

MONTHLY REBALANCING ANNOUNCED FOR THE S&P/NZX NEW ZEALAND FIXED INTEREST INDEX SERIES

Wellington, December 27, 2017: S&P Dow Jones Indices announced today the January 2018 rebalancing results for the S&P/NZX New Zealand Fixed Interest Index Series.

The S&P/NZX New Zealand Fixed Interest Index Series is a broad benchmark index family designed to measure the performance of the New Zealand bond market, while meeting certain investability criteria.

In July 2015, pursuant to an agreement between S&P Dow Jones Indices and NZX Limited, the existing suite of NZX Indices was co-branded and S&P Dow Jones Indices assumed responsibility for calculating, maintaining and licensing the indices. NZX continues to distribute and license the real-time and delayed index values via its data feed product. The S&P/NZX index series, covering equity and fixed interest, are transparent, easy to replicate, and serve as the basis for index products and trading tools.

S&P/NZX New Zealand Fixed Interest Index Series

The additions and deletions to the index series resulting from each month-end rebalancing are shown in Exhibit 3. Final changes resulting from the rebalance are published one (1) business day prior to the last business day of each month.

Changes become effective after the close on the last business day of each month.

Highlights

Exhibit 1: Pro-Forma Modified Duration Changes			
Index	Current Modified Duration	New Month Modified Duration	Change
S&P/NZX NZ Government Bond Index	4.80	4.80	0.00
S&P/NZX NZ Inflation-Indexed Government Bond Index	11.43	11.43	0.00
S&P/NZX A-Grade Corporate Bond Index	3.14	3.17	0.03
S&P/NZX Investment Grade Corporate Bond Index	3.22	3.24	0.02
S&P/NZX Local Authority Bond Index	4.08	4.11	0.03
S&P/NZX Kauri Bond Index	2.43	2.43	0.00
S&P/NZX Composite Kauri Bond Index	4.12	4.12	0.00
S&P/NZX Composite A-Grade Bond Index	4.33	4.34	0.01
S&P/NZX Composite Investment Grade Bond Index	4.32	4.32	0.00

Source: S&P Dow Jones Indices LLC.

Exhibit 2: Changes in Yield-to-Maturity

Index	Current Yield-to-Maturity	New Yield-to-Maturity	Change
S&P/NZX NZ Government Bond Index	2.27	2.27	0.00
S&P/NZX NZ Inflation-Indexed Government Bond Index	2.73	2.73	0.00
S&P/NZX A-Grade Corporate Bond Index	2.89	2.89	0.00
S&P/NZX Investment Grade Corporate Bond Index	2.97	2.98	0.01
S&P/NZX Local Authority Bond Index	2.85	2.86	0.01
S&P/NZX Kauri Bond Index	2.55	2.55	0.00
S&P/NZX Composite Kauri Bond Index	2.35	2.35	0.00
S&P/NZX Composite A-Grade Bond Index	2.44	2.45	0.01
S&P/NZX Composite Investment Grade Bond Index	2.48	2.48	0.00

Source: S&P Dow Jones Indices LLC.

Exhibit 3: Index Constituent Changes

Index Code	Index Name	Issuer	Description	Change Type	Par Amount (NZD)
SPBNCAT	S&P/NZX A-Grade Corporate Bond Index	CHRISTCHURCH CITY HOLDINGS LTD	CHRCL 3.400 12/06/22	ADD	150,000,000
SPBNCIT	S&P/NZX Investment Grade Corporate Bond Index	CHRISTCHURCH CITY HOLDINGS LTD	CHRCL 3.400 12/06/22	ADD	150,000,000
SPBNCAT	S&P/NZX A-Grade Corporate Bond Index	ASB BANK LTD	CBA 5.255 12/19/17	DROP	300,000,000
SPBNCAT	S&P/NZX A-Grade Corporate Bond Index	ASB BANK LTD	CBA 4.476 12/20/17 MTN	DROP	400,000,000
SPBNCIT	S&P/NZX Investment Grade Corporate Bond Index	ASB BANK LTD	CBA 5.255 12/19/17	DROP	300,000,000
SPBNCIT	S&P/NZX Investment Grade Corporate Bond Index	ASB BANK LTD	CBA 4.476 12/20/17 MTN	DROP	400,000,000
SPBNKAT	S&P/NZX Kauri Bond Index	EUROPEAN INVESTMENT BANK	EIB 7.500 12/15/17	DROP	100,000,000
SPBNKAT	S&P/NZX Kauri Bond Index	INTER-AMERICAN DEVELOPMENT BANK	IADB 6.250 12/15/17	DROP	100,000,000
SPBNKAT	S&P/NZX Kauri Bond Index	INTERNATIONAL FINANCE CORP	IFC 6.250 12/15/17	DROP	150,000,000
SPBNKAT	S&P/NZX Kauri Bond Index	KOMMUNALBANKEN AS	KOMBK 3.750 12/11/17 MTN	DROP	500,000,000
SPBNKAT	S&P/NZX Kauri Bond Index	LANDESKREDITBANK BADEN WUERTTEMBERG FOERDERBANK	LNBAD 2.500 12/15/17 MTN	DROP	125,000,000
SPBNKAT	S&P/NZX Kauri Bond Index	LANDWIRTSCHAFTLICH E RENTENBANK	LRENT 7.485 12/15/17 MTN	DROP	275,000,000
SPBNGBT	S&P/NZX NZ Government Bond Index	NEW ZEALAND (GOVERNMENT)	NZGV 6.000 12/15/17	DROP	5,939,000,000
SPBNCAT	S&P/NZX A-Grade Corporate Bond Index	NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LTD	LGFA 6.000 12/15/17	DROP	1,015,000,000
SPBNCIT	S&P/NZX Investment Grade Corporate Bond Index	NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LTD	LGFA 6.000 12/15/17	DROP	1,015,000,000

		NEW ZEALAND LOCAL GOVERNMENT FUNDING				
	S&P/NZX Local Authority	AGENCY LTD	LGFA 6.000			
SPBNLAT	Bond Index		12/15/17	DROP	1,015,000,000	

Source: S&P Dow Jones Indices LLC.

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500® and the Dow Jones Industrial Average®. More assets are invested in products based on our indices than based on any other provider in the world. With over 1,000,000 indices and more than 120 years of experience constructing innovative and transparent solutions, S&P Dow Jones Indices defines the way investors measure and trade the markets.

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