

BROAD EXPOSURE TO U.S. TREASURY BONDS

iShares U.S. Treasury Bond (AUD Hedged) ETF

Fund description

The iShares U.S. Treasury Bond (AUD Hedged) ETF (ASX: IUSG) provides targeted AUD hedged exposure to U.S. Treasury bonds across multiple maturities.

Target Market summary

This product is likely to be appropriate for a consumer:

- seeking capital preservation and/or income distribution
- with a medium risk/return profile.
- this product is unlikely to be appropriate for a consumer with a short investment time frame or as a whole portfolio solution.

Read the **Target Market Determination**.

Benefits of investing in IUSG



High quality

U.S. Treasury bonds are high-quality assets with a low level of default risk.



Diversification and income potential

U.S. Treasuries can be used alongside Aussie treasuries as an additional portfolio diversification tool as well as a source of high-quality income.



Long-term allocation

The fund provides exposure to bonds across multiple maturity dates allowing investors to take a long-term view on U.S. Treasuries giving potential for it to be a key component of an investor's fixed income allocation.

Fund details

Ticker	IUSG
Currency	AUD
Exchange	ASX
Distribution frequency	Tri-Annually
Inception date	19 September 2023
Asset class	Fixed Income
Benchmark	ICE U.S. Treasury Core Bond AUD Hedged Index
Management fee	0.15%
Fund data	See fund fact sheet

Fund features

1

Daily liquidity: Just like individual shares, IUSG can be bought and sold on exchange

2

Transparency: Daily transparency of the portfolio holdings, performance and characteristics

3

Cost-effective: An annual management fee of just 0.15%

U.S. Treasuries provide diversification benefits

When compared to Aussie Treasuries, US Treasuries offer a stronger diversification benefit to portfolios, underscoring their effectiveness in serving as a portfolio hedge in periods of higher risk. This can be seen by comparing the correlations to both domestic and international equity exposures.

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.

5-year weekly correlation*

	U.S. Treasuries (AUD-hedged)	Australian Treasuries
US Treasuries (AUD-hedged)	1.00	0.65
Australian Equities	0.21	0.36
Global Equities (AUD-hedged)	0.11	0.23

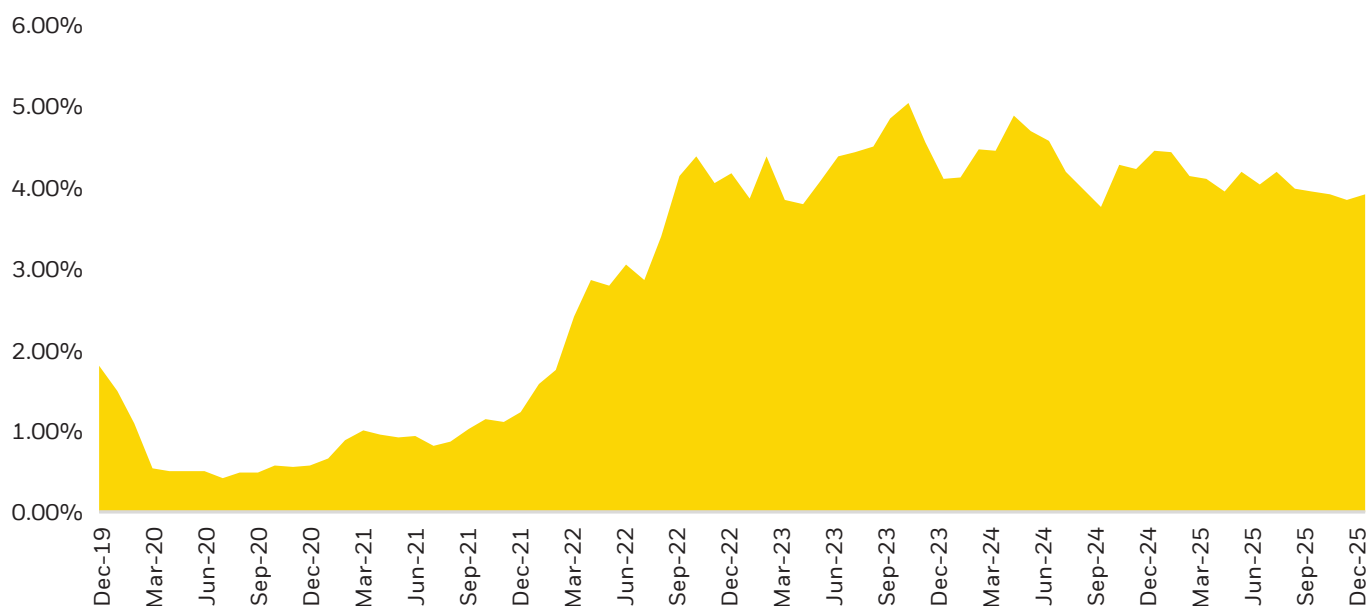
* Correlation is a statistical measure that determines how assets move in relation to each other. A positive value means the assets move in the same direction whereas a negative value means the assets move in the opposite direction. Correlation is measured on a scale of -1 to +1 where +1 indicates a perfectly positive correlation and -1 indicates a perfectly negative correlation.

Source: Bloomberg, 01 Jan 2026. U.S. Treasuries (AUD-hedged) = ICE US Treasury Core 100% AUD Hedged Index; Australian Equities = S&P/ASX 200 Index; Australian Treasuries = Bloomberg AusBond Treasury 0+ Yr Index; Global Equities (AUD-hedged) = MSCI ACWI 100% Hedged to AUD Index.

Index performance are for illustrative purpose only. Investors cannot directly invest into an index. Index performance does not reflect any management fees, transaction costs or expenses. Past performance does not guarantee future results.

U.S. Treasuries provide attractive income

The fixed income market rout of 2022 has led to a surge in bond yields – Yields are back across fixed income assets, which presents a big opportunity in fixed income, including U.S. Treasuries, which can provide a diverse source of high-quality income in this environment.



Month-end Yields of the ICE US Treasury Core Bond Index (unhedged) Source: BlackRock, 06 Jan 2026.

Past performance is not a reliable indicator of future performance

Why currency hedge bond ETFs?

Exchange rate movements can negatively or positively impact portfolio returns.

IUSG applies currency hedging that reduces the impact of foreign exchange risk. The fund aims to provide investors with a steady level of income reducing the risks caused by currency fluctuations, potentially eroding bond yields.

Currency hedging – Not all ETFs are created equal

Not all currency hedged ETFs lead to the same after tax outcome for investors. By investing in the iShares ETF, investors are better able to understand and manage their potential tax liabilities. For further information on ETF distributions and how the iShares structure provides an after tax outcome better aligning to investors expectations, please refer to the following [page](#).

Want to know more?

blackrock.com/au/ishares | iShares.Australia@blackrock.com | 1300 474 273

IMPORTANT INFORMATION

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