

LEMB

iShares J.P. Morgan EM Local Currency Bond ETF Analyst Report

This ETF is one of several products that offers exposure to debt of emerging markets issuers, an asset class that is often overlooked by U.S.-based investors but that has the potential to deliver attractive yields and dollar diversification. Emerging market debt generally offers higher interest rates than debt of U.S. issuers, making this fund potentially appealing to those looking to boost the amount of current income derived from their portfolios. LEMB can be used to complement positions in U.S. debt generally achieved through funds such as AGG or BND, allowing investors to diversify their debt holdings geographically.

It should be noted that the Emerging Markets Bonds ETFdb Category includes both products that invest in dollar denominated debt securities and those that invest in bonds denominated in the local currency of the issuer. LEMB falls into the latter category; because the debt is issued in emerging markets currencies, this product includes exchange rate risk. A strengthening dollar will hurt LEMB's returns, while a decline in the greenback will help this fund; those looking for dollar diversification can achieve it through LEMB (or through funds such as ELD or EMLC). Those looking to avoid fluctuations caused by changes in the exchange rate might prefer EMB, which holds dollar-denominated debt.

Alternative ETFs offering similar exposure include the actively-managed ELD and EMLC from Van Eck; both of those products are a bit cheaper than this fund.

ESG Themes and Scores

4.34/10 ESG Rate 8.12% Global Percentile 25.68% Peer Percentile

Performance Data

	LEMB	ETF Database Category Average	Factset Segment Average
1 Month	0.46%	0.85%	0.49%
3 Month	2.88%	3.63%	3.11%
YTD Return	14.91%	12.60%	16.07%
1 Year Return	12.84%	11.47%	13.54%
3 Year Return	8.98%	10.81%	10.28%
5 Year Return	0.63%	1.50%	1.05%

Top 5 Holdings

Symbol	Holding	% Assets
Other	Government of Uruguay 9.75% 20-JUL-2033	1.45%
Other	Government of the Dominican Republic 10.5% 15-MAR-	1.32%
Other	Government of the Dominican Republic 10.75% 01-JUN-	1.12%
Other	Government of Serbia 4.5% 20-AUG-2032	1.11%
Other	Government of Turkey 30.0% 12-SEP-2029	1.07%

Vitals

Issuer	BlackRock, Inc.
Brand	iShares
Structure	ETF
Expense Ratio	0.30%
Inception	Oct 18, 2011
Index Tracked	J.P. Morgan GBI-EM Global 15 cap 4.5 floor

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 - Government, Treasury
Category	Government, Treasury
Focus	Broad Credit
Niche	Broad Maturities
Strategy	Vanilla
Weighting	Market Value

