

EUIG

iShares Euro Investment Grade Corporate Bond USD Hedged ETF

Fund Description

EUIG tracks a market-cap weighted index of euro-denominated investment grade corporate bonds. The portfolio includes corporate issuers across multiple sectors in the European region.

FactSet Analyst Report

EUIG provides exposure to Euro-denominated investment grade corporate bonds while seeking to reduce the impact of exchange rate movements between the Euro and the US dollar. The fund holds fixed-rate bonds issued by corporate issuers across both developed and emerging markets, with eligibility determined by the currency of issuance rather than issuer domicile. Constituents generally have at least one year to maturity and a minimum outstanding size to support liquidity. The portfolio is market value weighted to reflect the relative size of issuers in the investable universe. To reduce the influence of currency fluctuations, the strategy sells the Euro forward through monthly Euro forward contracts sized to the portfolio's aggregated exposure. This approach aims to help ensure that returns are more driven by credit and interest rate factors, though the hedge may not fully eliminate currency risk. Sector and issuer exposures may shift over time as the index is rebalanced monthly.

