Innovation meets opportunity

How years of constant fixed income ETF innovation are empowering investors to navigate today's markets and build portfolios for the new era

Insights from BlackRock

Key takeaways

- **Client demand for fixed income ETFs is driving significant asset growth with record flows in 2024 and on track to reach $6 trillion in assets under management (AUM) by 2030, if not sooner.** Globally, bond ETFs experienced the highest organic asset growth (20%) of any other asset class or investment vehicle last year. And so far in 2025, client adoption continues to accelerate, with assets up 22% on an annualized basis.

- **The flywheel of bond ETF innovation is powering this growth, helping more investors to access exposures and outcomes that were previously difficult to access.** Last year a record 420 bond ETFs were launched, enabling investors to tailor their fixed income investments in ways previously unthinkable.

- **The ever-increasing toolkit allows investors to take advantage of a generational opportunity in fixed income.** Yields are higher than they have been in 20 years. Globally, some 80% of fixed income assets now yield over 4% and we believe they'll remain elevated for the foreseeable future.

- RBC iShares' diverse and evolving product set supports clients to navigate across market environments, with more modern, precise ways to reach nearly every part of the fixed income market. At BlackRock, as the experts in portfolio construction with a strong heritage in risk management, we understand the tools and exposures that investors require to thrive in a changing world.

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All figures in this report are expressed in U.S. dollars unless otherwise noted.

Foreword

Bond investing has long been a cornerstone of portfolios for its ability to preserve capital, diversify equities and generate income. However, the methods by which investors access fixed income and integrate this asset class into their portfolios are evolving rapidly. Increasingly, investors of all types are turning to bond ETFs, attracted by the innovation within the wrapper and its benefits of transparency, enhanced liquidity and efficiency. Today's investor can effortlessly access nearly every corner of the bond market with a click, gaining exposure to thousands of bonds through just one or a handful of ETFs. The extensive range of bond ETFs available today, coupled with their historical durability and resilience during periods of market volatility, are empowering investors to easily and efficiently navigate markets and pursue their investment goals.

The acceleration in bond ETF innovation and adoption has occurred at the same time as a generational opportunity presents itself in the fixed income markets with yields worldwide at levels not seen since the mid-2000s.[1] Two decades of continued innovation is meeting this market moment, equipping investors with a powerful toolkit to maximize today's fixed income opportunities in ways that were previously unimaginable.

Despite the remarkable surge in innovation and adoption, bond ETFs are still in the early stages of growth, representing just 2% of the global bond market. We believe that bond ETFs will continue to expand the investable universe across index, active, public, and private markets, with adoption accelerating even further. We hope this paper will educate and empower investors on how to best utilize these powerful tools and build portfolios for a new economic world.

Stephen Cohen
BlackRock's Chief Product Officer

Accelerating client adoption

Fixed income ETF assets soar, on path to $6T

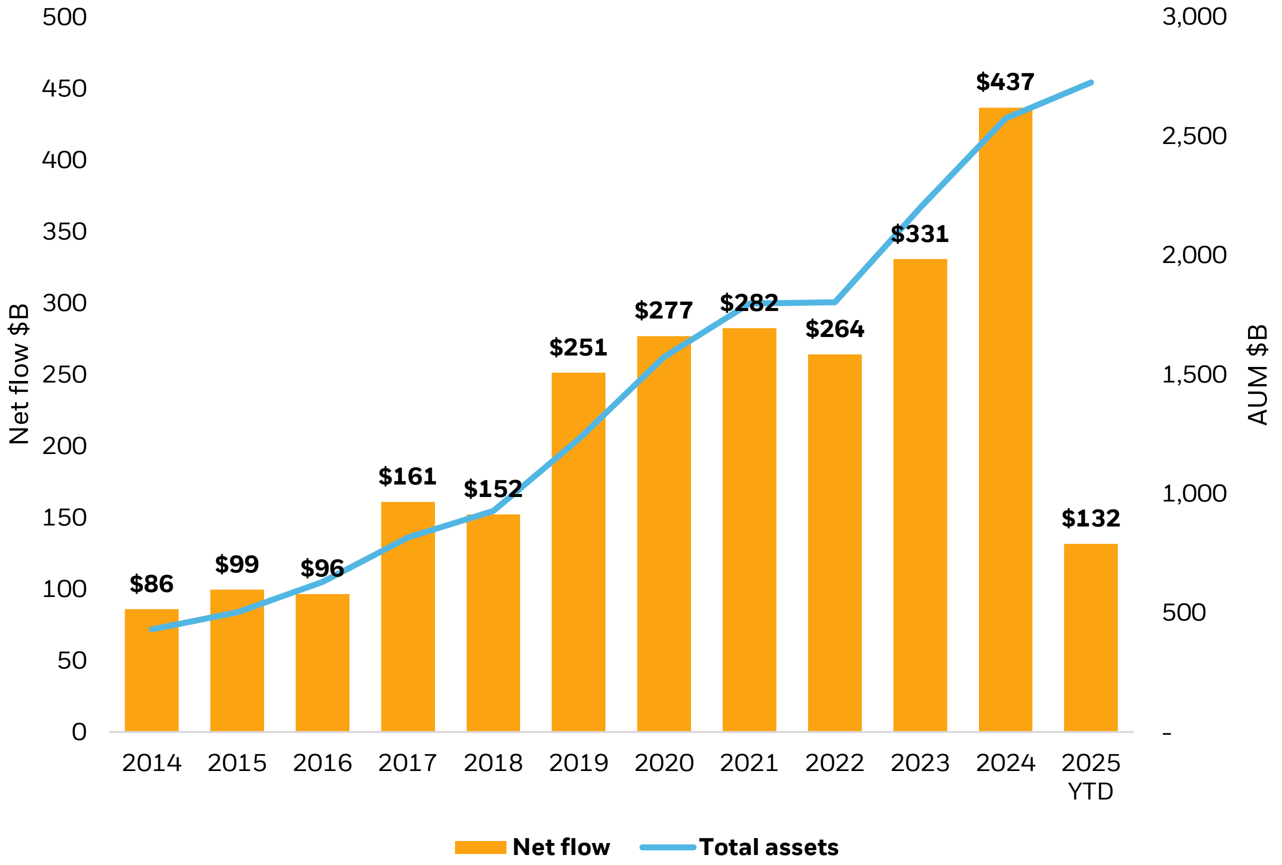
Global bond ETF assets rose 20% organically in 2024 – the highest organic asset growth of any other asset class or investment vehicle.[2] The segment reached $2.6 trillion in assets through 2024 as investors increasingly chose the wrapper likely given its benefits, including transparency and efficiency.[3] We believe the fixed income ETF market will surge to $6 trillion by 2030 as more investors consider ETFs as a powerful way to access fixed income.[4]

