

FTRB

Federated Hermes Total Return Bond ETF

Fund Description

FTRB is actively managed, seeking total returns from a core portfolio of US fixed-income securities with varying credit ratings and maturity. The fund selects securities through its Alpha Pod Process.

FactSet Analyst Report

FTRB is a core bond ETF that targets individual fixed-income securities believed to outperform their respective sectors. The portfolio generally consists of USD-denominated, investment-grade government and corporate bonds, mortgage- and asset-backed securities, and foreign debts deemed attractive. While it limits foreign exposure to 20%, it may invest up to 10% in unhedged non-USD-denominated securities and foreign currencies. It may also invest up to 25% in junk bonds. To select, the fund employs the Alpha Pod Process, a five-part decision-making process that focuses on duration, yield curve, sector allocation, security selection, and currency management. Additionally, the adviser monitors currency markets and global macroeconomic trends, reacting to market conditions without adhering to a standard policy weighting for the decision-making factors. Investments may include derivatives, inflation-indexed bonds, affiliate funds, and bank loans. The fund has no duration or maturity limits.

