

SLQD

iShares 0-5 Year Investment Grade Corporate Bond ETF

Fund Description

SLQD tracks a market-value-weighted index of investment-grade, USD-denominated corporate bonds with 0-5 years remaining to maturity.

FactSet Analyst Report

SLQD targets short-term US investment-grade corporate debt. Only fixed-rate bonds whose cash flow can be determined in advance are eligible, T-bills and money market securities are excluded. The fund tends to hold significant allotments in the 3-5 year maturity range. That adds some interest-rate risk, but also a higher YTM. For the investor willing to take on slightly more risk for slightly more yield, SLQD is a very attractive option. The index applies a 3% issuer cap and is rebalanced monthly. SLQD uses representative sampling technique wherein it holds securities having similar investment profiles to the index but not necessarily invest in the index holdings. The fund is the short-maturity version LQD.