Relative to equities, fixed income ETFs are in the early stages, presenting a significant opportunity for growth. Fixed income ETFs represent just 2% of the underlying bond market, while equity ETFs represent 10% of the underlying market.[5]

Bond investing itself is resonating with investors as they seek income, stability and diversification amid volatile markets. Last year, investors allocated more to bonds than they did to any other asset class, adding $1 trillion into bonds globally across mutual funds and ETFs — marking the strongest year of inflows in the past decade.[6] ETFs captured about 40% of this record fixed income flow, more than double the allocation that they represent on an asset basis.[7]

So far in 2025, inflows continue to break records. Through March, global bond ETF flows reached $131.6 billion, which is 2.5x larger than the average first quarter inflows over the last decade.[8]

Figure 1: Bond ETF flows surge to record levels



Source: BlackRock Global Business Intelligence, March 31, 2025. Net flow or flow, refers to new assets under management (AUM) in a given year.

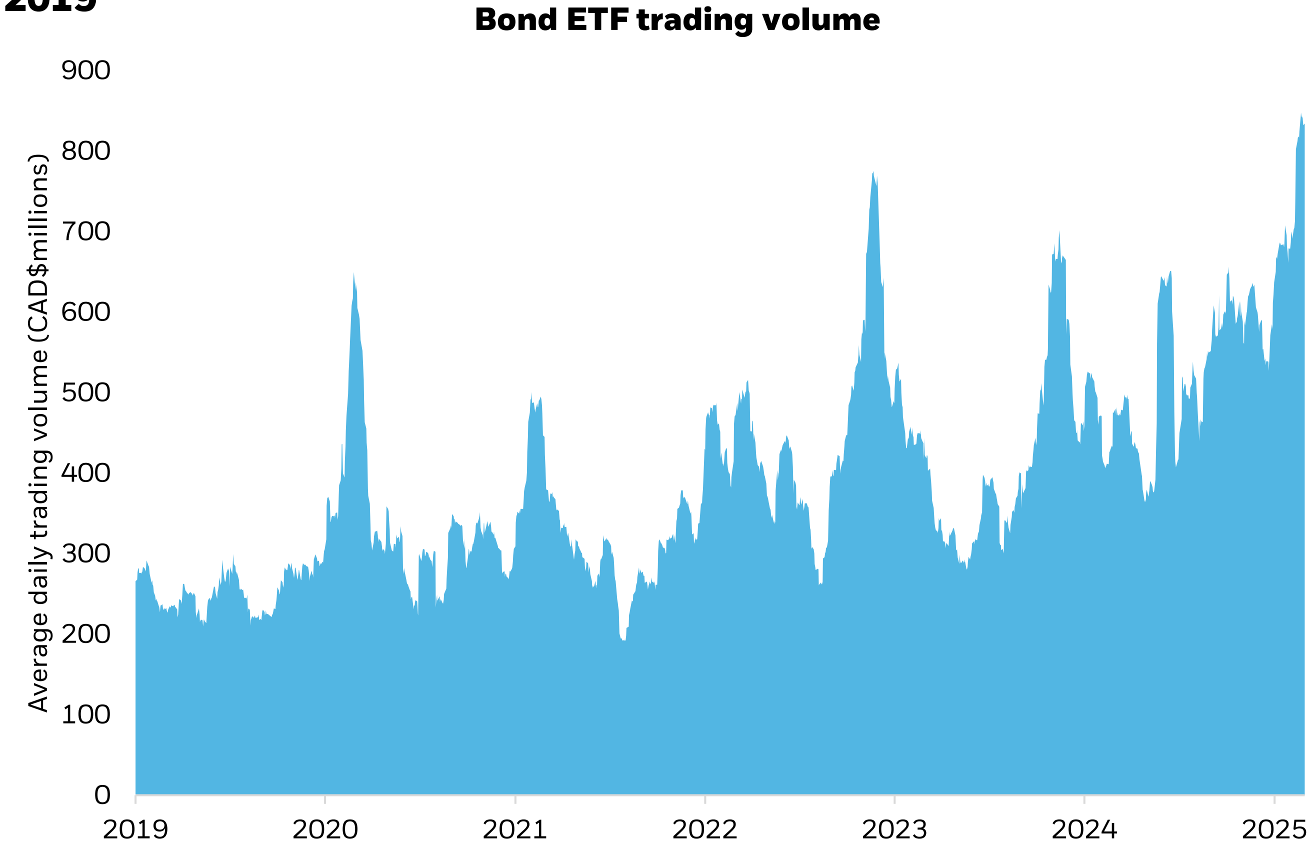
Navigating the storm: Clients benefitting from secondary market liquidity of ETFs

Beyond the growth in new products and asset flows, it is also important to consider the significant increase in liquidity and trading volumes in bond ETFs. Many investors have been able to execute their trade sizes efficiently on the secondary market.

