

The S&P®/ISDA® CDS Sovereign Indices seek to track the credit default swap market for Sovereign Entities. As part of the index series, S&P Indices and ISDA currently offer the S&P/ISDA International Developed Nation Sovereign CDS Index and the S&P/ISDA Eurozone Developed Nation Sovereign CDS Index.

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The S&P/ISDA International Developed Nation Sovereign CDS Index is constructed to have approximately the same country constituents and weightings as the S&P/Citigroup International Treasury Bond Ex-U.S. Index. Similarly, the construction of the S&P/ISDA Eurozone Developed Nation Sovereign CDS Index provides approximately the same country constituents and weightings as the S&P Eurozone Government Bond Index. The country constituents and weights are set at the inception of each index series. On each Rollover Date, a new series will be launched with the current weights and constituents of the respective bond indices. Both of these indices have a 5<sup>1</sup>/<sub>4</sub>-year maturity as measured from the effective date.

### About ISDA

Since 1985, the International Swaps and Derivatives Association (ISDA) has worked to make the global over-the-counter (OTC) derivatives markets safer and more efficient. Today, ISDA is one of the world's largest global financial trade associations, with 825 member institutions from 57 countries on six continents. These members include a broad range of OTC derivatives market participants: global, international and regional banks, asset managers, energy and commodities firms, government and supranational entities, insurers and diversified financial institutions, corporations, law firms, exchanges, clearinghouses and other service providers. Information about ISDA and its activities is available on the Association's Web site: [www.isda.org](http://www.isda.org).

### Criteria for Index Membership

- **Universe.** All reference entities are based on the countries included in the S&P/Citigroup International Treasury Bond Ex-U.S. and S&P Eurozone Government Bond Indices.
- **Ratings.** There is no minimum ratings criteria for inclusion.
- **Liquidity.** All reference entities' liquidity in the five-year CDS market is assessed by looking at various measures of market activity including the average number of contributors providing daily quotations, average number of daily quotes and the average bid/offer spread.

### Index Maintenance

The weights of the constituents in the S&P/ISDA CDS Sovereign Indices are set approximately equal to the country weights in the respective bond indices. A constituent will not be included in the S&P/ISDA CDS Sovereign Indices if its weight in the underlying bond index is less than 0.5%. The constituent's weight will then be equally distributed among the remaining index constituents. Each S&P/ISDA CDS Sovereign Index series has a given number of reference entities.

Complete details of the methodology, including the criteria for index additions and removals, are available on the Web site at [www.fixedincomeindices.standardandpoors.com](http://www.fixedincomeindices.standardandpoors.com).

# S&P/ISDA CDS SOVEREIGN INDICES March 20, 2012

## S&P/ISDA Credit Default Swap Indices

S&P/ISDA CDS Benchmark Indices	S&P/ISDA CDS Sector Indices	S&P/ISDA CDS Sovereign Indices
S&P/ISDA 100 CDS Index	S&P/ISDA CDS U.S. Homebuilders Select 10	S&P/ISDA International Developed Nation Sovereign CDS Index
S&P/ISDA CDS U.S. Investment Grade Index	S&P/ISDA CDS U.S. Cons Disc Select 20	
S&P/ISDA CDS U.S. High-Yield Index	S&P/ISDA CDS U.S. Cons Staples Select 10	S&P/ISDA Eurozone Developed Nation Sovereign CDS Index
	S&P/ISDA CDS U.S. Energy Select 10	
	S&P/ISDA CDS U.S. Health Care Select 10	
	S&P/ISDA CDS U.S. Financials Select 10	
	S&P/ISDA CDS European Banks Select 15	

### Tickers

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S&P/ISDA International Developed Nation Sovereign CDS Index	
<i>Weighted Average Spread</i>	SPCDMR50
S&P/ISDA Eurozone Developed Nation Sovereign CDS Index	
<i>Weighted Average Spread</i>	SPCDKR50

### Index Constituents

#### S&P/ISDA International Developed Nation Sovereign CDS Index

Series 5	Index Weight	S&P Ratings
Japan	24.1%	AA-
Italy	10.5%	BBB+
France	9.0%	AA+
Germany	8.6%	AAA
Belgium	5.2%	AA
Austria	5.2%	AA+
Spain	5.1%	A
United Kingdom	5.0%	AAA
Netherlands	4.9%	AAA
Australia	4.4%	AAA
Portugal	4.1%	BB
Ireland	3.3%	BBB+
Denmark	3.1%	AAA
Sweden	2.6%	AAA
Finland	2.3%	AAA
Switzerland	1.8%	AAA
Norway	0.9%	AAA

#### S&P/ISDA Eurozone Developed Nation Sovereign CDS Index

Series 5	Index Weight	S&P Ratings
France	23.0%	AA+
Germany	22.0%	AAA
Italy	22.0%	BBB+
Spain	11.0%	A
Belgium	7.0%	AA
Netherlands	6.0%	AAA
Austria	4.0%	AA+
Finland	2.0%	AAA
Ireland	2.0%	BBB+
Portugal	1.0%	BB

Source: S&P Indices. Data as of March 20, 2012. Charts and graphs are provided for illustrative purposes. These charts and graphs may reflect hypothetical historical performance. Please see the Performance Disclosure for more information regarding the inherent limitations associated with back-tested performance.

## **Performance Disclosure**

The inception date of the S&P/ISDA International Developed Nation Sovereign CDS and the S&P/ISDA Eurozone Developed Nation Sovereign CDS Indices was October 25, 2010, at the market close. All information presented prior to the index inception date is back-tested. The back-test calculations are based on the same methodology that was in effect when the index was officially launched. Complete index methodology details are available at [www.indices.standardandpoors.com](http://www.indices.standardandpoors.com).

Past performance is not an indication of future results. Prospective application of the methodology used to construct the S&P/ISDA International Developed Nation Sovereign CDS and the S&P/ISDA Eurozone Developed Nation Sovereign CDS Indices may not result in performance commensurate with the back-test returns shown. The back-test period does not necessarily correspond to the entire available history of the index. Please refer to the methodology paper for the index, available at [www.standardandpoors.com](http://www.standardandpoors.com) for more details about the index, including the manner in which it is rebalanced, the timing of such rebalancing, criteria for additions and deletions, as well as all index calculations. It is not possible to invest directly in an Index.

Also, another limitation of hypothetical information is that generally the index is prepared with the benefit of hindsight. Back-tested data reflect the application of the index methodology and selection of index constituents in hindsight. No hypothetical record can completely account for the impact of financial risk in actual trading. For example, there are numerous factors related to the equities [or fixed income, or commodities] markets in general which cannot be, and have not been accounted for in the preparation of the index information set forth, all of which can affect actual performance.

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