

BYLD

iShares Yield Optimized Bond ETF

Fund Description

BYLD is a fund-of-funds that tracks a broad index of debt securities optimized for yield and mean variance.

FactSet Analyst Report

BYLD is a fund-of-funds that uses iShares' existing bond ETFs as building blocks, optimized for yield, and limiting risks. Using a proprietary methodology, the fund selects funds that are perceived to have consistently demonstrated high risk-adjusted income. The fund is passively managed and allocates to five US broad fixed-income sectors: government and government-related (10-50%), securitized (10-50%), investment-grade credit (10-50%), high-yield credit (0-20%), and emerging market debt (0-10%). Each sector has its own return and risk profile that, when combined, equals to 100%. Securities are weighted according to Morningstars variant of the mean-variance optimization equation, which is based on the return, standard deviation, correlation, and yield of the securities. The Underlying Index is rebalanced and reconstituted quarterly.