Since 2019, the average daily volumes of Canadian fixed income ETFs have more than tripled, with continued investment in ETF infrastructure to support liquidity, continuous price transparency and lower transaction costs to investors. Bond ETFs have proven particularly powerful during periods of market stress and volatility, such as what was experienced in early April at the onset of tariff announcements. During these periods, bond ETFs have experienced elevated volumes while maintaining market quality, enabling investors to navigate risk quickly and efficiently.[9]

> **"During recent market volatility, bond ETFs played a crucial role in maintaining the functionality of fixed income markets, as evidenced by record trading volumes. Portfolio managers, bond traders and risk managers can no longer ignore bond ETFs – they are a critical part of the fixed income ecosystem."**
>
> - Daniel Veiner, Co-Head of Global Trading, BlackRock

Figure 2: Canadian fixed income ETFs' average daily volume (ADV) since 2019



Source: BlackRock, Bloomberg, March 31, 2025. Based on monthly data, total trading volume is total industry-wide Canadian listed bond ETF trading volumes. There can be no assurance an active trading market for ETFs will develop or be maintained.

Unleashing investors' potential

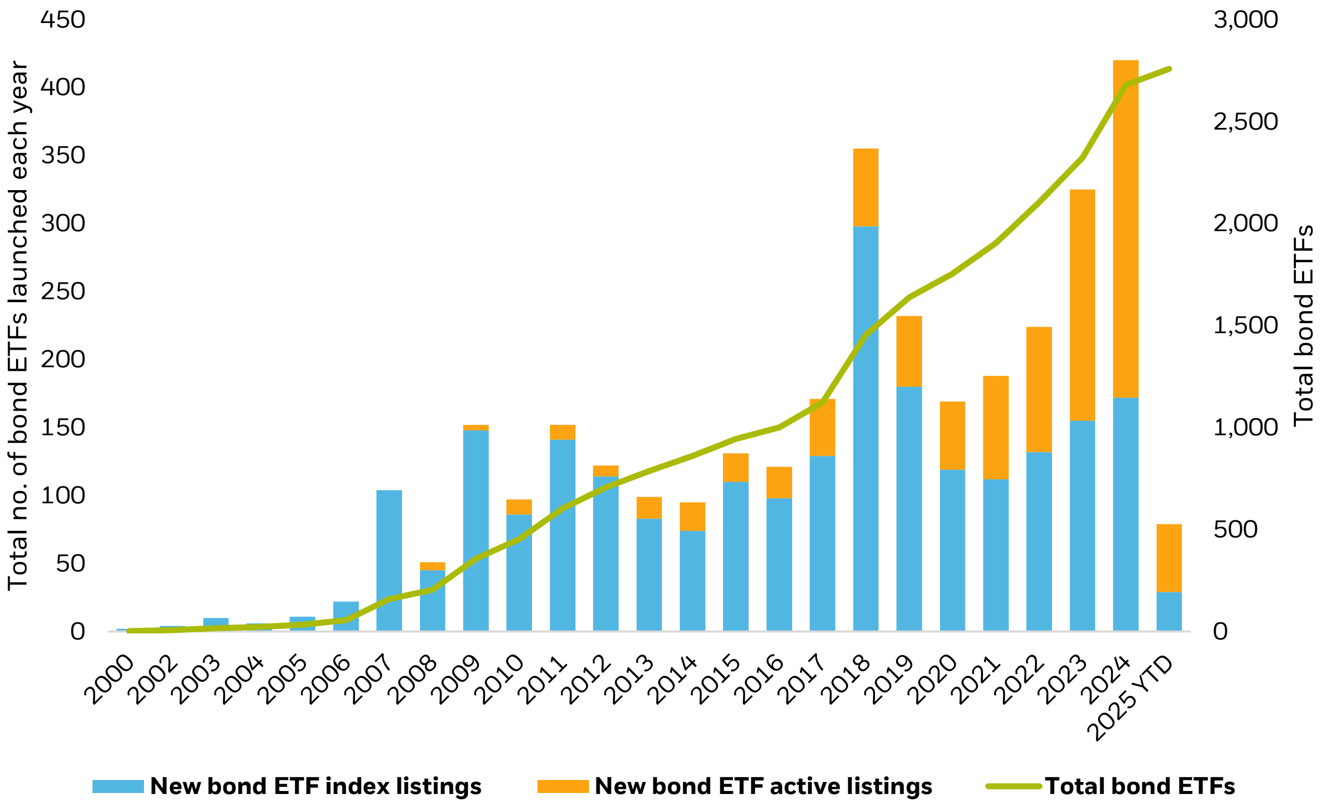
Bond ETF innovation gains speed and empowers investors

Today, fixed income investors can simply assemble positions with exposure to thousands of bonds using bond ETFs, allowing them to tailor their investment preferences across different durations, credit qualities, sector allocations and portfolio outcomes. This is due, in part, to the continuous and accelerating innovation within fixed income ETFs. Last year, the industry launched 420 bond ETFs, marking a one-third increase from 2023 (Figure 3). In the first quarter of this year, more than 75 bond ETFs were introduced – setting the pace for another record year of new ETF issuance.

