

\$79.76 **-\$0.07** **(-0.09%)**

Net Assets (\$M)	NAV	Price / NAV	Expense Ratio	Yield
\$16,106	\$79.75	100.0%	0.49%	6.1%

52-wk Range
\$78.57  \$81.36

Turnover	Holdings	Top 10 Wt	Fund P/E	Ex-Div Date
22.0%	1,329	3.6%	-	06/01/26

Dividend Adjusted Return Jun 27, 2025 - Jun 29, 2026

HYG 80.01 (+5.6%) **-HYX 289.66 (+6.5%)**



HYG has performed nearly in line with its category index over the past year.

HYG has performed nearly in line with its category average over the past year.

MORNINGSTAR RATING

Morningstar Rating: 3 / 5 Rated within High Yield Bond over 3/5/10Y



Morningstar assigns 1–5 stars based on a fund's historical risk-adjusted return relative to its category cohort. The top 10% of funds receive 5 stars; the bottom 10% receive 1 star. New funds with under 3 years of history are unrated.

RISK & INCOME SCORES

29 Risk Score
More volatile and deeper drawdowns than most peers.

58 Income Score
Income generation is mid-pack for the category.

1 warning
Details on Page 6

Risk Score: Blends volatility, maximum drawdown, downside deviation, and beta. Higher means LESS risky than peers — a 90 is a calm fund, a 10 is a wild one. **Income Score:** Blends yield, distribution growth, and consistency. Higher means stronger, steadier income than peers. **Warnings Flag:** Appears when our automated checks find structural concerns (leverage, low liquidity, high fees, concentration, and so on). The color reflects the most severe finding; details are on the Investor Warnings page.

BUSINESS SUMMARY

The investment seeks to track the investment results of the Markit iBoxx® USD Liquid High Yield Index (the "underlying index"). The underlying index is a rules-based index consisting of U.S. dollar-denominated, high yield corporate bonds for sale in the U.S. The fund will invest at least 80% of its assets in the component securities of the underlying index, and the fund will invest at least 90% of its assets in fixed income securities of the types included in the underlying index that the advisor believes will help the fund track the underlying index. The current manager has run the fund for 14.9 years.

TOP HOLDINGS

This fund holds 99% bonds and virtually no stocks, so a top-10 list does not apply. Bond funds own hundreds of individual issues and Morningstar does not provide a per-issue list for this fund. See the Fixed Income Statistics for portfolio character.

SECTOR WEIGHTS

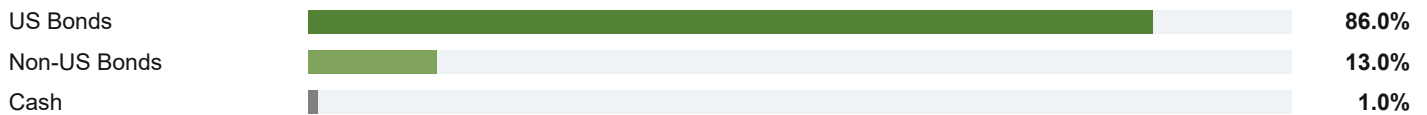
This fund holds 99% bonds and virtually no stocks, so stock-sector weights do not apply. See the Fixed Income Statistics and bond style box for portfolio character.

Fixed Income Statistics

Metric	HYG	Category Avg
Effective Duration (option-adjusted)	2.96 yrs	2.80 yrs
Modified Duration	3.76 yrs	
Effective Maturity	5.50 yrs	4.92 yrs
Yield to Maturity	6.83%	7.24%
Average Coupon	6.65%	6.71%
Average Bond Price	99.14	
Average Credit Quality	Low Quality	

Bond Style: **Limited Sensitivity Low Quality**
(interest-rate sensitivity / credit quality)

ASSET ALLOCATION



STYLE BOX

	Limited	Moderate	Extensive
High			
Medium			
Low	•		

Bond style: **Limited Sensitivity Low Quality**
Rows: credit quality · Columns: interest-rate sensitivity

