

IBHG

iShares iBonds 2027 Term High Yield and Income ETF

Fund Description

IBHG tracks a market-value-weighted index of USD-denominated, high yield and BBB-rated corporate bonds maturing in 2027. The fund will terminate in December 2027.

FactSet Analyst Report

IBHG offers exposure primarily to high yield, USD-denominated corporate bonds and comes with two distinctions: bullet maturity and an allowance for BBB-rated bonds. Part of a suite of similar funds, IBHG behaves more like a bond than a typical bond fund. The fund provides bullet maturity in this case December 2027 instead of perpetual exposure to a maturity range. As the fund matures, its maturity, duration and YTM will decrease. In December 2027, IBHG will unwind and distribute all fund assets as cash to investors. This structure permits IBHG to be used as a building block for a bond ladder. The fund can hold BBB-rated bonds too, subject to certain triggers and constraints. Thus, the fund can avoid selling a bond if its rating improves just beyond junk status. High yield and BBB-rated bonds are sourced from Bloomberg U.S. High Yield and Bloomberg U.S. Corporate indexes, respectively.