

HYRM

Xtrackers Risk Managed USD High Yield Strategy ETF

Fund Description

HYRM tracks an index which allocates 100% of its assets to either USD high yield corporate bonds or a cash position, based on quantitative market risk signals.

FactSet Analyst Report

HYRM tracks an index that fully allocates its assets to either the US high yield corporate bond market, or to a cash position, based on market conditions. The index uses two quantitative indicators, mainly the Cboe Volatility Index (VIX) and the Moving Average Convergence Divergence (MACD), to determine current levels of market risk. If market risk is relatively low, the index will allocate 100% of its holdings into USD-denominated high yield corporate bonds. Securities are from developed market companies with a maturity between 1 and 15 years. When one or both of the risk signals indicate that market risk is relatively high, the index shifts 100% of its holdings into money market funds. This position is maintained for a minimum of 10 days and until both signals indicate market risk has returned to normal levels, where the portfolio will shift back to its high yield bond exposure.

