

AGIH

iShares Inflation Hedged U.S. Aggregate Bond ETF

Fund Description

AGIH tracks an index that holds the iShares Core US Aggregate Bond ETF (AGG), which targets USD-denominated, investment-grade bonds, while mitigating inflation risk through swaps.

FactSet Analyst Report

The security is being delisted. The last day of trading on an exchange is August 18, 2025. AGIH follows an index that combines a long position in iShares Core US Aggregate Bond ETF (AGG) with an overlay of inflation swaps. The fund includes a fixed number of AGGs shares and a series of up to 10 inflation swap contracts with different maturities, intended to hedge the portfolios inflation risk at key points on the yield curve. By entering these swaps, the fund agrees to give up a portion of the fixed payments it receives from AGGs bond portfolio in exchange for floating payments tied to the inflation rate. Since inflation is already priced into the market for bonds, the fund effectively hedges inflation expectations rather than the inflation rate itself. Thus, even if inflation rises, AGIH will underperform AGG if the rise is less than expected, and will outperform (before costs) when inflation exceeds expectations. Swaps are rebalanced daily and restructured monthly. Due to the potential use of futures and options, the fund is registered as a commodity pool.