

# MARKET CONSULTATION – SOLACTIVE 10-YEAR U.S. TREASURY FUTURE INDEX AMENDMENT OF ROLLSCHEDULE

09 May 2023

## 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 10-Year U.S. Treasury Future Index	.SOLUS10T	DE000SLA2DS5

## Rationale for the Market Consultation

The Index performs its quarterly bond futures roll on 1<sup>st</sup> notice date each quarter, rather than prior to that date.

Any holder of a futures contract is eligible to be assigned physical delivery of the underlying bond if they still hold that contract on 1<sup>st</sup> notice date, and as a bi-product of that, liquidity thins from that date onwards to expiry.

In order to avoid a physical delivery for the index replicating parties, Solactive is considering to move the rebalancing date, on which the underlying contract is rolled, to the third business day immediately preceding the first notice day.

## Proposed Changes to the Index Guideline

The following Methodology changes are proposed in the following points of the Index Guideline: (ordered in accordance with the numbering of the affected sections):

### 1) 2.1 Index Components:

The formulation is changed to reference the rebalancing day instead of first notice day as start point for the next contract:

*Current:*

[...]

At any given time, the index consist of a single 10-Year US Treasury futures with the nearest Expiry date, except the period after the first notice date, where the Current Future Contract is replaced by the Future Contract with the 2nd nearest Expiry Date.

[...]

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*Proposed:*

[...]

At any given time, the index consist of a single 10-Year US Treasury futures with the nearest Expiry date, except for the period between rebalancing day and nearest expiry, where the Current Future Contract is replaced by the Future Contract with the 2nd nearest Expiry Date.

[...]

2) 4. Definitions:

*Current:*

[...]

"Rebalancing day" –  $T_{RB}(t)$  is the first notice day. For more information pertaining to the product calendar, please refer to the CME Group Website at [www.cmegroup.com/trading/calendar](http://www.cmegroup.com/trading/calendar).

[...]

*Proposed:*

[...]

"Rebalancing day" -  $T_{RB}(t)$  is the third business day immediately preceding the first notice day. For more information pertaining to the product calendar, please refer to the CME Group Website at [www.cmegroup.com/trading/calendar](http://www.cmegroup.com/trading/calendar).

[...]

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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 10-Year U.S. Treasury Future Indexand 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 31st of May 2023 (cob).

Subject to feedback received on this Market Consultation, the changes mentioned above are intended to become effective with the roll period end of August 2023.

Please send your feedback via email to [marketconsultation@solactive.com](mailto:marketconsultation@solactive.com), specifying "Market Consultation - Solactive 10-Year U.S. Treasury Future Index amendment of Rolschedule 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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