

# ETF Analytics in the Yield Book Add-In

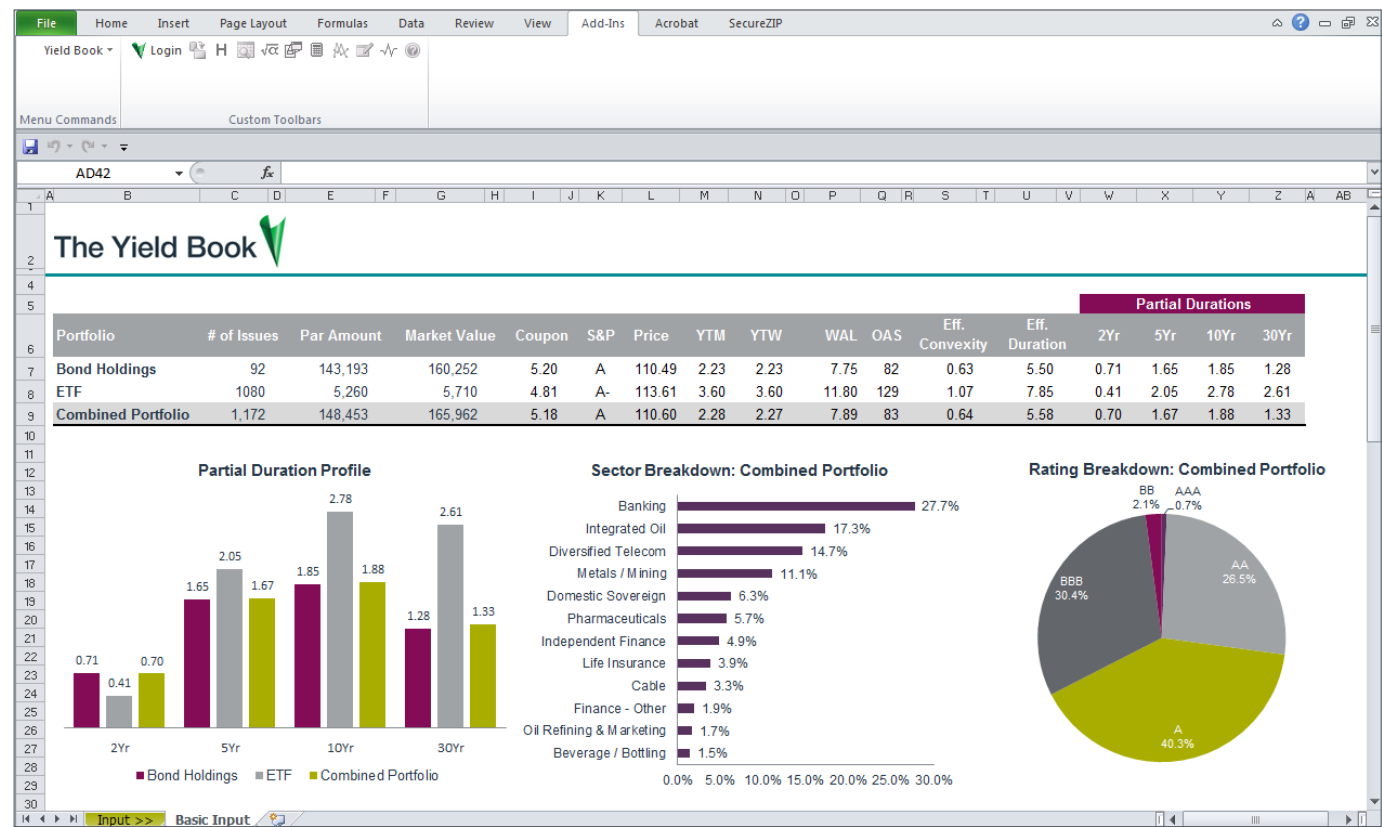
Understand your ETF exposure in just a few clicks

Since the release of the first product in 2002, the fixed income ETF market has experienced dramatic growth. An increasing number of institutional money managers use ETFs to gain strategic or tactical exposure to specific sectors and enhance investment strategies.

The Yield Book and iShares have partnered to provide access to iShares ETF data inside the Yield Book Add-In. Users can access constituent-level profiles for select iShares ETFs to perform portfolio risk and return analyses.

Explore The Yield Book's New ETF Capabilities	<ul style="list-style-type: none"> <li>• Access iShares' latest publicly-available ETF constituent data</li> <li>• Evaluate risks and returns using The Yield Book's trusted and market-tested models</li> </ul>
Analyze Individual ETFs	<ul style="list-style-type: none"> <li>• Gain an in-depth understanding of iShares ETFs:                             <ul style="list-style-type: none"> <li>– Sector, issuer, and issue-level information</li> <li>– Measures such as price, yield, option-adjusted spread, convexity, effective convexity, effective duration, and partial duration</li> </ul> </li> </ul>
Evaluate the Impact of ETF Trades on Your Existing Portfolio	<ul style="list-style-type: none"> <li>• Analyze how adding ETFs would affect your portfolio's risk and return characteristics</li> <li>• Benefit from extensive look-through to the bonds underlying iShares' ETFs</li> </ul>

## Unbundle the Characteristics of a Portfolio with ETFs



Source: The Yield Book Add-In. Data as of September 2013

## ETF Analytics in the Yield Book Add-In



### Evaluate ETFs and their individual components

Analyze individual holdings, understand their risk and return characteristics, and assess whether they match your targeted asset allocation.

Descriptive Information	<ul style="list-style-type: none"><li>• Access comprehensive sets of data for your ETF holdings, such as bond indicatives, historical pricing, yield curves, and more</li></ul>
Price / Yield Calculations	<ul style="list-style-type: none"><li>• Run calculations on your ETF holdings to determine risk characteristics such as effective duration, effective convexity, effective DVO1, partial durations, OAS, and more</li></ul>
Sector Distribution	<ul style="list-style-type: none"><li>• Understand the distribution of ETF holdings such as industry, rating, maturity, security type, and more</li><li>• Assess whether the individual holdings comply with your portfolio's restrictions</li></ul>

### Understand the impact of including ETFs in your portfolios

Run portfolio-level analyses to understand the impact of ETF holdings.

Sector and Issuer Exposures	<ul style="list-style-type: none"><li>• Assess your combined portfolio's sector-level exposures to industry, rating, geography, and more</li><li>• Understand your portfolio's exposure to various issuer names</li><li>• Define your own sectors or use the predefined options available in The Yield Book</li></ul>
Holding Overlaps	<ul style="list-style-type: none"><li>• Identify individual holding overlaps between the ETF and the rest of your portfolio</li></ul>
Scenario and Cash Flow Analysis	<ul style="list-style-type: none"><li>• Perform total return/horizon analysis on ETF and portfolio holdings, assuming various interest rate, spread, volatility, foreign exchange, and prepayment scenarios</li><li>• Generate cash flow and return calculations based on your scenarios</li></ul>
Comparison with Benchmark	<ul style="list-style-type: none"><li>• Measure the ETF's tracking error to the underlying benchmark</li><li>• Utilize that insight for trading decisions</li></ul>

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