

LQD

iShares iBoxx \$ Investment Grade Corporate Bond ETF Analyst Report

This ETF is the most popular option for investors looking to gain exposure to investment grade corporate bonds, making it a useful tool for those looking to access a corner of the bond market that should be a core component of any long-term, buy-and-hold portfolio. LQD is probably of limited use for short term traders, who will prefer to utilize more extreme ends of the risk spectrum to capitalize off of short term movements in asset prices and risk tolerance. This ETF should, however, be very useful to those building a long-term portfolio; exposure to corporate bonds can deliver attractive yields without excessive risks. LQD can specifically be helpful for those with holdings in AGG or BND, beefing up the relatively minor allocations those aggregate products make to corporate debt (those ETFs are dominated by government bonds). While LQD is spread out across the maturity spectrum, investors do have options for more granular exposure to long term (VCLT) or short term (SCPB, VCSH) corporate debt.

LQD is extremely cost efficient, and offers an impressively deep underlying portfolio of fixed income securities. But there are some interesting alternatives out there that may make more sense for certain investors. CBND, for example, offers similar exposure but uses a unique weighting methodology that may be more appealing. Whereas LQD gives the largest weightings to the biggest issues of debt, CBND uses fundamental factors such as return on assets and interest coverage ratio to determine the weightings assigned.

ESG Themes and Scores

6.54/10

ESG Rate

51.22%

Global Percentile

58.42%

Peer Percentile

Performance Data

	LQD	ETF Database Category Average	Factset Segment Average
1 Month	1.09%	0.79%	0.74%
3 Month	-0.36%	0.57%	0.13%
YTD Return	0.91%	0.69%	0.66%
1 Year Return	2.22%	4.46%	2.95%
3 Year Return	-1.75%	0.80%	-0.15%
5 Year Return	-0.51%	0.60%	0.33%

Top 5 Holdings

Symbol	Holding	% Assets
Other	U.S. Dollar	1.08%
Other	Anheuser-Busch Companies, LLC. 4.9% 01-FEB-2046	0.23%
Other	T-Mobile USA, Inc. 3.875% 15-APR-2030	0.18%
Other	CVS Health Corporation 5.05% 25-MAR-2048	0.18%
Other	Goldman Sachs Group, Inc. 6.75% 01-OCT-2037	0.16%

Vitals

Issuer	BlackRock, Inc.
Brand	iShares
Structure	ETF
Expense Ratio	0.14%
Inception	Jul 22, 2002
Index Tracked	iBoxx USD Liquid Investment Grade Index

ETF Database Themes

Category	Corporate Bonds
Asset Class	Bond
Asset Class Size	N/A
Asset Class Style	N/A
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

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

