

GEMD

Goldman Sachs Access Emerging Markets USD Bond ETF

Fund Description

GEMD tracks a market value-weighted index of USD-denominated emerging markets government bonds of various credit quality and maturity. Bonds are selected by multiple economic factors such as governance indicators, import coverage, and inflation.

FactSet Analyst Report

GEMDs portfolio selection starts from the most liquid sovereign, sovereign-guaranteed, and government-sponsored bonds taken from the FTSE Emerging Markets Broad Bond Index (Reference Index). Then, a maturity-bucketing process is applied to approximate the average effective duration of the Reference Index. After that, these USD-denominated bonds are ranked using economic indicators. Governance and fundamental screens are applied to remove securities from the lowest-ranking countries. The fundamental screen evaluates securities for import coverage and inflation. The resulting portfolio will hold bonds with favorable governance scores, higher import coverage growth, and lower inflation volatility. The market value-weighted index is usually rebalanced monthly and will include bonds rated at least B- to C.