

HYGH

iShares Interest Rate Hedged High Yield Bond ETF

Fund Description

HYGH tracks an index that holds the iShares iBoxx USD High Yield Corporate Bond ETF (HYG) that targets USD-denominated corporate high-yield bonds while mitigating interest-rate risk.

FactSet Analyst Report

HYGH tracks an index that primarily takes a long position in iShares iBoxx USD High Yield Corporate Bond ETF (HYG) and shorts Treasury futures to achieve a net-zero portfolio duration. The strategy is designed to capture the credit spread while minimizing interest-rate risk. The fund aims to invest its assets in funds investing in USD-denominated high-yield bonds and US Treasuries. Interest rate risks are mitigated through positions in both futures contracts and interest rate swaps. HYGH may also engage in securities lending or invest in other ETFs, government securities, options and swap contracts, short-term paper, cash and cash equivalents to meet its objectives. HYGH may also appeal to existing HYG investors who want to shorten their portfolio duration without significantly altering their underlying credit and liquidity profile. Prior to Dec. 1, 2021, the fund is actively-managed holding the ETF HYG and using the same strategy of hedging interest rate risk.