

HEZU

iShares Currency Hedged MSCI Eurozone ETF

Fund Description

HEZU tracks a cap-weighted index of large- and mid-cap securities from the eurozone, while hedging out its exposure to the euro currency relative to the US dollar.

FactSet Analyst Report

HEZU offers straightforward exposure to eurozone countries, hedged for currency exposure for USD investors. By design, it excludes firms from countries that don't use the euro like the UK, Switzerland, and Sweden. The fund provides the same holdings as EZU which tracks the unhedged MSCI EMU Index, overlaid with short forward contracts to neutralize euro exposure. The index is 100% hedged to US dollars by selling the euro forward at the one-month forward weight, while the amount is kept constant during the period. The index is rebalanced monthly on the last trading day, to take into account the effect of rolling one-month forward contracts.