WORLD REGIONS



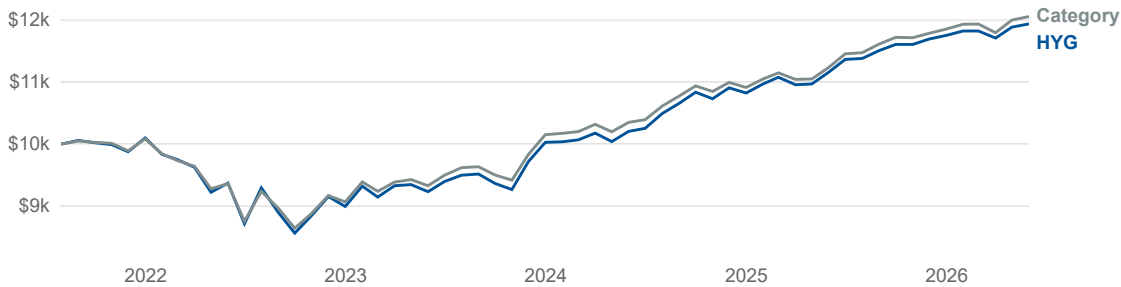
RETURNS SUMMARY

Period	HYG	Category	S&P 500
5 Days	+0.1%	-0.0%	-0.4%
1 Month	+0.3%	-0.1%	-1.6%
YTD	+1.8%	+1.6%	+9.3%
1 Year	+5.6%	+5.9%	+21.9%
3 Year	+28.0%	+27.0%	+75.7%
5 Year	+19.8%	+20.8%	+85.5%
10 Year	+61.4%	+64.6%	+322.1%

Category rank (percentile, 1 = best) — 1 Year: top 53% 3 Year: top 38% 5 Year: top 61%

HYG has **beaten its category over the 3-year period but trailed over the 1-year and 5-year periods.**

GROWTH OF \$10,000

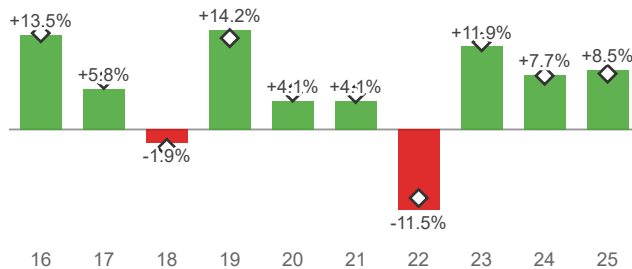


Over the past 5 years, \$10,000 invested in HYG grew to \$11,945 (+19.5%). That is **1.0% behind** the category average. As of May 31, 2026 (month-end); trailing returns elsewhere update daily.

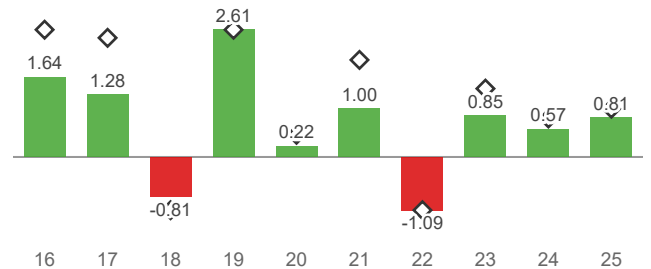
HISTORICAL TRENDS

Calendar-year results from year-end snapshots. Diamonds mark the category average.

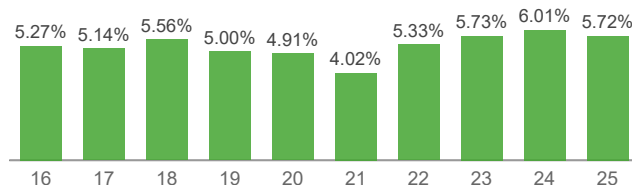
Total Return by Year (%)



Sharpe Ratio by Year



Distribution Yield by Year (%)



Risk-adjusted returns have improved: the last three years average a 0.74 Sharpe ratio vs 0.04 for the prior three. HYG beat its category average in 4 of the last 10 calendar years.

