

Market Consultation Solactive XP Indices de Commodities VT 15% | Change in Return Type for underlying index

31 March 2022

**Content of the Market Consultation**

Solactive AG has decided to conduct a Market Consultation with regard to changing the Index Methodology of the following index (the Index):

|  |  |  |
| --- | --- | --- |
| **NAME** | **RIC** | **ISIN** |
| Solactive XP Índice de Commodities VT 15% | .SOLXPCOM | DE000SL0B2D2 |

**Rationale for the Market Consultation**

The Index is a Volatility Target index with one index component (INVESCO OPTIMUM YIELD DIVERSIFIED COMMODITY STRATEGY ETF with BBG Ticker PDBC UQ Equity and RIC PDBC.OQ).

The index component distributes any price gains which occur during the year as distributions, which makes it difficult for the client to fully replicate the Index. Solactive has therefore decided to consult the market in order get feedback on the plan to replace the price return version of the index component by its net total return version.

**Proposed Change to the Index Guideline**

The following Methodology change is proposed in the following point of the Index Guideline:

*Section 3.1 (Index Formula)*

*From (old version):*

“[…]

**The Index Level for any Calculation Day t, denoted , is determined in accordance with the** **following formula, where :**

**With:**

**Number of Calendar Days from (and excluding) Calculation Day t-1 to (and including) Calculation Day t**

**Exposure as of Calculation Day t-1**

**The closing level of Underlying Component 1 for Calculation Day t**

**Level of the Federal Funds Rate for Calculation Day t-1**

[…] .“

*To (new version):*

“[…]**The Index Level for any Calculation Day t, denoted , is determined in accordance with the following formula, where :**

**With:**

**Number of Calendar Days from (and excluding) Calculation Day t-1 to (and including) Calculation Day t**

**Exposure as of Calculation Day t-1**

**The Net Total Return level of Underlying Component 1 for Calculation Day t**

**Level of the Federal Funds Rate for Calculation Day t-1**

**The Net Total Return level of Underlying Component 1 for Calculation Day t is calculated according to:**

**Where:**

**: The unadjusted Closing Price of Underlying Component as of Calculation Day t**

**: The withholding tax rate of 30%**

**: The dividend amount with ex-date equal to Calculation Day t**

**The NTR1 level is incepted as of 7th November 2014 with a level of 100.**

[…] .“

**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 Methodology for the Solactive XP Índice de Commodities VT 15% and welcomes any feedback on how this may affect and/or improve their use of Solactive indices.

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**Consultation Procedure**

Stakeholders and third parties who are interested in participating in this Market Consultation, are invited to respond until *12th April*

Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective on *19th April.*

Please send your feedback via email to [marketconsultation@solactive.com](mailto:marketconsultation@solactive.com), specifying “**Market Consultation** **Solactive XP Índice de Commodities VT 15% | Change in return type for underlying index**” as the subject of the email, or

via postal mail to: **Solactive AG**

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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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