published overnight rate (previous day’s rate) for Total Return (Daily Compound) version calculation.

Determination of the Benchmark is an automated ruled based process without any manual intervention and the commodity futures settle prices are being plucked directly from the derivative exchange feeds that feed into the Elektron data highway.

This benchmark statement shall be reviewed at least every two years, or whenever there is a material change to either the type of the Benchmark or to the Methodology used in the determination of the benchmark.

¹ [The Benchmarks \(Amendment and Transitional Provision\) \(EU Exit\) Regulations 2019](#)

OVERVIEW OF METHODOLOGY

FTSE/CoreCommodity CRB® Indices are calculated for the following segments, The Primary CRB index comprising 19 individual commodities, the Non-Energy CRB index which excludes energy commodities and comprises 15 individual commodities, and the Non-Agri and Livestock CRB index which excludes both agricultural and livestock commodities and comprises 9 individual commodities. For each Commodity Segment, six types of indices are calculated, an excess return, 3 months forward excess return, total return based on US 3 Month Treasury Bill rate and total return based on US Fed published overnight rate and 3 months forward total return with both rates. In addition, a euro denominated and currency hedged index is calculated for the Primary CRB total return index (with both rates) using 1 month FX forwards with a daily adjusted notional.

An individual commodity "Percent Return" is calculated for each commodity futures, in each Commodity Segment Main index and Forward index. The roll from the front expiration month to the immediate back expiration month of the relevant futures contract takes place over the first four business day period of each calendar month. Exposure is rolled in equal amounts of 25% on each day during the roll period such that by the fourth day of the roll period, 100% of the weight is in the immediate back expiration month.

The FTSE/CoreCommodity CRB® Commodity Segment Main and Forward indices are rebalanced monthly after close of 6th Business day to reinstate the fixed weights allocations from 2005 revision.

INPUT DATA ERRORS AND INSUFFICIENT DATA HANDLING

The ability of RBSL to determine and publish the FTSE/CoreCommodity CRB® Indices Benchmarks in accordance with this Methodology depends on the accuracy of the regulated futures exchange data available to RBSL for the calculation of the Benchmark. Reasonable efforts are made to ensure the correctness and validity of regulated futures exchange data used in index calculations.

RBSL reserves the rights to restate the index level where errors have identified on index input data by Index operations or notified by regulated futures exchanges. All index restatements will be communicated to stakeholders through LSEG regular client communication channels, in addition Eikon Data Alerts and posting a data notification.

Also "Market Emergency" is herein defined as any unscheduled and extraordinary condition in which liquidity in the markets used to source input data is interrupted (such as an event resulting in the unscheduled closing of futures exchanges). Should a Market Emergency occur, RBSL reserves the right to take such action with respect to the FTSE/CoreCommodity CRB® Indices as it deems appropriate given the circumstances and after consulting with the Index Oversight Committee as appropriate. All index revisions will be consulted with market participants (via market consultation) and then the change in commodity constituent/s will be communicated to stakeholders through FTSE Russell regular client communication channels.

POTENTIAL LIMITATIONS OF THE BENCHMARK

The design of the Benchmark is resilient against disruptions and periods of high volatility. However, technical problems or extreme market events may lead to re-publish the most recent Benchmark end of day close until the disruption has ended or changes have been implemented. RBSL will attempt to notify interested parties of any such actions as well in advance as is practicable. There is no assurance, however, that following a Market Emergency, the actions taken in response to such Market Emergency, or any other force majeure event, will not have an adverse effect on the value of the FTSE/CoreCommodity CRB® Indices or the manner in which they are calculated.

METHODOLOGY CHANGES AND BENCHMARK CESSATION

The FTSE/CoreCommodity CRB® Indices Methodology is subject to a review in order to assess its ongoing fitness for purpose on at least an annual basis. In the event that the review leads RBSL to believe that a change to the Methodology is required and that the change is material in its effect on the benchmark, a market consultation will be conducted in accordance with the RBSL Benchmark Methodology Change Procedures in order to seek feedback from a representative range of stakeholders. RBSL will review all feedback and, if following such review it resolves to proceed with the proposed change or changes, will provide sufficient notice to users of the Benchmark before implementing such change or changes.

Circumstances beyond the control of RBSL may necessitate an immediate change to or the cessation of the Benchmark. Such circumstances include without limitation (i) loss of commodity futures exchange input data source and (ii) a loss of interest in the available indices over wider market.

In the event that an immediate change is required, RBSL will provide as much notice as is practicable in accordance with the RBSL Benchmark Methodology Change Procedures and following such change will conduct an internal review of the Benchmark Methodology.

FTSE/CoreCommodity CRB® Index Benchmark Statement

If it becomes necessary to cease calculation and distribution of the benchmark, RBSL will implement the [RBSL Benchmark Cessation Policy](#). This includes conducting an analysis of the estimated usage of the Benchmark and, where feasible, the selection of a credible alternative benchmark. In all cases, RBSL will take all reasonable steps to ensure that all users and other stakeholders are made aware as soon as possible of any intention or possible necessity to cease the Benchmark.

Any material change to the Benchmark Methodology or cessation of the Benchmark may have an impact on any financial contract or financial instrument that references the Benchmark or on the measurement of the performance of an investment fund that uses or refers to the Benchmark. Financial instruments that reference the Benchmark include UCITS ETF and exchange traded and OTC derivative contracts including swaps and option contracts.

A material change to the Methodology may lead to a change in the economic reality represented by the Benchmark and therefore to the economic exposure of any financial contract or financial instrument that references the Benchmark. A cessation of the Benchmark would require the selection of an alternative benchmark or the implementation of any fallback procedures for financial contracts or financial instruments that reference the Benchmark.

