

IHY

VanEck International High Yield Bond ETF

Analyst Report

This ETF offers exposure to a basket of junk bonds from international issuers, giving investors a way to tap into a corner of the global bond market that is often overlooked. This ETF will primarily have appeal to investors looking to enhance current returns; IHY will often pay a significant yield that exceeds returns on domestic investment grade debt by a wide margin. Since most portfolios don't include an allocation to international junk bonds, IHY offers a way to potentially add to the depth of a portfolio and bring some diversification benefits as well.

There are a couple noteworthy aspects of IHY. First, the portfolio includes both developed and emerging markets. It should also be noted that the portfolio is split between dollar denominated bonds and those denominated in other currencies, thereby bringing some exchange rate risk but also currency diversification. Overall, IHY maintains a balanced portfolio that spreads holdings around multiple currencies, countries, sectors, and durations.

IHY could be useful as a component of a long-term portfolio, bringing enhancements to the current return portion. It could also be used as more of a tactical tool for establishing shorter term exposure to this asset class.

ESG Themes and Scores

5.56/10

ESG Rate

24.04%

Global Percentile

40.43%

Peer Percentile

Performance Data

	IHY	ETF Database Category Average	Factset Segment Average
1 Month	0.30%	0.41%	0.33%
3 Month	1.08%	1.47%	1.39%
YTD Return	1.35%	1.60%	1.97%
1 Year Return	6.66%	6.47%	7.25%
3 Year Return	9.20%	7.21%	9.09%
5 Year Return	1.84%	2.42%	3.22%

Top 5 Holdings

Symbol	Holding	% Assets
Other	U.S. Dollar	0.67%
Other	Electricite de France, Societe Anonyme 5.875% PERP	0.62%
Other	Petroleos Mexicanos 7.69% 23-JAN-2050	0.59%
Other	Mediobanca Banca di Credito Finanziario S.p.A 3.875%	0.54%
Other	Stellantis N.V. 6.25% PERP	0.53%

Vitals

Issuer	VanEck
Brand	VanEck
Structure	ETF
Expense Ratio	0.40%
Inception	Apr 02, 2012
Index Tracked	ICE BofA Global x US Issuers High Yield Constrained

ETF Database Themes

Category	High Yield Bonds
Asset Class	Bond
Asset Class Size	N/A
Asset Class Style	N/A
Region (General)	Global
Region (Specific)	Broad

FactSet Classifications

Segment	Fixed Income: Global Ex-U.S. - Corporate, Broad-based High Yield
Category	Corporate, Broad-based
Focus	High Yield
Niche	Broad Maturities
Strategy	Vanilla
Weighting	Market Value