The innovation within bond ETFs has enabled investors to access more parts of the market and enhance their portfolios in various ways. This includes reaching difficult-to-access but attractive markets like AAA-rated CLOs, constructing a bond ladder or generating excess income through options. We are witnessing remarkable advancements in both index and active strategies, with several recent innovations particularly remarkable for what they allow investors to do.

Looking ahead, we anticipate continued innovation in public markets with more granular index products, outcome-oriented products and actively managed products. Additionally, new frontiers are emerging, such as ETF access or replication strategies for private markets.

Figure 3: Global bond ETF growth by listings and investment style



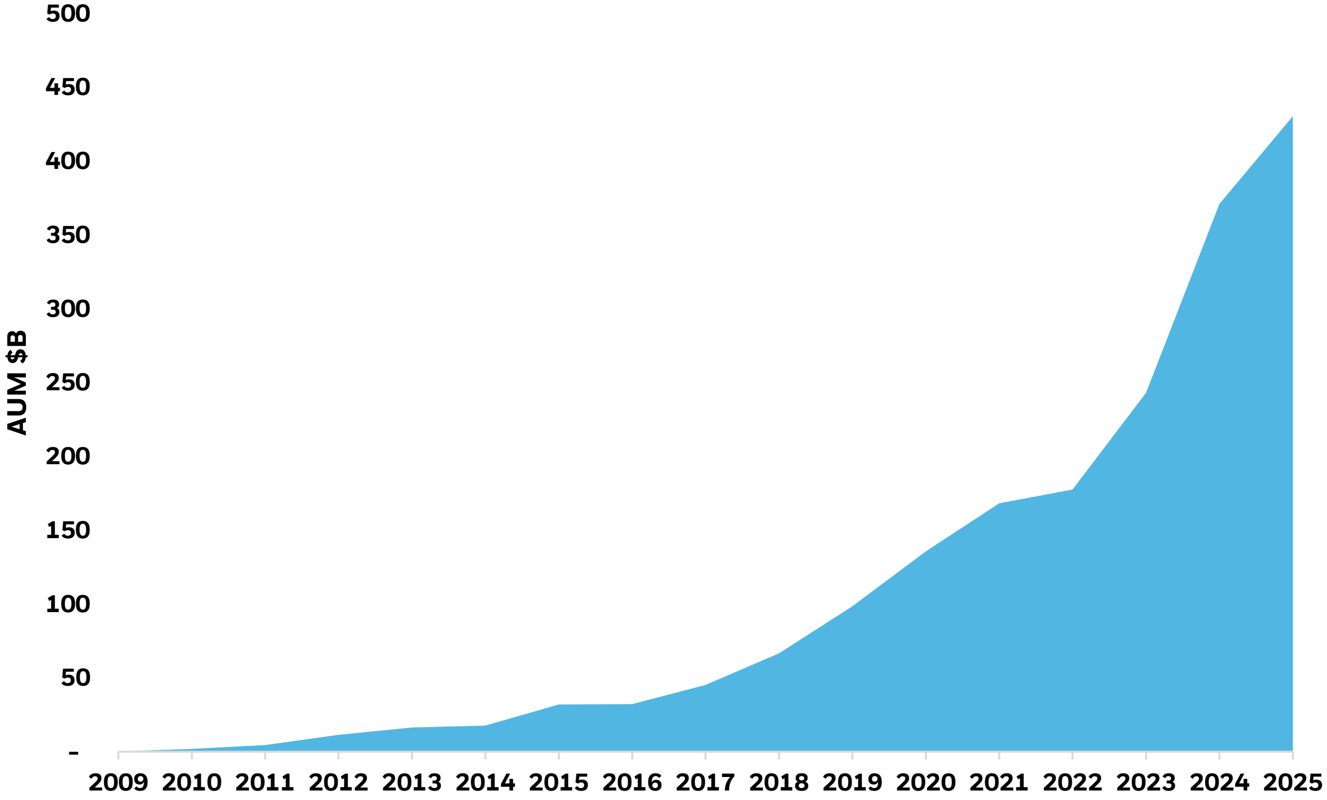
Source: BlackRock Global Business Intelligence, March 31, 2025. Active funds are subject to management risk, which means the fund manager's techniques may not produce desired results, and the selected securities may not align with the fund's investment objective. Legislative, regulatory, or tax developments may also affect the fund manager's ability to achieve the investment objective. Index funds are not actively managed and will not attempt to take defensive positions under any market conditions, including declining markets.

1. Actively managed fixed income ETFs

Active ETFs are investment funds managed by professional portfolio managers who actively select and adjust the fund's holdings in an effort to outperform the market, deliver a specific outcome or gain exposure to hard-to-index markets. In contrast, index ETFs seek to replicate the performance of a specific index. Last year, six in 10 global bond ETF product launches were active.[10]

iShares launched its first active bond ETF in 2013, but growth has surged recently, in part due to market volatility.[11] In this environment, actively managed bond ETFs can be an attractive complement to index ETFs in helping investors seek out the best risk-adjusted return opportunities and capitalize on diverse exposures that cut across sectors and geographies. In just two years, active bond ETF assets have more than doubled to over $420 billion globally (Figure 4). Active bond mutual fund assets continue to increase as well.[12] This underscores the importance of fixed income to investors and that they are continuing to adopt ETFs in their portfolios – not simply shifting out of mutual funds into the same strategy in an ETF.

