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Bloomberg Global Aggregate Bond Index and Its Importance for India

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India is making renewed efforts to secure inclusion in the Bloomberg Global Aggregate Bond Index, one of the world's most widely tracked global bond benchmarks.?

To improve its chances of inclusion, the Government of India has introduced measures such as tax exemptions for foreign investors and expanded access to eligible government securities.

The index is followed by global investment funds, pension funds, insurance companies, and asset managers that collectively manage trillions of dollars in assets.

Inclusion of Indian government bonds in the index could attract significant foreign capital inflows into India's debt market and further integrate India with global financial markets.

Bloomberg Index Services had deferred a decision on India's inclusion in January 2026 and continues to review India's market infrastructure and operational processes. A fresh review is expected during 2026.

India has already been included in several major global bond indices, including the J.P. Morgan Emerging Market Bond Index and the Bloomberg Emerging Market Local Currency Bond Index.

What is the Bloomberg Global Aggregate Bond Index?

The Bloomberg Global Aggregate Bond Index is a flagship global benchmark that tracks investment-grade debt securities across the world.

It includes:

Government Bonds

Corporate Bonds

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Supranational Bonds

Agency Bonds

Securitized Bonds

The index covers both developed and emerging market economies.

It is considered one of the most important indicators of the global fixed-income market.

Why Does It Matter to India?

Inclusion in the index can:

Increase foreign investment in Indian government bonds

Improve liquidity in the bond market

Lower borrowing costs over time

Strengthen the international profile of Indian debt markets

Support the Indian Rupee through stable capital inflows

Deepen India's integration with global financial markets

Analysts estimate that inclusion could potentially attract billions of dollars in passive investment flows into India.

Government Securities (G-Secs)

Government Securities (G-Secs) are debt instruments issued by the Government of India to finance fiscal requirements.

Types:

Treasury Bills (T-Bills)

Government Bonds

State Development Loans (SDLs)

They are considered among the safest investment instruments in India.

Fully Accessible Route (FAR)

Introduced by: Reserve Bank of India (RBI)

Objective:

Allow non-resident investors unrestricted access to specified government securities.

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Benefits:

Enhances foreign participation in Indian bond markets.

Facilitates inclusion in global bond indices.

Bloomberg Index Services (BISL)

Bloomberg Index Services Limited (BISL) manages a wide range of global financial indices.

Functions:

Index construction

Benchmark management

Global market analysis

Its indices are widely used by institutional investors worldwide.

Reserve Bank of India (RBI)

Established: 1 April 1935

Headquarters: Mumbai

Governor: Sanjay Malhotra

Bond Market

A bond market is a financial market where debt securities are issued and traded.

Major Participants:

Governments

Corporations

Banks

Insurance Companies

Pension Funds

Foreign Portfolio Investors (FPIs)

India's Recent Global Bond Index Milestones

Included in J.P. Morgan Emerging Market Bond Index (2024)

Included in Bloomberg Emerging Market Local Currency Bond Index (2025)

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Under review for Bloomberg Global Aggregate Bond Index (2026)

Exam Focus Points (Quick Revision Notes)

Index in News ? Bloomberg Global Aggregate Bond Index

Managed By ? Bloomberg Index Services (BISL)

Tracks ? Global Investment-Grade Bonds

India's Status ? Under Review for Inclusion

Potential Benefit ? Higher Foreign Capital Inflows

Important Route ? Fully Accessible Route (FAR)

Regulator ? Reserve Bank of India (RBI)

RBI Headquarters ? Mumbai

RBI Established ? 1935

Major Global Bond Index Already Joined ? J.P. Morgan Emerging Market Bond Index