

## **Launch of the Irish Stock Exchange ISEQ® Bond Index Series (ISEQ-BIS)**

The National Treasury Management Agency (NTMA) believes that the launch today of the Irish Stock Exchange Bond Index Series (ISEQ®-BIS), which includes all Irish Government Bonds in issue, will further enhance the profile and transparency of the Irish Government Bond market and will be of benefit to investors.

The NTMA, working in conjunction with the Irish Stock Exchange, developed a methodology and calculation basis for the ISEQ® Bond Indices that reflect best industry practice and meet the particular requirements of the Irish Government Bond market. In this process the NTMA used its extensive knowledge of international bond markets and its own experience in the use of similar international bond indices

The NTMA provides the Irish Stock Exchange each day with the following details for each Irish Government Bond outstanding:

- Clean price
- Accrued interest
- Accrued interest days
- Dirty price
- Coupon cashflow
- Nominal amount outstanding
- Macaulay duration
- Modified duration
- Annual gross redemption yield

The bond prices are taken from the Bloomberg pages of Davy Stockbrokers between 15.00 and 15.30 each day. The total in issue for each Irish Government Bond (on a contract basis) is available on the NTMA's Reuters page NTMC. This page is updated daily.

The NTMA also provided the above details on a historical basis to the Irish Stock Exchange, which facilitated the production of the historical ISEQ® Bond Indices series by the Exchange, back to 3 March 2003.

The ISEQ® Bond Index Series consists of 6 Clean Price Indices and 6 Total Return Indices. These are calculated once each day at 16:30. The 12 bond indices are categorised by the time to maturity. The categories are as follows:

<b>Bond index</b>	<b>Maturity Band – Remaining time to maturity</b>
<b>ISEQ® All Bond Index (Price)</b>	> 20 days
<b>ISEQ® All Bond Index (Return)</b>	> 20 days
<b>ISEQ® Under 3 Years Bond Index (Price)</b>	> 20 days and < 1,096 days
<b>ISEQ® Under 3 Years Bond Index (Return)</b>	> 20 days and < 1,096 days
<b>ISEQ® Under 5 Years Bond Index (Price)</b>	> 20 days and < 1,826 days
<b>ISEQ® Under 5 Years Bond Index (Return)</b>	> 20 days and < 1,826 days
<b>ISEQ® Under 10 Years Bond Index (Price)</b>	> 20 days and < 3,651 days
<b>ISEQ® Under 10 Years Bond Index (Return)</b>	> 20 days and < 3,651 days
<b>ISEQ® 5 Years Plus Bond Index (Price)</b>	> 1,825 days
<b>ISEQ® 5 Years Plus Bond Index (Return)</b>	> 1,825 days
<b>ISEQ® 10 Years Plus Bond Index (Price)</b>	> 3,650 days
<b>ISEQ® 10 Years Plus Bond Index (Return)</b>	> 3,650 days

The Irish Stock Exchange publishes the following information for each Index:

- a) Index closing value,
- b) Previous business day's Index closing value
- c) Percentage change in Index value from previous business day
- d) Month-to-date performance
- e) Quarter-to-date performance
- f) Year-to-date performance
- g) Performance since 1 July 2004
- h) Annual gross redemption yield
- i) Macaulay duration
- j) Modified duration,

The information listed above at a) to j), apart from g), together with the information at 1) to 12) below is also published in respect of each constituent bond of the Indices:

- 1) Maturity date
- 2) Coupon rate
- 3) Coupon frequency,
- 4) Clean price
- 5) Accrued interest
- 6) Accrued interest days
- 7) Dirty price
- 8) Coupon cashflow
- 9) Nominal amount outstanding
- 10) Market value of amount outstanding on a clean price basis
- 11) Market value of amount outstanding on a dirty price basis
- 12) Index weighting.

More information is available from the website of the Irish Stock Exchange, [www.ISE.ie](http://www.ISE.ie).

**National Treasury Management Agency**

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