

BNDX

Vanguard Total International Bond ETF

Fund Description

BNDX tracks an investment-grade, non-USD denominated bond index, hedged against currency fluctuations for US investors.

FactSet Analyst Report

BNDX offers broad market-like exposure to investment-grade bonds denominated in foreign currencies, hedged against currency fluctuations for US investors. A majority of the fund's investments are in sovereign bonds with AA rating or better. BNDX's basket roughly resembles our segment benchmark, though returns differ due to the ETF's currency hedge and to differing mixes of sovereign and local authority bonds. The fund limits the impact of non-U.S. currency fluctuations on performance through the use of non-deliverable forward contracts. Transparency remains a concern, as Vanguard only publishes holdings on a monthly basis. Still, BNDX comes at a low cost, and is the largest and most liquid fund in its segment (newer entrants from iShares and State Street track a very similar index).