

# FEMB

## First Trust Emerging Markets Local Currency Bond ETF

### Fund Description

FEMB is an actively managed fund that invests in a broad range of bonds issued by emerging-market sovereign, sub-sovereign and quasi-sovereign entities, denominated in local currencies.

### FactSet Analyst Report

FEMB provides exposure to the emerging-market sovereign bond fund space. Like other funds that hold debt denominated in local currencies, FX volatilities will be material drivers in the funds total return, both upside and downside. Additionally, underpinned by the interest-rate parity model, the impact of interest-rate volatilities in the US will manifest itself either in the forms of local interest rates or FX volatilities. As such, investors of foreign sovereign debts are not fully shielded from interest-rate volatilities in the US. The fund invests in bonds of any maturity or credit quality, including unrated securities. As an actively managed fund, FEMB can make certain investment decisions at its discretion.