

CBON

VanEck China Bond ETF

Fund Description

CBON tracks an investment-grade, broad-maturity government/credit onshore RMB-denominated China bond index.

FactSet Analyst Report

CBON offers a unique take with its entry as the first ETF to access bonds issued in the Chinese mainland, relying on renminbi qualified foreign institutional investor (RQFII) status. The fund invests in RMB-denominated bonds issued in China's onshore market by Chinese credit, sovereign and quasi-sovereign issuers. Eligible bonds must have at least one AAA rating by one of the Chinese local rating agencies recognized by the relevant authorities in the PRC to be included in the index. Each constituent is weighted by their market value, relative to total market value, with a cap of 4.75% per issuer. The fund uses a sampling method to track the index, and is rebalanced on a monthly basis.