

# TDTF

## FlexShares iBoxx 5-Year Target Duration TIPS Index Fund Analyst Report

This ETF offers exposure to short-term TIPS, bonds issued by the U.S. government that feature a principal that adjusts based on certain measures of inflation. Given this investment objective, TDTF can be useful as a tool for protecting portfolios against anticipated upticks in inflationary pressures. As such, this ETF can potentially be used in a moderate amount in a buy-and-hold portfolio or as more of a tactical play for investors looking to shift their allocation towards low risk assets that may perform well in inflationary environments.

TDTF generally won't deliver much in the way of current returns, given that it features securities that are relatively close to maturity and that exhibit minimal credit risk; it is more appropriate as a "risk off" tool for those anticipating chaos in the markets. It's important to note that TIPS are not perfect hedges against inflation; there are some potential drawbacks to using products such as TDTF to hedge against a climb in CPI. But for those looking to use inflation-protected bonds in that capacity, we like TDTF more than options such as TIP that include longer-dated securities. By minimizing the interest rate risk, investors can cut back on loss potential if interest rates start climbing--a scenario that often accompanies an uptick in inflation.

TDTF is a very targeted tool, delivering cheap and easy exposure to a narrow segment of the bond market. For investors seeking to access short-term TIPS, this ETF is a solid choice. There are plenty of alternatives in the Inflation Protected Bonds ETFdb Category, including the short term STPZ, TDTT, and STIP.

### ESG Themes and Scores

5.78/10 ESG Rate    31.32% Global Percentile    74.44% Peer Percentile

### Performance Data

	TDTF	ETF Database Category Average	Factset Segment Average
1 Month	1.87%	1.34%	1.64%
3 Month	3.73%	2.87%	3.13%
YTD Return	7.88%	6.57%	7.02%
1 Year Return	6.10%	4.50%	5.51%
3 Year Return	2.67%	1.90%	0.86%
5 Year Return	2.17%	1.61%	0.75%

### Top 5 Holdings

Symbol	Holding	% Assets
Other	Government of the United States of America 1.625% 15-	9.50%
Other	Government of the United States of America 0.125% 15-	9.25%
Other	Government of the United States of America 0.125% 15-	9.05%
Other	Government of the United States of America 0.125% 15-	8.86%
Other	Government of the United States of America 0.125% 15-	8.71%

### Vitals

Issuer	Northern Trust
Brand	FlexShares
Structure	ETF
Expense Ratio	0.18%
Inception	Sep 19, 2011
Index Tracked	iBoxx 5-Year Target Duration TIPS

### ETF Database Themes

Category	Inflation-Protected 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. - Government, Inflation-linked Investment Grade Intermediate
Category	Government, Inflation-linked
Focus	Investment Grade
Niche	Intermediate
Strategy	Target Duration
Weighting	Duration