Distribution Yield: Total distributions paid that year as a percent of the year-end price. For funds this includes capital-gains distributions, so it can spike in years with large realized gains.

Sharpe Ratio: Return earned above the risk-free rate per unit of volatility — risk-adjusted performance. Higher is better; a negative year means the fund underperformed Treasury bills.

RISK SUMMARY

Metric	HYG	Category	S&P 500
Volatility (σ)			
1 Year	0.04	0.04	0.12
3 Year	0.05	0.05	0.15
5 Year	0.07	0.06	0.17
Beta (vs S&P 500)			
1 Year	0.22	0.14	—
3 Year	0.24	0.12	—
Sharpe Ratio			
1 Year	0.44	0.60	1.46
3 Year	0.74	0.94	1.09
5 Year	-0.01	0.03	0.57
Sortino Ratio			
3 Year	1.11	1.47	1.56
Max Drawdown			
1 Year	-2.3%	-2.7%	-8.8%
3 Year	-4.6%	-4.3%	-18.7%
Capture vs S&P 500			
3 Year Upside	28.8	18.2	—
3 Year Downside	14.7	32.2	—
Downside Deviation			
3 Year	—	—	—

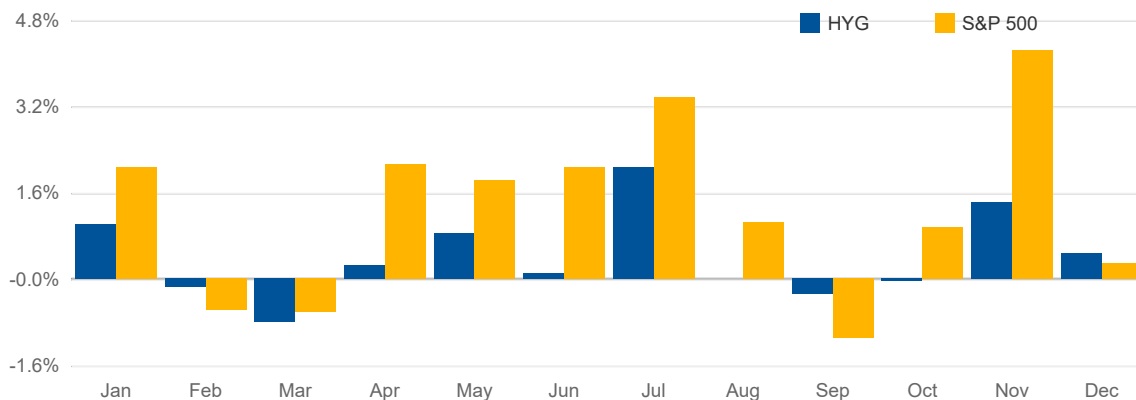
3-year risk-adjusted returns trail the category (Sharpe 0.74 vs 0.94). It has captured more of the market's gains (29) than its losses (15).

Volatility (σ): The standard deviation of returns — how widely results swing around their average. Higher numbers mean a bumpier ride. **Beta:** Sensitivity to S&P 500 moves. A beta of 1.2 tends to move 20% more than the market in both directions; below 1 means more muted moves. **Sharpe Ratio:** Return earned above the risk-free rate per unit of volatility. Higher is better; negative means the fund underperformed Treasury bills. **Sortino Ratio:** Like the Sharpe ratio, but only penalizes downside swings — useful when upside volatility should not count against a fund. **Max Drawdown:** The deepest peak-to-trough loss over the window. Closer to zero is better; it answers "how bad did it get?" **Upside / Downside Capture:** The share of the S&P 500's gains (and losses) the fund participated in. The ideal combination is high upside capture with low downside capture. **Downside Deviation:** Volatility computed from negative returns only — the input to the Sortino ratio.

SEASONALITY

10-Year Seasonality (Average Monthly Return)

Average return by calendar month over the last 10 years (HYG vs S&P 500).



