



Fixed Income Indexes

VettaFi US Investment Grade Liquid Issuer Family of Indices

- **VettaFi US Investment Grade Liquid Issuer (North America) Index (LULN)**
- **VettaFi US Investment Grade Liquid Issuer Index (LULI)**

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Introduction

Index Objective

The VettaFi US Liquid Corporate Issuer Bond Indexes track the returns of USD denominated corporate bonds issued by 200 of the largest issuers. The indexes are designed to avoid issuer concentration, be in line with market risk exposures, have wide bond selection, and track market duration. Issuers are equal weighted and the market cap weights of the bonds are adjusted to target the modified duration of the VettaFi US Corporate Index.

Highlights

VettaFi US Investment Grade Liquid Issuer (North America) Index – Only US and Canadian issuers are considered.

VettaFi US Investment Grade Liquid Issuer Index – Issuers from all countries are considered.

VettaFi acquired the Credit Suisse Fixed Income indices in February 2025 and possesses complete live data since inception. Bond pricing and analytics are sourced from ICE Data Services (Intercontinental Exchange), Swiss bond pricing is provided by SIX Swiss Exchange, and Canadian bond pricing from Confluence.

Dates

- **Reconstitution Dates:** Indexes are reconstituted annually on the last business date of June month.
- **Rebalance Dates:** Indexes are rebalanced monthly on the last business date of the month.

Supporting Documents

This methodology is meant to be read in conjunction with supporting documents providing greater detail with respect to the policies, procedures and calculations described herein.

The list of the main supplemental documents for this methodology can be found in the Methodologies and Governance tabs on the [Index Resources](#) page as follows:

Supporting Documents
FI Index Maintenance Policy
Index Governance
Index Policies
Methodology Policies
Index Change and Consultation Policy

Index Construction

Universe

Proxy Universe - VettaFi US Corporate Index (LUCIPL).

Expanded Universe- includes otherwise eligible bonds with a lower minimum issue size of \$250MM

Constituent Selection

The indexes select the bonds held by 200 of the largest issuers in their respective universes.

Bonds must have at least one year to maturity.

Bonds must be rated investment grade (at least BBB-/Baa3) by at least two of the three major credit ratings agencies (S&P, Moody's, Fitch). If only two agencies rate the issue, the lower rating is used. For an issue rated by all three agencies, the median of the three is used.

The VettaFi US Investment Grade Liquid Issuer (North America) Index limits itself to USD denominated bonds issued by US and Canadian companies.

The VettaFi US Investment Grade Liquid Issuer Index selects from companies issuing USD denominated bonds.

New constituents are selected as follows:

- 1) Using their Proxy Universe, each sector and rating bucket is assigned a maximum number of issuers. Sectors constraints are set at 110% of the benchmark sector weight. Rating constraints are set at 125% of the benchmark rating weight.
- 2) Issuers are ranked by their total amount outstanding of all bonds in the Expanded Universe.
- 3) Issuers are added to the index one by one respecting the sector and rating limits until 200 issuers are in the index.

Bond Pricing

The VettaFi U.S. Government Family of Indices is calculated each trading day using bid pricing.

Constituent Weightings

Issuers are equal-weighted. The bonds of the issuers are scaled to the weight of the issuer and within the issuer are weighted as follows:

The relative weight between the bonds of each issuer is initially computed based on their market capitalization.

The weighted average modified duration of the portfolio of bonds in the Liquid Issuer indexes is computed and compared against the weighted average modified duration of the starting universe. The weights of the bonds within each issuer are then adjusted iteratively upward or downwards until the duration of the liquid issuer index is within .02 years of the starting universe.

Index Maintenance

Rebalancing and Reconstitution

The indices are updated once a month accounting for potential new issues (Adds) and bonds reaching 1 year to maturity (Drops). Issuers can drop out between reconstitutions if they fall below an Investment Grade rating. Updates to the bond-level composition are made on the last business day of the previous month and take effect on the first day of the month. This composition remains constant throughout the month.

The weight of each issuer is maintained through the rebalancing and bonds of each issuer are re-weighted monthly.

Corporate Actions

Please refer to the Fixed Index Maintenance Policy document for information on Corporate Action processing.

Index Information

Index history availability, base dates and base values are shown in the table below.

Index	Base Date	Base Value	Price Index	Total Return Index
VettaFi US Investment Grade Liquid Issuer (North America) Index	12/31/2003	100	LULNTOPR	LULNTOTR
VettaFi US Investment Grade Liquid Issuer Index	12/31/2003	100	LULITOPR	LULITOTR

Methodology Updates and Changes

Date	Version	Previous	New
Sep 2025	1.0.0		Initial Version

Index Calculation

Please refer to the Fixed Income Index Maintenance Policy document for information on index calculations.

Index Governance

The index is governed and managed by a VettaFi Index Committee for the purpose of meeting the goals of the index. For more information, please refer to the Index Governance document.

Index Policies

Please refer to the Index Policies document for information regarding Announcements, Holiday Schedules, Unexpected Exchange Closures, and Recalculation Policy.

Contact Information

For any questions regarding an index, please contact: index.production@vettafi.com

Disclaimer

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