

**LQDH**

# iShares Interest Rate Hedged Corporate Bond ETF

Fact Sheet as of 03/31/2022

**iShares®**  
by BLACKROCK®

The iShares Interest Rate Hedged Corporate Bond ETF seeks to track the investment results of an index designed to mitigate the interest rate risk of a portfolio composed of U.S. dollar-denominated, investment grade corporate bonds.

## KEY FACTS

Fund Launch Date	05/27/2014
Net Expense Ratio	0.24%
Benchmark	BlackRock Interest Rate Hedged Corporate Bond Index
30 Day SEC Yield	2.55%
Unsubsidized 30-Day SEC Yield	2.35%
Number of Holdings	1
Net Assets	\$1,252,092,106

Ticker	LQDH
CUSIP	46431W705
Exchange	NYSE Arca

## WHY LQDH?

- 1 Holds shares of the iShares iBoxx \$ Investment Grade Corporate Bond ETF (LQD) and short positions in interest rate swaps
- 2 Actively managed to a rules based strategy that seeks to mitigate interest rate risk
- 3 Use to manage interest rate risk or express a view on credit spreads

## GROWTH OF 10,000 USD SINCE INCEPTION



The Growth of \$10,000 chart reflects a hypothetical \$10,000 investment and assumes reinvestment of dividends and capital gains. Fund expenses, including management fees and other expenses were deducted.

## PERFORMANCE

	1 Year	3 Year	5 Year	10 Year	Since Inception
NAV	-1.63%	2.27%	2.65%	N/A	1.93%
Market Price	-1.56%	2.35%	2.66%	N/A	1.94%
Benchmark	-1.58%	1.82%	2.50%	N/A	2.30%

The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting [www.iShares.com](http://www.iShares.com) or [www.blackrock.com](http://www.blackrock.com).

Beginning 8/10/20, the market price returns are calculated using the closing price.

Prior to 8/10/20, the market price returns were calculated using the midpoint of the bid/ask spread at 4:00 PM ET. The returns shown do not represent the returns you would receive if you traded shares at other times.

## PORTFOLIO CHARACTERISTICS

Price to Earnings	13.17
Price to Book Ratio	1.72
Weighted Average Maturity	14.62 yrs
Effective Duration	0.03
Standard Deviation (3yrs)	7.57%

## FEES AND EXPENSES BREAKDOWN

<b>Expense Ratio</b>	<b>0.44%</b>
Management Fee	0.30%
Acquired Fund Fees and Expenses	0.14%
Foreign Taxes and Other Expenses	0.00%
- Fee Waivers	0.20%
<b>= Net Expense Ratio</b>	<b>0.24%</b>

BlackRock Fund Advisors ("BFA"), the investment adviser to the Fund and an affiliate of BlackRock Investments, LLC, has contractually agreed to waive a portion of its management fees through February 28, 2022. Please see the Fund's prospectus for additional details.

## TOP HOLDINGS (%)

ISHARES IBOXX \$ INV GRADE CORPORAT	98.77
BLK CSH FND TREASURY SL AGENCY	1.48
SWP: USD 0.490000 22-SEP-2027	0.54
SWP: USD 0.862500 30-MAR-2045	0.52
SWP: USD 0.397500 19-OCT-2025	0.42
SWP: USD 1.060000 18-SEP-2050	0.39
SWP: USD 0.910000 25-SEP-2035	0.36

Want to learn more?

[www.iShares.com](http://www.iShares.com)



[www.blackrockblog.com](http://www.blackrockblog.com)



@iShares

Carefully consider the Fund's investment objectives, risk factors, and charges and expenses before investing. This and other information can be found in the Fund's prospectus, and if available, summary prospectus, which may be obtained by calling 1-800-iShares (1-800-474-2737) or by visiting [www.iShares.com](http://www.iShares.com) or [www.blackrock.com](http://www.blackrock.com). Read the prospectus carefully before investing.

Investing involves risk, including possible loss of principal.

Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments.

The Fund is actively managed and does not seek to replicate the performance of a specified index. The Fund may have a higher portfolio turnover than funds that seek to replicate the performance of an index. Fixed income risks include interest-rate and credit risk. Typically, when interest rates rise, there is a corresponding decline in bond values. Credit risk refers to the possibility that the bond issuer will not be able to make principal and interest payments. The Fund's use of inflation hedging instruments is intended solely to mitigate inflation risk and is not intended to mitigate credit risk, interest rate risk, or other factors influencing the price of investment-grade corporate bonds, which may have a greater impact on the bonds' returns than inflation. There is no guarantee that the Fund's positions in inflation hedging instruments will reduce or completely eliminate inflation risk within the fund. The Fund's use of derivatives may reduce the Fund's returns and/or increase volatility and subject the Fund to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation. The Fund could suffer losses related to its derivative positions because of a possible lack of liquidity in the secondary market and as a result of unanticipated market movements, which losses are potentially unlimited. There can be no assurance that the Fund's hedging transactions will be effective. Investment in a fund of funds is subject to the risks and expenses of the underlying funds. Performance shown reflects fee waivers and/or expense reimbursements by the investment advisor to the fund for some or all of the periods shown. Performance would have been lower without such waivers.