Figure 4: Global active bond ETF assets double in two years to over $420 billion

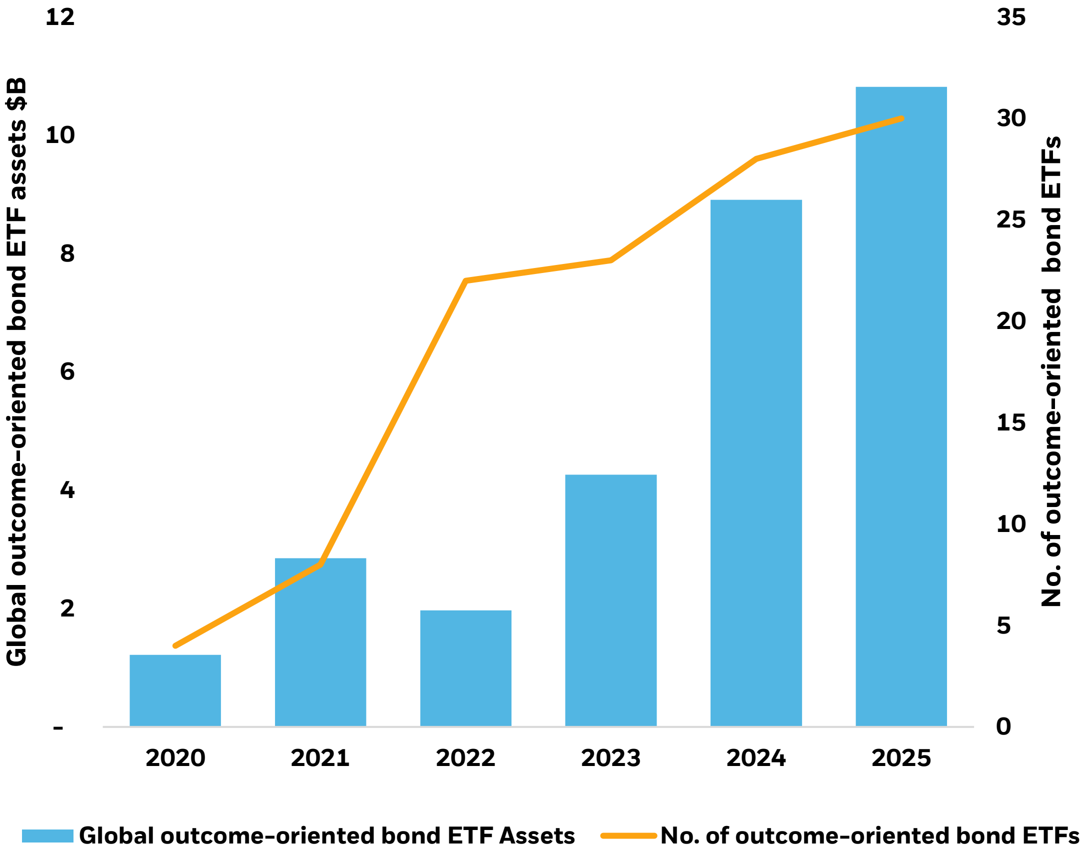


Source: BlackRock Global Business Intelligence, March 31, 2025. Global active bond ETF assets under management (AUM) were $192 billion at the end of March 2023, and rose to $423 billion through March 2025.

2. Outcome-oriented fixed income ETFs

We are seeing more outcome ETFs in fixed income as investors increasingly demand more precise payoff profiles. For example, "buywrite" strategies involve holding an underlying bond ETF such as a 20+ Year Treasury Bond focused ETF and selling a call option against it to seek enhanced income over time. The outcome-oriented bond ETF category dates to just 2020 and has already reached $10 billion in AUM.[13] Although these ETFs are still nascent, with only 30 products available in the U.S., we expect the category to gain traction with investors globally over the coming years.[14]

