

# MARKET CONSULTATION SOLACTIVE AUSTRALIAN GOVERNMENT 7-12 YEAR AUD TR INDEX

15 July 2019



## Content of the Market Consultation

Solactive AG has decided to conduct a Market Consultation with regard to change of the index methodology of the following Index.

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Solactive Australian Government 7-12 Year AUD TR Index	.SOLAUGOV	DE000SLA8SH3

## Rationale for Market Consultation

The rationale behind the proposed methodology change is to standardise the market practice for the Australian bond indexes. This amendment is also direct to line up it to the general practice of the other Solactive's Australian bond indices.

The general practice is the use of the mid-price for the calculation of the indices. Moreover, the other Solactive's Australian bond indices use the mid-price.

## Changes to the Index Guideline

The following amendment of section 1.4. in order to modify the calculation method to mid-prices, instead of the bid prices, will take place:

From:

### 1.4. PRICES AND CALCULATION FREQUENCY

The Index is calculated and distributed once every Business Day based on the Last Evaluated Bid Prices of the Index Components. Bonds added in a rebalancing (see Section 3) are included the index at the Last Evaluated Ask Price on the relevant Rebalance Day (as specified in Section 3.3). Bonds which are excluded from the Index in a rebalancing are reflected in the calculation of the level of the Index for the Rebalance Day at the Last Evaluated Bid Price on the relevant Rebalance Day. Index analytical values are calculated each Business Day using the Last Evaluated Bid Price based on Fixing Time.

To:

### 1.4. PRICES AND CALCULATION FREQUENCY

The Index is calculated and distributed once every Business Day based on the Last Evaluated Mid Prices of the Index Components. Bonds added in a rebalancing (see Section 3) are included the index at the Last



Evaluated Mid Price on the relevant Rebalance Day (as specified in Section 3.3). Bonds which are excluded from the Index in a rebalancing are reflected in the calculation of the level of the Index for the Rebalance Day at the Last Evaluated Mid Price on the relevant Rebalance Day. Index analytical values are calculated each Business Day using the Last Evaluated Mid Price based on Fixing Time.

### Timing for Implementation

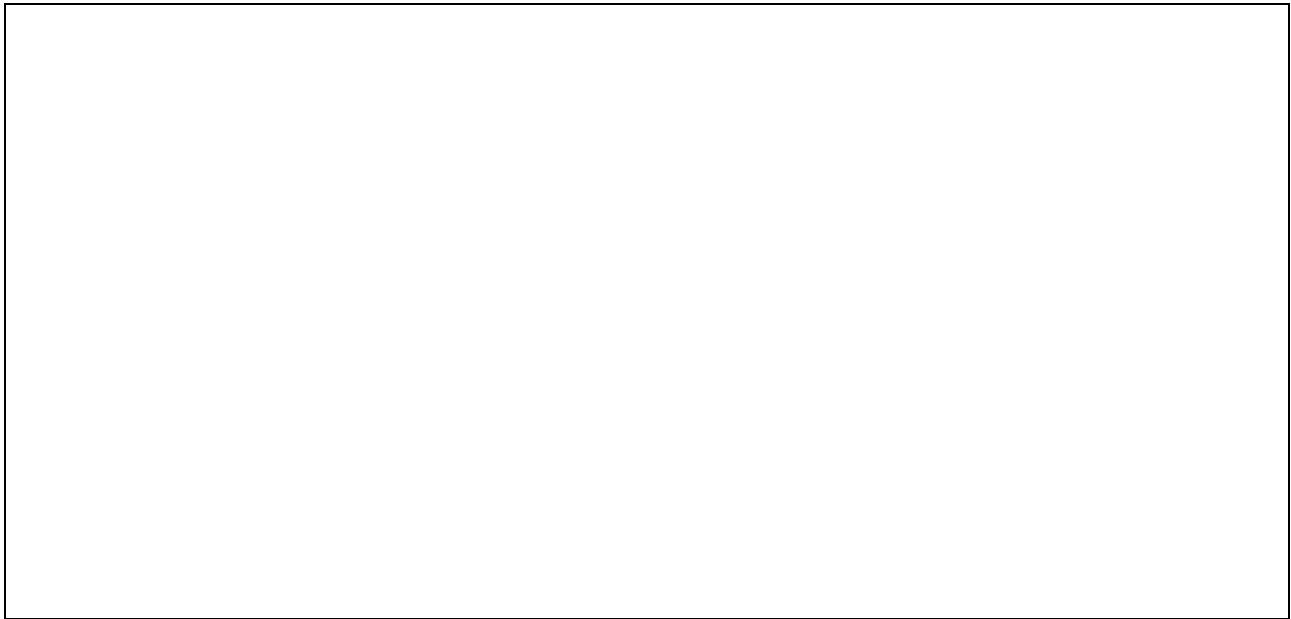
The change mentioned is currently planned to become effective on 1<sup>st</sup> August 2019.

### Feedback on the proposed changes

If you would like to share your thoughts with Solactive, please use this consultation form and provide us with your personal details and those of your organization.

Name	
Function	
Organization	
Email	
Phone	
Confidentiality (Y/N)	

Solactive is inviting all stakeholders and interested third parties to evaluate the proposed changes to the Guideline for the Solactive Australian Government 7-12 Year AUD TR Index and welcomes any feedback on how this may affect and/or improve their use of Solactive indices.



### Consultation Procedure

Stakeholders and third parties who are interested in participating in this Market Consultation, are invited to respond until 29<sup>th</sup> July 2019 (cob).

Please send your feedback via email to [compliance@solactive.com](mailto:compliance@solactive.com), specifying "Market Consultation Solactive Australian Government 7-12 Year AUD TR Index" as the subject of the email, or

via postal mail to:      Solactive AG  
                                 Platz der Einheit 1  
                                 60327 Frankfurt am Main  
                                 Germany

Should you have any additional questions regarding the consultative question in particular, please do not hesitate to contact us via above email address.

# CONTACT

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