

VCHY

Vanguard US High-Yield Corporate BD Index ETF

Fund Description

VCHY tracks a market-value weighted index of USD-denominated, high-yield corporate bonds, all with individual exposures capped at 2%.

FactSet Analyst Report

VCHY is a straightforward fund targeting the global fixed-rate corporate bond market through an index. The index consists of USD-denominated corporate bonds with high-yield ratings and remaining maturities of at a year. This includes USD-denominated international bonds. Selected securities are capped to an aggregate market value weight of 2% with the excess redistributed on a pro rata basis to all other securities in the index. This capping process is repeated until no single bond exceeds the 2% cap. The fund will use a sampling method, where it may invest in a range of securities to approximate the overall portfolio characteristics.