

FLTR

VanEck IG Floating Rate ETF

Analyst Report

This ETF is among a small number of products that offers exposure to floating rate debt, giving it a risk/return profile that is somewhat unique. The securities held by FLTR generally won't be included in the ETFs in the Total Bond Market ETFdb Category, making FLTR a potentially useful tool for those looking to round out a fixed income portfolio. This fund can also be useful for investors looking to fine tune fixed income exposure in certain environments. Whereas most bond ETFs invest exclusively in debt that pays a fixed coupon over the life of the note, this ETF holds debt that adjusts its coupon payment based on a reference rate. As a result, there is minimal interest rate risk associated with this fund, as the effective duration is close to zero. That makes FLTR appealing for investors who believe that interest rates are headed higher (rate hikes generally have an adverse impact on the price of fixed rate bonds). FLTR compensates investors for the credit risk taken on, but allows them to steer clear of any interest rate risk. Those looking for fixed rate investment grade corporate debt have a number of options in the Corporate Bonds ETFdb Category (LQD is perhaps the most popular choice) while those seeking higher yields from floating rate debt may prefer the Bank Loan Portfolio (BKLN) that focuses on floating rate securities from issuers with lower credit ratings.

ESG Themes and Scores

7.59/10

ESG Rate

87.97%

Global Percentile

96.15%

Peer Percentile

Performance Data

	FLTR	ETF Database Category Average	Factset Segment Average
1 Month	0.53%	0.37%	0.53%
3 Month	1.23%	0.13%	1.23%
YTD Return	1.95%	0.87%	1.95%
1 Year Return	5.30%	4.84%	5.30%
3 Year Return	6.12%	4.45%	6.12%
5 Year Return	4.49%	1.02%	4.49%

Top 5 Holdings

Symbol	Holding	% Assets
Other	Commonwealth Bank of Australia FRN 14-MAR-2030	1.28%
Other	HSBC Holdings Plc FRN 13-MAY-2031	1.08%
Other	Westpac Banking Corporation FRN 12-JUN-2031	1.06%
Other	HSBC Holdings Plc FRN 10-MAR-2032	1.06%
Other	Mitsubishi UFJ Financial Group, Inc. FRN 12-SEP-2031	0.85%

Vitals

Issuer	VanEck
Brand	VanEck
Structure	ETF
Expense Ratio	0.14%
Inception	Apr 25, 2011
Index Tracked	MVIS US Investment Grade Floating Rate

ETF Database Themes

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

FactSet Classifications

Segment	Fixed Income: U.S. - Corporate, Broad-based Investment Grade Floating Rate
Category	Corporate, Broad-based
Focus	Investment Grade
Niche	Floating Rate
Strategy	Vanilla
Weighting	Market Value