Figure 5: Outcome-oriented fixed income ETFs pass $10 billion in AUM



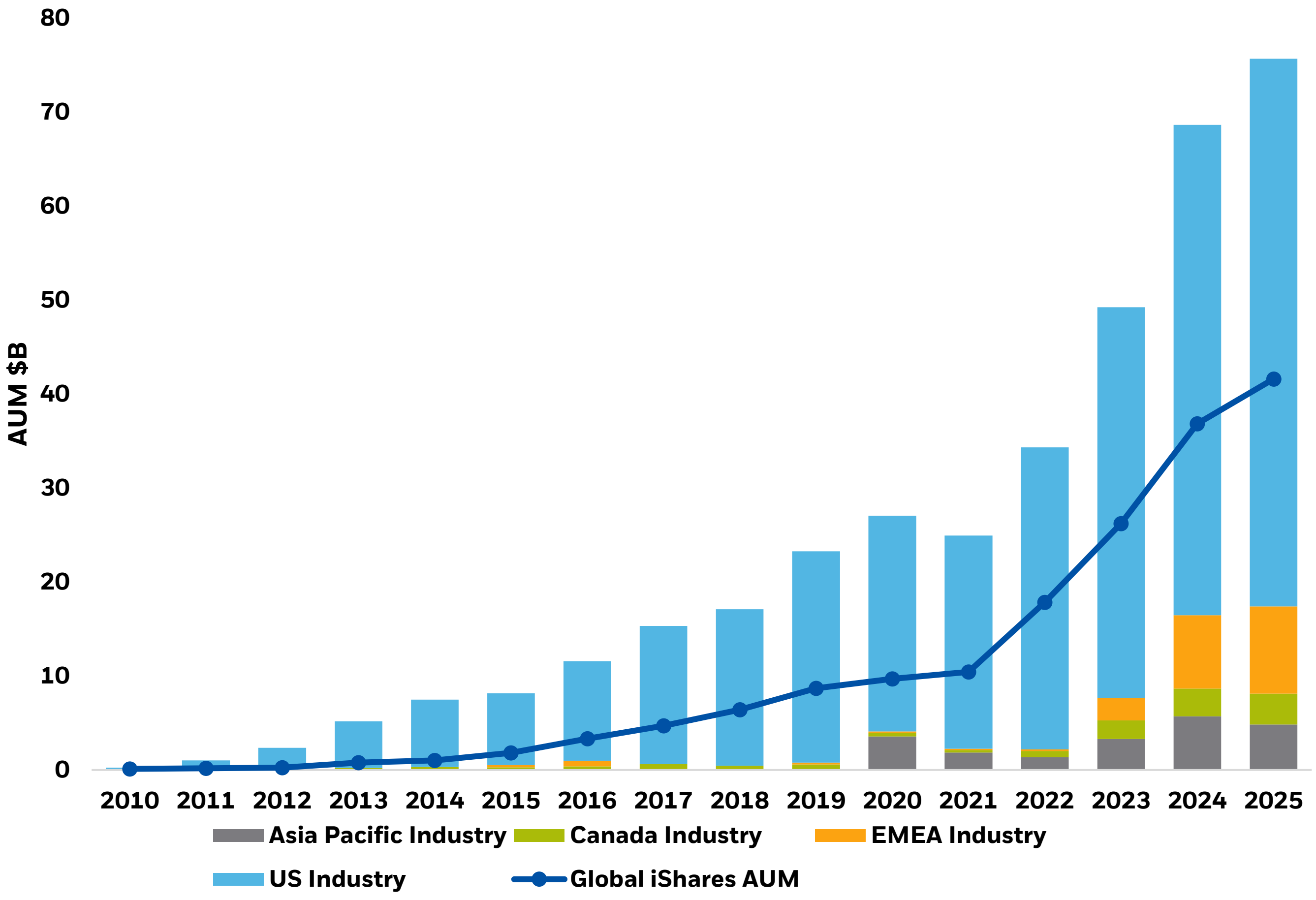
Source: BlackRock Global Business Intelligence, March 31, 2025.

3. Term maturity ETFs

These diversified portfolios, each containing bonds with a defined maturity date, are designed to mature like a bond, trade like a stock and offer the diversification of a fund. iShares pioneered the first term maturity ETFs in the U.S. in 2010 with iBonds®, and RBC launched target maturity ETFs in Canada in 2011. It wasn't until the Federal Reserve began raising rates in 2022 that investors truly took notice, propelling the category to over $75 billion in assets globally today, with 47% organic asset growth over the last three years.[15]

Term maturity ETFs are being rapidly adopted by investors seeking to capture yields. Bond ladders composed of these products are also being utilized to manage reinvestment risk. Retail investors have embraced these ETFs for their attractive returns relative to cash deposit rates, using them to set money aside to pursue long-term goals like saving for retirement. Additionally, institutional investors are leveraging term maturity ETFs to support asset-liability matching use cases or to gain targeted exposure to a defined point of the yield curve.

Figure 6: Global term maturity ETF assets jump as investors turn to the strategy



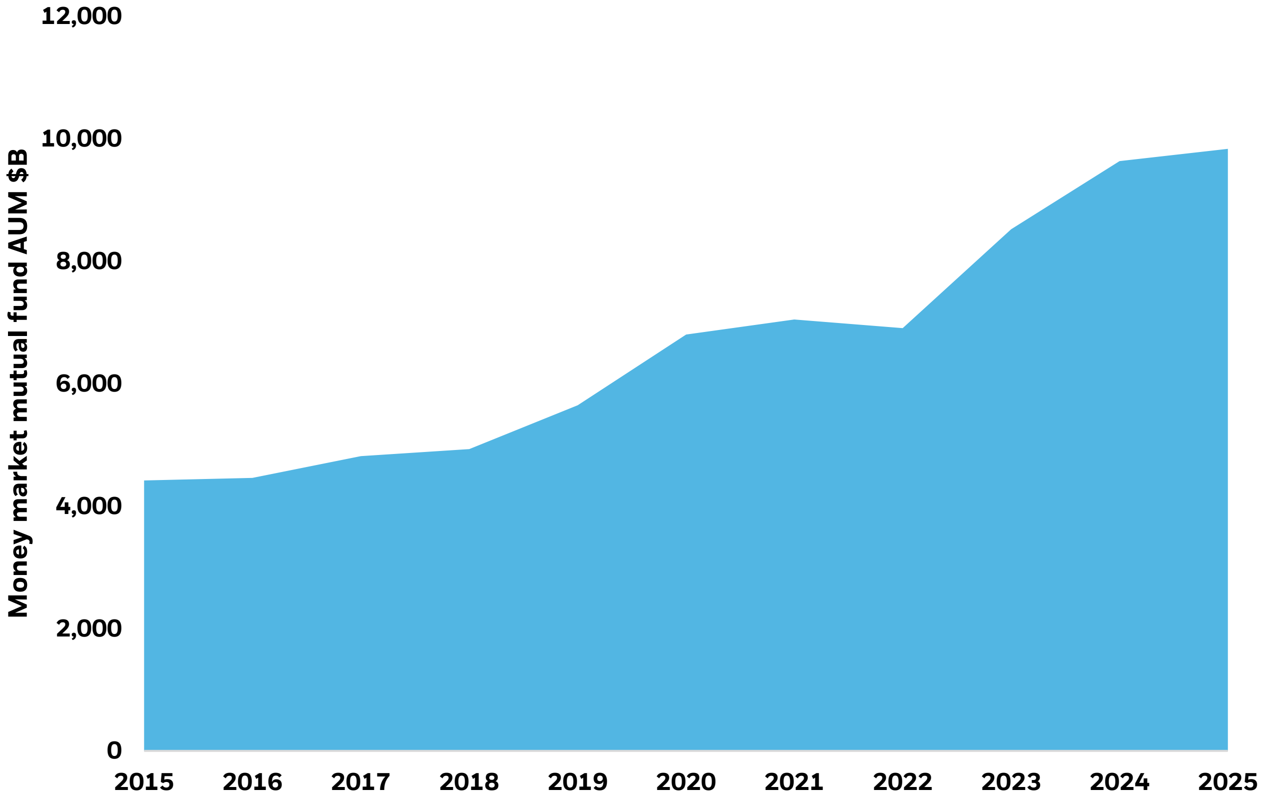
Source: BlackRock Global Business Intelligence, March 31, 2025.

