

# ACCESS THE CORE AUSTRALIAN BOND MARKET IN ONE ETF

## iShares Core Composite Bond ETF

### Fund description

The iShares Core Composite Bond ETF (ASX:IAF) is an indexed fixed-income fund that provides exposure to the broad Australian bond market. It contains high-quality, fixed-rate bonds issued by the Australian Government & State governments, government-related entities and investment grade corporate issuers.

This product is likely to be appropriate for an investor seeking capital preservation and/or income distribution with a medium risk/return profile. This product is unlikely to be appropriate for an investor as a whole portfolio solution.

### Benefits of investing in ASX:IAF



#### Diversification

The core Australian bond market exposure can offer diversification benefits when combined with other asset classes.



#### High quality

The fund offers an exposure that is investment-grade with an average credit rating of AA+.



#### Efficient access

With just a single trade, the fund provides exposure to over 500 AUD-denominated investment-grade bonds issued by a broad range of issuers.

There is no guarantee that a positive investment outcome will be achieved. Diversification and asset allocation may not fully protect you from market risk. While the investment approach described herein seeks to control risk, risk cannot be eliminated.

### Fund details

<b>Ticker</b>	IAF
<b>Currency</b>	AUD
<b>Exchange</b>	ASX
<b>Distribution frequency</b>	Quarterly
<b>Inception date</b>	12 March 2012
<b>Asset class</b>	Fixed Income
<b>Benchmark</b>	Bloomberg AusBond Composite 0+ Yr Index
<b>Management fee</b>	0.10%
<b>Fund data</b>	<a href="#">Fact sheet and data</a>

### Fund features

**1**

**Transparency:** Full transparency to the securities held by IAF, published on the website

**2**

**Daily liquidity:** Tradable daily when the ASX is open with T+2 settlement

**3**

**Cost effective:** An all-inclusive and transparent annual management fee of just 0.10%

## Don't forget about duration

Investors looking to invest in IAF are still exposed to interest rate risk (duration). IAF holds fixed rate bonds which are exposed to varying levels of duration risk based on each securities coupon rate, yield and remaining time until maturity. Bonds with longer maturities are more sensitive to changes in interest rates, and therefore carry a higher level of duration risk. A bonds value decrease as interest rates (yields) rise and increase as interest rates (yields) decline. It is important for investors to carefully consider the duration of their fixed income investments and to regularly review and adjust their portfolio to manage duration risk.

## Want to know more?

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