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Investing in long/short strategies presents the opportunity for significant losses, including the loss of your total investment. Such strategies have the potential for heightened volatility and in general, are not suitable for all investors.

"Acquired Fund Fees and Expenses" reflect the Fund's pro rata share of the indirect fees and expenses incurred by investing in one or more acquired funds, such as mutual funds, business development companies, or other pooled investment vehicles. AFEE are reflected in the prices of the acquired funds and thus included in the total returns of the Fund.

Investment in the Fund is subject to the risk of the underlying Funds.

Diversification may not protect against market risk or loss of principal. Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Any applicable brokerage commissions will reduce returns.

**Index returns are for illustrative purposes only. Index performance returns do not reflect any management fees, transaction costs or expenses.**

**Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.**

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FOR MORE INFORMATION, VISIT [WWW.ISHARES.COM](http://WWW.ISHARES.COM) OR CALL 1-800 ISHARES (1-800-474-2737)

iS-LQDH-F0322

Not FDIC Insured - No Bank Guarantee - May Lose Value

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#### TOP HOLDINGS (%)

SWP: USD 1.184500 19-OCT-2050	0.34
SWP: USD 1.108000 19-OCT-2040	0.33
SWP: OIS 1.445000 17-DEC-2046	0.31
	<hr/>
	103.46

Holdings are subject to change.

Want to learn more? [www.iShares.com](http://www.iShares.com)  [www.blackrockblog.com](http://www.blackrockblog.com)  @iShares

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## GLOSSARY

**Weighted Average Maturity** is the length of time until the average security in the fund will mature or be redeemed by its issuer. It indicates a fixed income fund's sensitivity to interest rate changes. Longer average weighted maturity implies greater volatility in response to interest rate changes.

**Effective Duration** is a measure of the potential responsiveness of a bond or portfolio price to small parallel shifts in interest rates. Effective Duration takes into account the possible changes in expected bond cash flows due to small parallel shifts in interest rates.

**SUSTAINABILITY CHARACTERISTICS**

Sustainability Characteristics can help investors integrate non-financial, sustainability considerations into their investment process. These metrics enable investors to evaluate funds based on their environmental, social, and governance (ESG) risks and opportunities. This analysis can provide insight into the effective management and long-term financial prospects of a fund.

The metrics below have been provided for transparency and informational purposes only. The existence of an ESG rating is not indicative of how or whether ESG factors will be integrated into a fund. The metrics are based on MSCI ESG Fund Ratings and, unless otherwise stated in fund documentation and included within a fund's investment objective, do not change a fund's investment objective or constrain the fund's investable universe, and there is no indication that an ESG or Impact focused investment strategy or exclusionary screens will be adopted by a fund. For more information regarding a fund's investment strategy, please see the fund's prospectus.

MSCI ESG Fund Rating (AAA-CCC)	AA	MSCI ESG Quality Score (0-10)	8.34
MSCI ESG Quality Score - Peer Percentile	70.07%	MSCI ESG % Coverage	95.74%
Fund Lipper Global Classification	Bond USD Corporates	MSCI Weighted Average Carbon Intensity (Tons CO2E/\$M SALES)	159.31
Funds in Peer Group	274		

All data is from MSCI ESG Fund Ratings as of **07-Apr-2022**, based on holdings as of **28-Feb-2022**. As such, the fund's sustainable characteristics may differ from MSCI ESG Fund Ratings from time to time.

To be included in MSCI ESG Fund Ratings, 65% of the fund's gross weight must come from securities covered by MSCI ESG Research (certain cash positions and other asset types deemed not relevant for ESG analysis by MSCI are removed prior to calculating a fund's gross weight; the absolute values of short positions are included but treated as uncovered), the fund's holdings date must be less than one year old, and the fund must have at least ten securities. For newly launched funds, sustainability characteristics are typically available 6 months after launch.

**ESG GLOSSARY:**

**MSCI ESG Fund Rating (AAA-CCC):** The MSCI ESG Rating is calculated as a direct mapping of ESG Quality Scores to letter rating categories (e.g. AAA = 8.6-10). The ESG Ratings range from leader (AAA, AA), average (A, BBB, BB) to laggard (B, CCC).

**MSCI ESG Quality Score - Peer Percentile:** The fund's ESG Percentile compared to its Lipper peer group.

**Fund Lipper Global Classification:** The fund peer group as defined by the Lipper Global Classification.

**Funds in Peer Group:** The number of funds from the relevant Lipper Global Classification peer group that are also in ESG coverage.

**MSCI ESG Quality Score (0-10):** The MSCI ESG Quality Score (0 - 10) for funds is calculated using the weighted average of the ESG scores of fund holdings. The Score also considers ESG Rating trend of holdings and the fund exposure to holdings in the laggard category. MSCI rates underlying holdings according to their exposure to industry specific ESG risks and their ability to manage those risks relative to peers.

**MSCI ESG % Coverage:** Percentage of a fund's holdings that have MSCI ESG ratings data.

**MSCI Weighted Average Carbon Intensity (Tons CO2E/\$M SALES):** Measures a fund's exposure to carbon intensive companies. This figure represents the estimated greenhouse gas emissions per \$1 million in sales across the fund's holdings. This allows for comparisons between funds of different sizes.

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