COSTS & EFFICIENCY

Metric	HYG	Cat Avg	Metric	HYG	Cat Avg
Costs			Tax Efficiency		
Expense Ratio	0.49%	0.85%	1 Year Tax-Cost Ratio	2.4%	
Turnover Ratio	22.0%	72.7%	3 Year Tax-Cost Ratio	2.4%	2.6%
			5 Year Tax-Cost Ratio	2.2%	
Tracking vs S&P 500			Market Pricing		
Tracking error here is vs the S&P 500 (Morningstar's standard index), not the fund's own benchmark, so sector and bond funds read high even when they track their own index closely.			Price / NAV	+100.01%	—
1 Year Tracking Error	2.7%	2.9%	NAV	\$79.75	
3 Year Tracking Error	3.2%	3.6%	1 Month Avg Premium/Discount	+0.17%	
			1 Year Avg Premium/Discount	+0.17%	+0.14%
			1 Year Premium/Discount Range	-0.02% to +0.29%	
Tracking vs Own Index (Best Fit)			Liquidity		
How closely the fund follows the index it actually tracks. R-squared near 100% and beta near 1.00 indicate tight replication.			3 Month Avg Dollar Volume	\$2.4B	
Prospectus Benchmark	Bloomberg US Universal TR USD		3 Month Avg Share Volume	30.1M	
Best-Fit Index	ICE BofA US High Yield TR USD		Today vs Average	116.9%	
3 Year R-Squared	99.6%				
3 Year Beta	1.03				
3 Year Alpha	-0.36%				

Expense Ratio: The annual management fee as a percentage of your investment, deducted from fund assets automatically. **12b-1 Fee:** A recurring marketing and distribution charge some mutual funds levy — part of the expense ratio that buys you no management. **Turnover Ratio:** How much of the portfolio is replaced each year. High turnover raises trading costs and, in taxable accounts, capital-gain distributions. **Tracking Error:** How far an index fund's returns have strayed from its benchmark. A faithful index fund should be near zero. **Tax-Cost Ratio:** Morningstar's estimate of the annual return lost to taxes on distributions for an investor in the top federal bracket. **Premium / Discount:** The gap between an ETF's market price and the value of its holdings (NAV). Persistent premiums mean you overpay buying; discounts shortchange you selling. **Dollar Volume:** Average daily trading value. Thinly traded ETFs have wider spreads and are harder to exit near fair value.

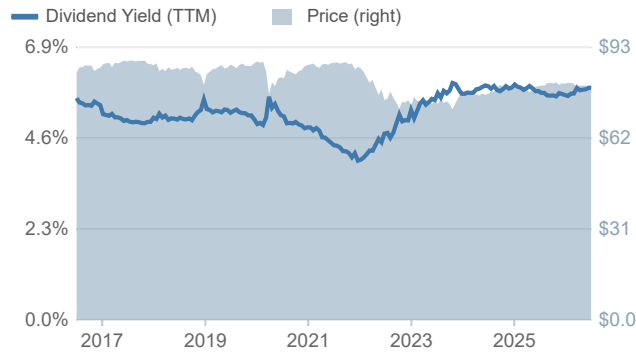
DISTRIBUTIONS

Forward Yield	Forward Rate	TTM Yield	TTM Rate	5-Yr Avg Yield	SEC 30-Day Yield	Frequency
6.15%	\$4.91	5.44%	\$4.34	5.36%	6.52%*	Monthly

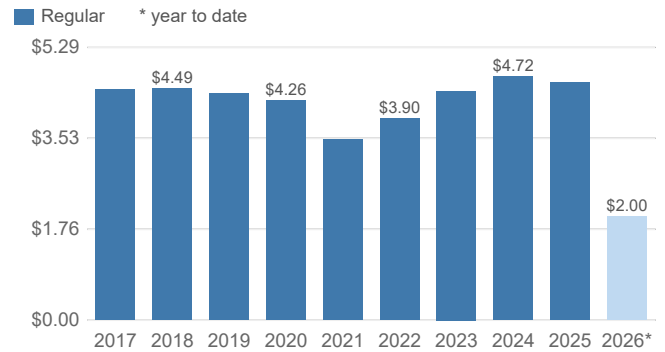
Yield to Maturity	Average Coupon
6.83%	6.65%

The next distribution has not yet been declared.

