



## **Summary of the Revisions to be made in BIST-KYD Indices Methodology Regarding Corporate Eurobond Indices**

1. The Methodology states that Eurobond indices include Eurobonds "issued with the REG S sales method". According to this statement, Eurobonds issued with both Rule 144A and REG S sales methods, only ISINs of the eurobonds issued with the REG S sales method are included in the indices.
2. In order to clarify the distinction, the statement that Eurobonds “issued with only REG S sales method” will also be included in the scope of the indices has been added.
3. Since Bloomberg BVAL prices are used in the calculations of the indices, a statement has been added that eurobonds without Bloomberg BVAL pricing will not be included in the Eurobond indices.
4. For the purpose of clarifying the eurobond nominal amount selection process, the following statement has been added to the Methodology: "For eurobonds issued with both Rule 144A and REG S sales methods, the total nominal amount in circulation is taken into account regardless of the sales methods."
5. In order to meet some of the needs encountered during the practice process, the statement “If the eurobonds (with permanent ISIN code) in the indices have additional eurobonds (with temporary ISIN code) issued in order to increase their nominal amount, these temporary ISINs are included in the indices during Periodic Index Review regardless of their nominal amount.” has been added.
6. In order to clarify the pricing of the eurobonds, the following statement has been added to the Methodology: "For Eurobonds issued through Rule 144A and REG S sales methods, the BVAL price of the ISIN with REG S feature is used".
7. In the case of reissuances with a temporary ISIN, standard reissuances and partial redemptions “The nominal amounts of reissued and partially redeemed corporate eurobonds are determined in the quarterly periodic reviews and changed to be effective as of the first trading day of next index period.” has been added to the Methodology in order not to change the nominal amounts during index period but taken the nominal amounts into account during the periodic index review.
8. The following statement has been added to the Methodology concerning reissuances with a temporary ISIN, standard reissuances, and partial redemptions:



“The nominal amounts of reissued and partially redeemed corporate Eurobonds are determined during the quarterly periodic reviews and are adjusted to be effective as of the first trading day of next index period.” This approach ensures that nominal amounts remain unchanged during the index period but are accounted for during the periodic index review.

9. The following statement has been added to the Methodology regarding the treatment of the merger of Eurobonds issued via temporary ISINs with Eurobonds having permanent ISINs in terms of indices:

“In the index calculations on the day of the merger of additional eurobonds (temporary ISIN) issued to increase the nominal amounts of the eurobonds (permanent ISIN) included in the indices, the security with temporary ISIN is revalued with the price of the security with permanent ISIN. The nominal amount of the temporary ISIN is added to the nominal amount of the permanent ISIN, to be taken into account starting from the next day's index calculations. This process completes the merger for index calculations.”