

Dow Jones Sukuk Indices Consultation on Eligibility Criteria

NEW YORK, JANUARY 28, 2019: S&P Dow Jones Indices (“S&P DJI”) is conducting a consultation with members of the investment community on a potential change to the Dow Jones Sukuk Indices.

Currently, Islamic Sukuk Murabaha are eligible for inclusion in the indices, while Islamic Sukuk Hybrid instruments are ineligible.¹ With a goal of better reflecting the Sukuk market, S&P DJI is seeking market feedback on whether Islamic Sukuk Murabaha should remain eligible for index inclusion and if Islamic Sukuk Hybrid instruments should become eligible.

For information on the Dow Jones Sukuk Indices, please refer to the Dow Jones Sukuk Total Return Index (ex-Reinvestment) available [here](#).

IMPACT ANALYSIS

The following table shows the actual index attributes of the Dow Jones Sukuk Total Return Index (ex-Reinvestment) as well as the hypothetical index attributes that would have resulted had Islamic Sukuk Hybrid instruments been eligible for inclusion at the most recent index rebalancing, effective prior to the market open on January 1, 2019.

Dow Jones Sukuk Total Return Index (ex-Reinvestment)				
Attribute	No Hybrids (Actual)	With Hybrids (Hypothetical)	Difference	% Change
Constituent Count	76	77	1	1.32%
Market Value	78,088,852,222	78,397,686,888	308,834,667	0.40%
Par Amount	79,110,757,000	79,410,757,000	300,000,000	0.38%
Yield-to-Maturity	4.2243	4.2238	-0.0005	
Yield-to-Worst	4.2286	4.2281	-0.0005	

QUESTIONS

Please answer the following questions and provide S&P DJI with the reasoning behind your answers:

- 1. Should bonds with Islamic Sukuk Murabaha structures remain eligible for index inclusion?**
- 2. Should Islamic Sukuk Hybrid instruments be eligible for index inclusion?**
- 3. If any changes based on questions 1 or 2 are adopted, do you agree with implementing them prior to the market open on Friday, March 1, 2019, in conjunction with the monthly rebalancing?**

¹ Due to the minimal issuance of bonds with this structure, the indices currently do not include any Islamic Sukuk Murabaha.

4. Do you have any other comments or feedback regarding the proposed changes outlined above?

Your participation in this consultation is important as we gather information from various market participants in order to properly evaluate your views and preferences. S&P DJI will make responses to consultations freely available upon request.² If you do not want your response to be made available, you must clearly state that in your response. Please respond to this survey by **February 26, 2019**. After this date, S&P DJI will no longer accept survey responses. Prior to the Index Committee's final review, S&P DJI will consider the issues and may request clarifications from respondents as part of that review. Alternative options to the proposed questions after the deadline require that the consultation be re-opened to the public.

To participate in this consultation, please visit the online survey available [here](#).

For further information about this consultation, please contact S&P Dow Jones Indices at index_services@spglobal.com.

Please be advised that all comments from this consultation will be reviewed and considered before a final decision is made; however, S&P DJI makes no guarantees or is under any obligation to comply with any of the responses. The survey may result in no changes or outcome of any kind. If S&P DJI decides to change the index methodology, an announcement will be posted on our website.

Thank you for taking the time to complete this survey.

For more information about S&P Dow Jones Indices, please visit www.spdji.com.

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 products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies and governments to make decisions with confidence. For more information, visit www.spdji.com.

FOR MORE INFORMATION:

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² Individual and company names as well as contact details will be redacted.