Distribution Yield & Price — 10 Years



Distributions by Year



Distribution Growth (annualized, regular distributions)

1-Yr	3-Yr	5-Yr	10-Yr	15-Yr
8.9%	5.0%	7.0%	0.2%	-2.1%

Most recent change: -2.3% (2026).

Five-year dividend growth: 7.1%/yr.

SEC 30-Day Yield: A standardized yield all funds compute the same way: the last 30 days of interest and dividend income, net of expenses, annualized. It reflects current holdings and rates, so it is the best number for comparing funds. An asterisk means fee waivers are propping it up.

PEERS ANALYSIS

The 14 ETFs and mutual funds most similar to HYG by portfolio composition (sectors, regions, style, and size), with HYG highlighted. Click a column header to sort.

Ticker	Name	Type	Net Assets	Expense	1Y Return	3Y Return	Div Yield	MS Rating	Risk Score	Income Score
HYG	iShares iBoxx \$ High Yield Co...	ETF	\$16,106	0.49%	+5.6%	+28.0%	6.13%	★★★☆☆	29	58
FHRRX	Franklin High Income R6	Fund	\$2,898	0.51%	+6.1%	+29.3%	6.61%	★★★★★	40	51
HYGH	iShares Interest Rate Hedged H...	ETF	\$529	0.52%	+7.1%	+30.9%	6.32%	★★★★★	29	50
PHYFX	Principal High Yield R-6	Fund	\$3,894	0.52%	+5.0%	+26.1%	7.05%	★★★★☆	37	81
LBHIX	Thrivent High Yield S	Fund	\$818	0.54%	+6.2%	+26.8%	6.24%	★★★☆☆	45	40
HYZX	Virtus Seix High Yield R6	Fund	\$408	0.55%	+5.7%	+25.6%	6.72%	★★★☆☆	37	72
VVJDX	Voya Short Duration High Inco...	Fund	\$192	0.56%	+4.9%	+20.3%	6.86%	☆☆☆☆☆	14	79
TAHBX	Transamerica High Yield Bond R6	Fund	\$835	0.61%	+6.2%	+26.9%	7.04%	★★★☆☆	41	83
PHIYX	PIMCO High Yield Instl	Fund	\$7,360	0.62%	+5.6%	+26.5%	6.37%	★★★☆☆	51	64
EIBRX	Eaton Vance Income Fund of B...	Fund	\$4,029	0.62%	+5.8%	+26.9%	6.43%	★★★★☆	58	49
CHYYX	Columbia High Yield Bond Inst3	Fund	\$1,048	0.62%	+5.9%	+28.0%	6.28%	★★★☆☆	63	57
LEND	SEI High Yield Bond & Alternati...	ETF	\$1,037	0.65%	—	—	7.67%	★★★★☆	0	94
SAMHX	Virtus Seix High Yield I	Fund	\$408	0.66%	+5.7%	+25.1%	6.61%	★★★☆☆	36	70
SHYG	iShares 0-5 Year High Yield Cor...	ETF	\$7,584	0.30%	+5.7%	+26.4%	6.98%	★★★★☆	31	74
FJSYX	Nuveen Credit Income I	Fund	\$392	0.71%	+7.1%	+34.0%	7.38%	★★★★☆	73	61

INVESTOR WARNINGS

Automated checks for structural risks: leverage, fund size, liquidity, costs, taxes, concentration, index tracking, and volatility.

High Tax Cost

3Y Tax-Cost Ratio (%): 2.39

Distributions have cost a meaningful share of returns to taxes for investors in the top bracket. In a taxable account, consider more tax-efficient alternatives.

Note