

XBB

BondBloxx BB-Rated USD High Yield Corporate Bond ETF

Fund Description

XBB tracks a market value-weighted index that specifically invests in USD-denominated corporate bonds with a credit rating of BB (or its equivalent), based on an average of three main credit rating providers.

FactSet Analyst Report

XBB is part of an ETF suite that targets specific niches of the high-yield corporate bond market. This fund invests in USD-denominated corporate bonds that are rated BB1 through BB3, based on an average of Moodys, S&P, and Fitch. Eligible debt securities must be issued by companies having risk exposures as FX-G10 member countries, with at least \$250 million outstanding face value. Bonds should have a maturity of at least 18 months at the time of issuance and at least one year remaining to maturity. Holdings are weighted according to market value, with each issuer capped at 2%. The fund has no limit to the number of issuers to be selected. If fewer than 50 qualify for inclusion, holdings will be weighted equally. The fund may invest up to 20% of its net assets in derivatives such as swaps, options, and futures contracts. Note: Although cash flows from bond payments are retained until each monthly rebalancing, it does not earn any reinvestment income while being held in the index.



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