

BSCE

Invesco BulletShares 2023 USD Emerging Markets Debt ETF Analyst Report

This "BulletShares" ETF is a relatively recent innovation in the bond ETF space, and is somewhat unique among the universe of fixed income ETPs. BSCE offers focused exposure to investment grade corporate bonds maturing in 2014, making it much more granular than many other products. Most bond ETFs focus on securities maturing within a certain number of years (such as 1-5 year Treasuries or 20+ year corporate bonds). These bond ETFs generally operate indefinitely, maintaining a similar duration and interest rate risk across time and reinvesting any proceeds from the sale of component bonds into new securities. BSCE is different in that it has a target maturity date and will eventually close down after the underlying bonds have reached maturity and the principal has been distributed to shareholders (over time, BSCE's portfolio will gradually shift to cash). As such, this product will deliver a "yield experience" that is more similar to holding an individual bond; investors in BSCE will receive periodic interest payments as well as repayments of principal when the underlying bonds reach maturity. Unlike holding a single bond, however, BSCE provides diversification across sectors and issuers--reducing risk in the process. This "BulletShares" strategy has a number of potential advantages and applications. It allows investors to precisely manage the risk/return profile of a fixed income portfolio, and can be a useful tool for matching up expected cash inflows (from bond maturities) with expected future liabilities. The predictable cash flow profile afforded by this approach may be appealing for all types of investors, from pension funds planning for a big distribution several years down the road to families planning to fund a college education. The target maturity date structure has other potential advantages as well; it may sidestep the "return erosion" that some believe plagues bond ETFs as a result of minimum maturity windows or front-running opportunities...

ESG Themes and Scores

4.75/10 ESG Rate 21.01% Global Percentile 76.61% Peer Percentile

Performance Data

	BSCE	ETF Database Category Average	Factset Segment Average
1 Month	0.28%	1.17%	0.15%
3 Month	1.01%	2.24%	0.44%
YTD Return	1.10%	2.55%	0.49%
1 Year Return	1.43%	-4.42%	0.20%
3 Year Return	4.40%	2.42%	5.71%
5 Year Return	N/A	-4.06%	0.00%

Top 5 Holdings

No Holdings Data Available

Vitals

Issuer	Invesco
Brand	Invesco
Structure	ETF
Expense Ratio	0.29%
Inception	Oct 04, 2018
Index Tracked	NASDAQ BulletShares Emerging Markets 2023 TR Index

ETF Database Themes

Category	Emerging Markets Bonds
Asset Class	Bond
Asset Class Size	N/A
Asset Class Style	N/A
Region (General)	Emerging Markets
Region (Specific)	Broad

FactSet Classifications

Segment	Fixed Income: Emerging Markets Broad Market, Broad-based Ultra-Short Term
Category	Broad Market, Broad-based
Focus	Broad Credit
Niche	Ultra-Short Term
Strategy	Bullet Maturity
Weighting Scheme	Market Value

