

Morningstar® US Bond Market Yield Optimized IndexSM

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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 Investment Grade Systemic Bond ETF(ticker:IGEB) and iShares Broad USD Invmt Grd Corp Bond(ticker:USIG) to iShares Long-Term Corporate Bond ETF(ticker:IGLB) and iShares 0-3 Month Treasury Bond ETF(ticker:SGOV). The model continues to maintain its position in iShares Floating Rate Bond ETF(ticker:FLOT), iShares Broad USD High Yield Corp Bond ETF(ticker:USHY), iShares CMBS ETF(ticker:CMBS) and iShares J.P. Morgan EM High Yld Bond ETF(ticker:EMHY).

Reconstituted Index Holdings

Type	Name	Ticker	Forecasted Yield %	Weight %	Change in Weight %
Government	iShares 0-3 Month Treasury Bond ETF	SGOV	5.24	23.75	2.98
	iShares Floating Rate Bond ETF	FLOT	5.87	10.00	0.00
	iShares Long-Term Corporate Bond ETF	IGLB	5.44	26.25	5.40
High Yield	iShares Broad USD High Yield Corp Bd	USHY	7.48	20.00	0.00
Securitized	iShares CMBS	CMBS	4.66	10.00	0.00
Emerging Market Debt	iShares J.P. Morgan EM High Yld Bd	EMHY	6.36	10.00	0.00

Next Potential Holdings

Type	Name	Ticker	Yield Forecast %
Government	iShares Core 10+ Year USD Bond	ILTB	5.07
	iShares Short Treasury Bond	SHV	4.99
	iShares Core Total USD Bond Market	IUSB	4.73
	iShares ESG Advanced Ttl USD Bd Mkt ETF	EUSB	4.59
	iShares Core 1-5 Year USD Bond	ISTB	4.56
	iShares ESG U.S. Aggregate Bond ETF	EAGG	4.41
	iShares 20+ Year Treasury Bond	TLT	4.18
	iShares Agency Bond	AGZ	4.16
	iShares 25+ Year Treasury STRIPS Bd ETF	GOVZ	4.16
	iShares 10-20 Year Treasury Bond	TLH	4.11
	iShares 0-5 Year TIPS Bond ETF	STIP	4.07
	iShares US Treasury Bond ETF	GOVT	3.98
	iShares 1-3 Year Treasury Bond	SHY	3.97
	iShares 7-10 Year Treasury Bond	IEF	3.77
	iShares TIPS Bond	TIP	3.75
	iShares 3-7 Year Treasury Bond	IEI	3.69
	iShares International Treasury Bond ETF	IGOV	2.46
Credit	iShares Treasury Floating Rate Bond	TFLO	5.32
	iShares Investment Grade Systemic Bond	IGEB	5.17
	iShares Broad USD Invmt Grd Corp Bond	USIG	5.04
	iShares Intermediate Credit Bond	IGIB	5.00
	iShares iBoxx \$ Invmt Grade Corp Bond	LQD	4.98
	iShares ESG USD Corporate Bond ETF	SUSC	4.89
	iShares 0-5 Year Invmt Grade Corp Bond	SLQD	4.80
	iShares 1-3 Year Credit Bond	IGSB	4.78
	iShares Aaa - A Rated Corporate Bond	QLTA	4.73
	iShares ESG 1-5 Year USD Corp Bd ETF	SUSB	4.67
	iShares Intermediate Govt/Crdt Bd	GVI	4.06
High Yield	iShares 0-5 Year High Yield Corp Bd	SHYG	7.23
	iShares iBoxx \$ High Yield Corporate Bd	HYG	7.12

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Next Potential Holdings			
Type	Name	Ticker	Yield Forecast %
	iShares High Yield Systematic Bond	HYDB	6.95
	iShares Fallen Angels USD Bond	FALN	6.82
	iShares BB Rated Corporate Bond ETF	HYBB	6.07
Securitized	iShares Core 5-10 Year USD Bond ETF	IMTB	4.74
	iShares MBS	MBB	4.72
Emerging Market Debt	iShares JP Morgan EM Local Ccy Bd	LEMB	6.88
	iShares J.P. Morgan USD Emerging Markets Bond	EMB	6.36
	iShares JP Morgan EM Corporate Bond	CEMB	5.82