

August 26, 2025

Consultation: Exclusion of Non-Rated Loans in the Morningstar LSTA US Term Loan Index

Proposed change

The Morningstar LSTA US Term Loan Index was created to deliver comprehensive, precise coverage of the US leveraged loan market for institutional term loans.

We are seeking feedback on a proposal to exclude non-rated loans from the index on an ongoing basis. While non-rated loans typically make up a very small portion of the index, this methodology change is intended to better align the index with the term loan segment of the US leveraged loan market. This change will be effective for only this index.

Submit your responses and questions

Morningstar Indexes welcomes client feedback regarding this proposed change. Responses to this consultation can be submitted [here](#).

General questions about the consultation may also be sent to indexes@morningstar.com.

Key dates

- **Consultation:** The consultation will be open for response from August 26 to September 9, 2025.
- **Decision announcement:** Final decisions will be announced by September 16, 2025.
- **Proposed implementation:** This change will be implemented after the close of business on October 17 and will be effective October 18, 2025.

Questions

1. Should Morningstar Indexes exclude non-rated loans from the Morningstar LSTA US Term Loan Index?
 - a. Yes
 - b. No
 - c. Other, please explain.

2. Do you have any objections if Morningstar Indexes implements this change on October 17?
 - a. No
 - b. Yes, please provide the desired timing of this change.

3. What other factors should Morningstar Indexes consider in making this decision?

About Morningstar Indexes

Morningstar Indexes has been designing modern solutions for 20 years, but what makes us truly unique has been more than three decades in development. Our rich history began in 1984, when Morningstar was founded on a promise to empower investors with data and research that is independent and objective. Over time, our collection of data has expanded considerably—and so has its application. Today, Morningstar Indexes draws on unique IP to unlock an extensive range of emerging opportunities for investors of every kind, while providing a robust institutional beta platform for core investing.

Contact Us

MorningstarIndexesAlerts@morningstar.com is a no-reply email address. For questions concerning this notification, please contact us at Indexes@morningstar.com.



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