S&P Dow Jones Indices and B3 S.A. Launch the S&P/B3 Corporate Bond Indices

SÃO PAULO, April 13, 2023 /PRNewswire/ -- S&P Dow Jones Indices ("S&P DJI"), the world's leading index provider, and B3, the exchange of Brazil, today announced the debut of two new bond indices, the first in a series of fixed income indices foBrazil's domestic corporate bond market.

S&P Dow Jones Indices

A Division of S&P Global

The series of indices include the S&P/B3 Brazil IPCA Corporate Bond Index and the S&P/B3 Brazil Liquid IPCA Corporate Bond Index, which measure the performance of local currency domestic debentures linked to the Índice Nacional de Preços ao Consumidor Amplo (IPCA). The S&P/B3 Brazil Liquid IPCA Corporate Bond Index includes additional liquidity criteria.

The indices use a rules-based selection criteria based on relevant fixed income principles to select and weight its constituents. The objective is to measure core exposure to incentivized debentures, or tax-beneficial bonds, a key segment of the bond market.

"The S&P/B3 Corporate Bond Indices are the latest addition of fixed income indices that expand our offering irBrazil," **said Frans Scheepers, Head of Fixed Income, Currency and Commodity Products at S&P Dow Jones Indices** "We have designed these bond indices to offer broad coverage of the IPCA-linked debenture market, providing institutional investors with objective benchmarks which they can use to measure and execute their market views. We're pleased to work with the B3 to bring more visibility to the Brazilian corporate bond market and support tools for new tradeable product creation."

"The indices will allow the launch of new products such as exchange-traded funds and other index-based funds, and help facilitate an accessible channel for investors wishing to track tax-beneficial bonds. New products such as these indices help bring diverse exposures to client portfolios with respect to the Brazilian fixed income market," said Henio Scheidt, Index Manager at B3.

The new corporate bond indices will complement the existing fixed income offering inBrazil, which includes the S&P/B3 Brazil Sovereign Inflation-Linked Bond Index and the S&P/B3 One-Day Interbank Deposit 3Y Futures Index.

Index Methodology

S&P Dow Jones Indices use a variety of criteria in constructing and maintaining fixed income indices.

A majority of S&P Dow Jones fixed income indices are market value weighted, where each bond's weight in the index is proportional to its market value. In this case, and to be eligible for index inclusion, bonds must have a minimum market value of BRL 100 million.

The S&P/B3 Brazil Liquid IPCA Corporate Bond Index uses the prior three months to determine eligible debentures based on trading volume, which must have a median value traded of BRL 100,000. It is a capitalization-weighted index, also known as a market value-weighted index, to ensure adequate liquidity is represented throughout its constituents.

Please visit www.spdji.com for more information about the methodology behind the S&P/B3 Bond Indices. For the full range of credit scales, symbols and definitions used by each Nationally Recognized Statistical Rating Organizations, please refer to each respective agency's website.

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 https://www.spglobal.com/spdii/en.

ABOUT B3

B3 S.A. (B3SA3) is one of the world's leading financial market infrastructure companies and one of the largest by market capitalization among the global leaders in the exchange industry. It connects, develops and makes the financial and capital markets viable and, together with customers and society, boosts Brazil's growth.

It operates in the exchange and over-the-counter environments, in addition to offering products and services for the financing chain. Headquartered in São Paulo and with offices in Chicago, London, Singapore and Shanghai, it plays important roles in the market by promoting best practices in corporate governance, risk management and sustainability.

B3. With the market, for the future.

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https://press.spglobal.com/2023-04-13-S-P-Dow-Jones-Indices-and-B3-S-A-Launch-the-S-P-B3-Corporate-Bond-Indices