4. Money market ETFs and ultra-short term bond ETFs

Money market ETFs can provide investors greater choice and flexibility in how they manage cash. Globally, traditional money market mutual funds have seen record inflows over the last few years (Figure 7). In the U.S., the strategy had previously been broadly inaccessible in an ETF wrapper until this past year.[16] This latest innovation enables investors to access the additional liquidity and transparent pricing available in the secondary markets, as well as ease of intraday trading on exchange.

In Canada, RBC iShares offers several ultra-short term bond ETFs, including iShares Premium Money Market ETF (CMR), iShares Floating Rate Index ETF (XFR), and RBC Canadian Ultra Short Term Bond ETF (RUST).

Figure 7: Traditional money market mutual fund assets rise



Source: BlackRock Global Business Intelligence, Feb. 28, 2025.

How investors are using fixed income ETFs

Advisors and retail investors	Bond ETFs provide a scalable solution to help investors add diversification to their portfolio and gain access to sources of income. Many investors previously struggled to access the underlying bond market leading to equity dominate portfolios with limited stability. They are now turning to bond ETFs, enabled by the ease of on-exchange trading that the underlying bond market does not provide. An increasing number of fixed income models that look to combine multiple ETFs in one wrapper, are also supporting investors to add ballast to their portfolios.
Model portfolio builders	Bond ETFs are increasingly being adopted by model portfolio builders as an opportunity to deliver cost-effective and liquid portfolio building blocks for wealth investors. The breadth of ETFs available today provides portfolio managers with precision and flexibility to assemble positions in thousands of bonds using ETFs – enabling model portfolio builders to retain control of asset allocation decisions across duration, sector, credit quality, but in a much more scaled manner. U.S. model portfolio assets currently stand at $4.2 trillion and are projected to nearly triple in the next decade, which will likely further boost bond ETF usage.[17]
Institutional investors	In the past decade, bond ETFs have proven to be powerful trading tools to build portfolios or hedge risk. Many institutional investors have benefited both from adopting ETFs as an alternative to single bonds as well as from the impact of bond market modernization. Notably, 10 out of 10 of the largest global asset managers, and 9 out of 10 of the largest U.S. insurers use fixed income ETFs. [18] Bond ETFs have supported institutional investors with improved pricing and trading. The underlying bond market's structure has become more transparent, with enhanced liquidity through tighter bid-ask spreads and increased trading breadth. The combination of bond ETFs, index derivatives and portfolio trading (the purchase or sale of large numbers of bonds in a single trade at a single price) has increased the fluidity and fungibility of fixed income investments and allowed investors to transact and move risk more rapidly and efficiently than ever before.

Pioneering more client use cases

How investors are increasingly relying upon RBC iShares' fixed income ETFs in their portfolios

A. Blend index and active bond ETFs to seek to build a diversified, income-focused portfolio

Using index ETFs as foundational portfolio building blocks, investors can complement traditional corporate and sovereign allocations, with inflation-linkers, and plus sectors such as bank loans, CLOs, high yield and EM debt to emphasize income. Alternatively, investors can utilize multi-sector active ETFs with specific income focused objectives, such as the iShares Flexible Monthly Income ETF (CAD-Hedged) (XFLX). XFLX aims to help investors take advantage of attractive opportunities across a broad range of sectors and dynamically shifts in accordance with the market environment. By investing in just two ETFs, as illustrated in the chart to the right, investors can gain access to a diverse array of sectors. This can be a scalable solution for an investor of any size who seeks to build a diversified portfolio while managing risk and return.

