

Morningstar® US Bond Market Yield Optimized IndexSM

01 December 2023

For More Information:
<http://indexes.morningstar.com>

US: +1 312 384-3735

Europe: +44 20 3194 1082

The Morningstar® US Bond Market Yield Optimized IndexSM (BMYO) is a broadly diversified index targeting securities that seek to deliver a high level of current income while maintaining long-term capital appreciation. The index encompasses a comprehensive set of exchange-traded funds (ETFs) that collectively target various asset classes within the fixed-income category. BMYO is reconstituted four times annually in February, May, August, and November with an effective date of 1st business day of the following month.

At this update, the model is moving away from iShares Short-Term Corporate Bond ETF(ticker:IGSB) to iShares Long-Term Corporate Bond ETF(ticker:IGLB). The model continues to maintain its position in iShares Agency Bond ETF(ticker:AGZ), iShares Floating Rate Bond ETF(ticker:FLOT), iShares iBoxx \$ High Yield Corp Bd ETF(ticker:HYG), iShares MBS ETF(ticker:MBB) and iShares JP Morgan USD Em Mkts Bd ETF(ticker:EMB).

Reconstituted Index Holdings

Type	Name	Ticker	Forecasted Yield %	Weight %	Change in Weight %
Government	iShares Agency Bond ETF	AGZ	4.92	10.00	0.00
	iShares Floating Rate Bond ETF	FLOT	6.16	10.00	0.00
	iShares Long-Term Corporate Bond ETF	IGLB	6.09	13.06	0.63
	iShares Short-Term Corporate Bond ETF	IGSB	5.90	26.94	-0.63
High Yield	iShares iBoxx \$ High Yield Corp Bd ETF	HYG	8.19	20.00	0.00
Securitized	iShares MBS ETF	MBB	5.42	10.00	0.00
Emerging Market Debt	iShares JP Morgan USD Em Mkts Bd ETF	EMB	7.48	10.00	0.00

Next Potential Holdings

Type	Name	Ticker	Yield Forecast %
Government	iShares TIPS Bond ETF	TIP	4.59
	iShares 1-3 Year Treasury Bond ETF	SHY	4.84
	iShares 10-20 Year Treasury Bond ETF	TLH	4.68
	iShares 20+ Year Treasury Bond ETF	TLT	4.61
	iShares 3-7 Year Treasury Bond ETF	IEI	4.44
	iShares 7-10 Year Treasury Bond ETF	IEF	4.38
Credit	iShares Intermediate-Term Corp Bd ETF	IGIB	5.98