FURTHER INFORMATION

The Benchmark Methodology used in the determination and administration of the FTSE/CoreCommodity CRB® Indices is available on RBSL's [website](#).

For further information about the FTSE/CoreCommodity CRB® Indices, please refer to the website at [FTSE Russell Commodity Indices](#) or contact the Administrator at index_queries@lseg.com

ANNEX: CLIMATE RELATED DISCLOSURES

SECTION 1 – CONSIDERATION OF ESG FACTORS	
<i>Item 1. Name of the benchmark administrator.</i>	Refinitiv Benchmark Services (UK) Limited
<i>Item 2. Type of benchmark or family of benchmarks.</i> Choose the relevant underlying asset from the list provided in Annex II.	Commodity
<i>Item 3. Name of the benchmark or family of benchmarks.</i>	CoreCommodity/CRB Indices
<i>Item 4. Are there in the portfolio of the benchmark administrator any EU Climate Transition Benchmarks, EU Paris-aligned Benchmarks, benchmarks that pursue ESG objectives or benchmarks that take into account ESG factors?</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<i>Item 5. Does the benchmark or family of benchmarks pursue ESG objectives?</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
SECTION 3 – DISCLOSURE OF THE ALIGNMENT WITH THE OBJECTIVES OF THE PARIS AGREEMENT	
<i>Item 10. By the date of application of this Regulation, for significant equity and bond benchmarks, EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks, benchmark administrators shall also disclose the following information. By 31 December 2021, benchmark administrators shall, for each benchmark or, where applicable, each family of benchmarks, disclose the following information:</i>	
<i>(a) Does the benchmark align with the target of reducing carbon emissions or the attainment of the objectives of the Paris Agreement;</i>	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<i>Date on which information has last been updated and reason for the update:</i>	23 December 2021 Annex: CLIMATE RELATED DISCLOSURES added

Disclaimer

© 2023 London Stock Exchange Group plc and its applicable group undertakings (“LSEG”). The LSEG includes (1) FTSE International Limited (“FTSE”), (2) Frank Russell Company (“Russell”), (3) FTSE Global Debt Capital Markets Inc. and FTSE Global Debt Capital Markets Limited (together, “FTSE Canada”), (4) FTSE Fixed Income Europe Limited (“FTSE FI Europe”), (5) FTSE Fixed Income LLC (“FTSE FI”), (6) FTSE (Beijing) Consulting Limited (“WOFE”), (7) Refinitiv Benchmark Services (UK) Limited (“RBSL”), (8) Refinitiv Limited (“RL”) and (9) Beyond Ratings S.A.S. (“BR”). All rights reserved.

The FTSE/CoreCommodity CRB® Index and related indices and sub-indices (“FTSE/CC-CRB”) are calculated by or on behalf of RBSL or its affiliate, agent or partner. RBSL is authorised and regulated by the Financial Conduct Authority as a benchmark administrator. The FTSE/CC-CRB is owned by LSEG, or its affiliates, and CoreCommodity Indexes, LLC, or its affiliates (“CoreCommodity”).

FTSE Russell® is a trading name of FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL and BR. “FTSE®”, “Russell®”, “FTSE Russell®”, “FTSE4Good®”, “ICB®”, WMR™, “Beyond Ratings®”, “CRB®”, and all other trademarks and service marks used herein (whether registered or unregistered) are trade marks and/or service marks owned or licensed by the applicable member of LSEG or their respective licensors and are owned, or used under licence, by FTSE, Russell, FTSE Canada, FTSE FI, FTSE FI Europe, WOFE, RBSL, RL or BR.

All information is provided for information purposes only. All information and data contained in this publication is obtained by LSEG and CoreCommodity, from sources believed by them to be accurate and reliable. Because of the possibility of human and mechanical inaccuracy as well as other factors, however, such information and data is provided “as is” without warranty of any kind. No member of LSEG, CoreCommodity, nor their respective directors, officers, employees, partners or licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the accuracy, timeliness, completeness, merchantability of any information or LSEG products, or of results to be obtained from the use of LSEG products, including but not limited to indices, rates, data and analytics, or the fitness or suitability of the LSEG products for any particular purpose to which they might be put. The user of the information assumes the entire risk of any use it may make or permit to be made of the information.

No responsibility or liability can be accepted by any member of LSEG, CoreCommodity, nor their respective directors, officers, employees, partners or licensors for (a) any loss or damage in whole or in part caused by, resulting from, or relating to any inaccuracy (negligent or otherwise) or other circumstance involved in procuring, collecting, compiling, interpreting, analysing, editing, transcribing, transmitting, communicating or delivering any such information or data or from use of this document or links to this document or (b) any direct, indirect, special, consequential or incidental damages whatsoever, even if any member of LSEG or CoreCommodity is advised in advance of the possibility of such damages, resulting from the use of, or inability to use, such information.

No member of LSEG, CoreCommodity nor their respective directors, officers, employees, partners or licensors provide investment advice and nothing in this document should be taken as constituting financial or investment advice. No member of LSEG, CoreCommodity nor their respective directors, officers, employees, partners, or licensors make any representation regarding the advisability of investing in any asset or whether such investment creates any legal or compliance risks for the investor. A decision to invest in any such asset should not be made in reliance on any information herein. Indices and rates cannot be invested in directly. Inclusion of an asset in an index or rate is not a recommendation to buy, sell or hold that asset nor confirmation that any particular investor may lawfully buy, sell or hold the asset or an index or rate containing the asset. The general information contained in this publication should not be acted upon without obtaining specific legal, tax, and investment advice from a licensed professional.

No part of this information may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without prior written permission of the applicable member of LSEG. Use and distribution of LSEG data requires a licence from LSEG and/or its licensors.



**FTSE
RUSSELL**
An LSEG Business