



## NEWS RELEASE

# ICE Benchmark Administration Introduces Calendar Year Inflation Expectations to ICE U.S. Dollar Inflation Expectations Index Family

7/14/2022

LONDON--(BUSINESS WIRE)-- Intercontinental Exchange, Inc. (NYSE: ICE), a leading global provider of data, technology, and market infrastructure, today announced that ICE Benchmark Administration Limited (IBA) is introducing full calendar year inflation expectations to the ICE U.S. Dollar Inflation Expectations Index Family.

Inflation expectations are crucial to financial markets and to policy makers. In March 2022, IBA created the ICE U.S. Dollar Inflation Expectations Index Family to provide the market with an easy to access tool to measure expectations for future inflation.

Following an initial testing period and based on feedback received to date, IBA is expanding the Index Family to introduce inflation expectations for full calendar years, from December one year to December the next. Rates will be published for both the current and following years. In addition, IBA has revised the tenor periods for one year and forward rates to start as of the reference date of the latest Consumer Price Index (CPI) published by the U.S. Bureau of Labor Statistics.

The revised model was effective from July 13, 2022, with the first publication of the revised figures on July 14.

The historical test results are published **here** and reflect the new tenor definitions, which currently include:

- Expected inflation over the current calendar year measuring the projected increase in CPI from Dec 2021 to Dec 2022
- Expected inflation over the next calendar year from Dec 2022 to Dec 2023

- Expected inflation over one year forward (12 months from latest CPI) from June 2022 to June 2023
- Expected longer term inflation over five years, one year forward starting in June of 2023
- Expected longer term inflation over five years, five years forward starting in June of 2027

IBA calculates daily, indicative index settings from price/yield data from U.S. Treasury Inflation Protected Securities (TIPS), Treasury Bills, Notes and Bonds, and the inflation-linked swaps markets, which together represent amongst the deepest and most liquid inflation-linked markets. IBA then creates a blended inflation curve from which forward, implied inflation expectations can be calculated.

The Index values under the revised model are being published at approximately 8am New York time **here** for an initial feedback period. IBA is seeking feedback from stakeholders on the Inflation Expectations Index Family **methodology** and outputs and on the potential for the Inflation Expectations Index Family to become a benchmark for use in financial contracts. Feedback should be sent to **IBA@ice.com**.

Please note that during the feedback period the settings are being published solely for information and feedback purposes and are not intended for, and IBA expressly prohibits their use for, any other purpose, including as a reference, index or benchmark in financial contracts, instruments, or to measure the performance of investment funds.

## About ICE Benchmark Administration

**ICE Benchmark Administration** is authorized and regulated by the Financial Conduct Authority for the regulated activity of administering a benchmark, and is authorized as a benchmark administrator under the UK Benchmarks Regulation. ICE Benchmark Administration is a registered trademark of IBA and/or its affiliates. IBA reserves all rights in the ICE U.S. Dollar Inflation Expectations Index Family methodology and in the ICE U.S. Dollar Inflation Expectations Index Family settings.

## About Intercontinental Exchange

**Intercontinental Exchange, Inc.** (NYSE: ICE) is a Fortune 500 company that designs, builds and operates digital networks to connect people to opportunity. We provide financial technology and data services across major asset classes that offer our customers access to mission-critical workflow tools that increase transparency and operational efficiencies. We operate **exchanges**, including the **New York Stock Exchange**, and **clearing houses** that help people invest, raise capital and manage risk across multiple asset classes. Our comprehensive fixed income **data services** and execution capabilities provide information, analytics and platforms that help our customers capitalize on opportunities and operate more efficiently. At **ICE Mortgage Technology**, we are transforming and digitizing the U.S. residential mortgage process, from consumer engagement through loan

registration. Together, we transform, streamline and automate industries to connect our customers to opportunity.

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Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995 -- Statements in this press release regarding ICE's business that are not historical facts are "forward-looking statements" that involve risks and uncertainties. For a discussion of additional risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see ICE's Securities and Exchange Commission (SEC) filings, including, but not limited to, the risk factors in ICE's Annual Report on Form 10-K for the year ended December 31, 2021, as filed with the SEC on February 3, 2022.

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