

FINRA-Bloomberg Active U.S. Corporate Bond Indices

The Financial Industry Regulatory Authority (FINRA) and Bloomberg have created a family of U.S. corporate bond indices geared toward individual investors. Individuals can now gauge the performance of their corporate bond holdings against broad benchmarks representing the most liquid bonds in the market.

These new end-of-day indices represent the fixed coupon actively traded portion of the market, and are derived using transacted prices (not matrix or estimated prices) from TRACE—the U.S. over-the-counter corporate bond market’s only regulated intra-day price dissemination service.

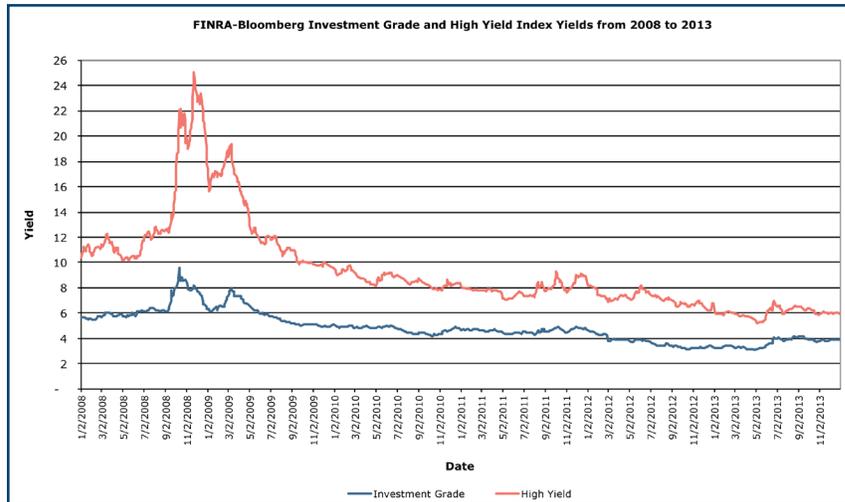
FINRA and Bloomberg are making the indices available free of charge for redistribution.

Index Firsts

- ▶ **Based on Real Transaction Prices** – Uses the latest transacted prices from TRACE (not quotes, matrix or estimated prices)
- ▶ **Neutral Source** – Pricing is derived from all trades executed by all firms reporting to TRACE
- ▶ **Free Redistribution** – There are no charges for receipt or redistribution of index values and data
- ▶ **Retail Investor Driven** – First set of fixed income indices geared toward the retail investor as a broad benchmark to gauge market performance and movements

Index Features

- ▶ **Easy to Understand and Monitor** – 100 percent transparent methodology
- ▶ Addresses Investment-Grade and High-Yield Markets Separately:
 - ▶ FINRA-Bloomberg Active Investment Grade U.S. Corporate Bonds Index (Symbol: NBBI)
 - ▶ FINRA-Bloomberg Active High Yield U.S. Corporate Bonds Index (Symbol: NBBH)
- ▶ **Represents Active Bonds** – Represents most actively traded portion of TRACE
- ▶ **Research Ready** – Data available dating back to October 1, 2002, to view historical performance



Index Data Index-Level Data

- ▶ Index Total Return
- ▶ Index Price
- ▶ Index Yield
- ▶ Yield Index Spread Measures*
- ▶ Total Index Volume (\$ Par Amount)

Supporting Information Per Index

- ▶ 10 Most Active Bonds by Volume
- ▶ 10 Lagging Movers
- ▶ 10 Leading Movers

Component Data on Individual Bonds

- ▶ Index Fixing Price
- ▶ Weight

- ▶ Weight in Index
- ▶ Yield Percent

Where to Get It

- ▶ FINRA's websites bondinfo.com and finra.org
- ▶ Bloomberg Professional Service (NewsWire)
- ▶ FTP from FINRA

When to Get It

- ▶ Calculated daily and made available after 5:30 p.m. ET
- ▶ Re-balanced at month end

ABOUT TRACE

TRACE, FINRA's over-the-counter real-time price dissemination service for the fixed income market, brings transparency to the corporate and agency bond markets. By distributing accurate and timely public transaction data, TRACE provides access to reliable fixed income information, thereby enhancing the integrity of the market. Access to real-time trade data helps investors to better gauge the quality of the executions they receive from their broker-dealers. TRACE helps create a level playing field for all market participants by providing comprehensive, real-time access to bond price information. Introduced in July 2002, TRACE consolidates transaction data for all eligible corporate bonds representing 99 percent of total U.S. corporate bond market, and since March 1, 2010, for all U.S. agency debentures. As a result, retail and institutional investors and market professionals can access real-time transaction information on OTC activity in corporate bonds and agency debentures reported to TRACE by FINRA members. Since May 16, 2011, TRACE is collecting transactions in asset-backed and mortgage-backed securities. Only transactions in agency pass-through mortgage-backed securities traded to be announced and in specified pool transactions are currently subject to dissemination.

Contact Us For more information:

- ▶ FINRA at (888) 507-3665
- ▶ Bloomberg at (212) 318-2000
- ▶ www.finra.org/licensing/trace

Investor protection. Market integrity.

1735 K Street, NW
Washington, DC 20006-1506
www.finra.org

© 2014 FINRA. All rights reserved.
14_0267.1 – 07/14