

AVGB

Avantis Credit ETF

Fund Description

AVGB utilizes the managers ability to analyze and select fixed income securities from developed markets globally, for income and capital appreciation. The portfolio will focus on investment grade securities, with a portion in high-yield, and intermediate average weighted duration.

FactSet Analyst Report

AVGB actively invests in corporate and government debt globally, utilizing an analytical framework to assess expected income and capital appreciation. Portfolio construction begins with classifying fixed income securities by industry, credit rating, duration, country, and currency, calculating expected returns using current yields and other valuation metrics. Mainly investing in developed countries, investment grade securities are prioritized, although a portion may be in high yield. Finally, the manager weights securities selected to enhance the expected return and manage duration to be between 3 to 5 years. Currency forwards, interest rate futures, and swaps may be used to manage foreign currency risks. The fund may also engage in securities lending. Trading decisions consider implementation costs, risks, and tax impacts for efficiency and performance optimization.