Figure 8: Example barbell approach to blending index and active

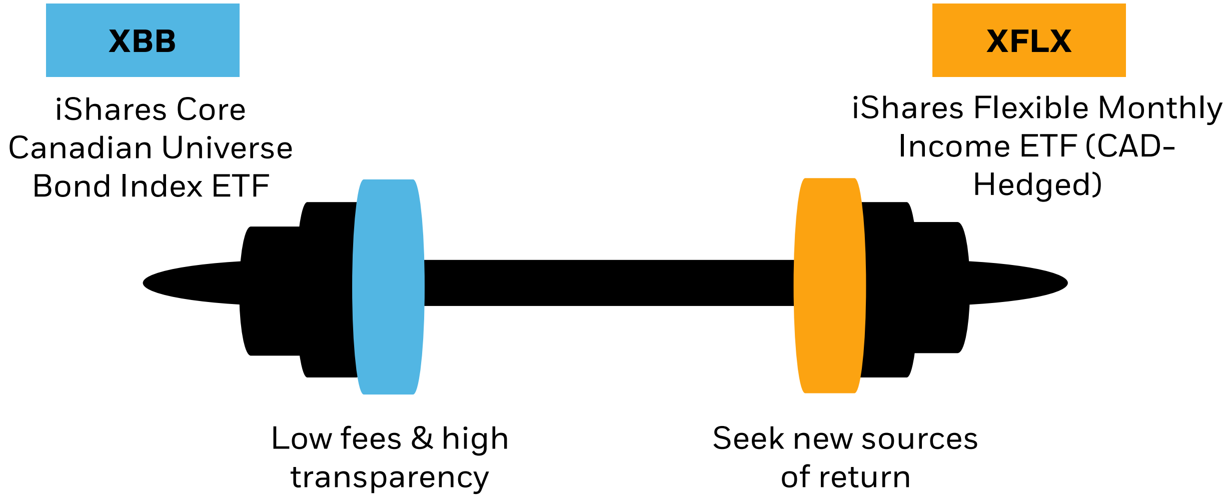
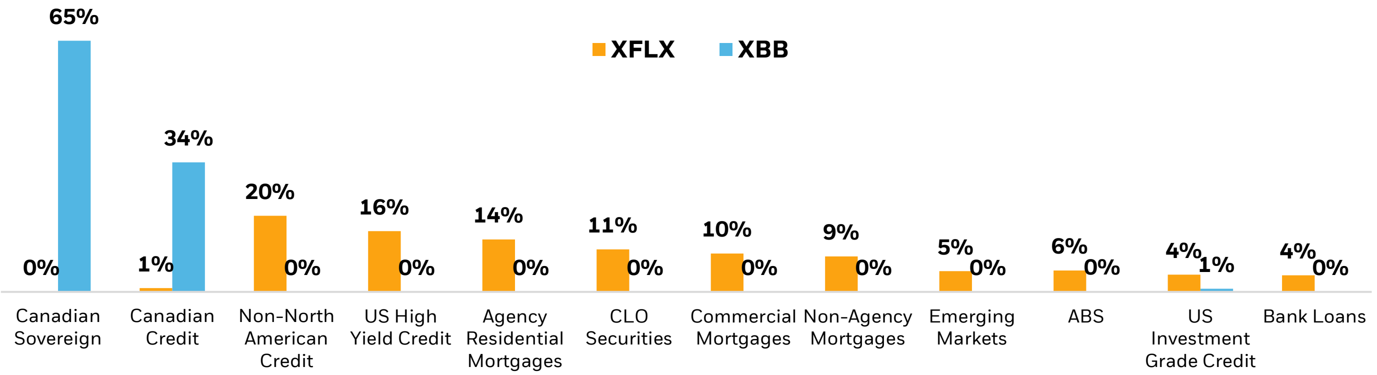


Figure 9: Enabling investor access to a diverse sector allocation

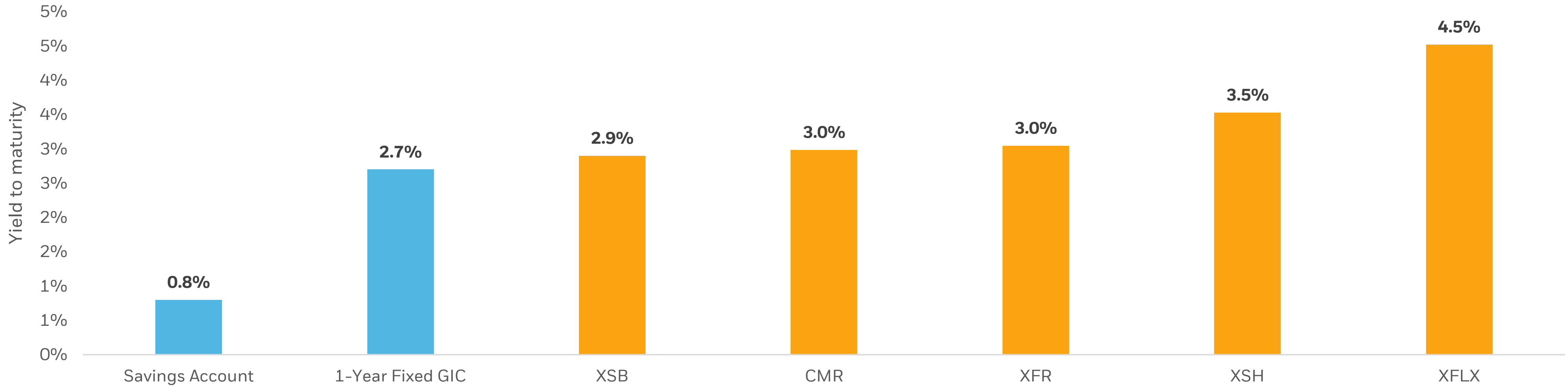


Source: BlackRock, March 31, 2025. Subject to change. The strategies discussed are strictly for illustrative and educational purposes and are not a recommendation, offer or solicitation to buy or sell any securities or to adopt any investment strategy. There is no guarantee that any strategies discussed will be effective.

B. Seek to manage cash more efficiently

Short maturity and floating rate bond ETFs can help deliver income beyond typical cash investments like savings accounts and GICs. RBC iShares offers a diverse range of short maturity ETFs across both index and active strategies. Money market ETFs also can provide similar exposure to traditional money market mutual funds with the added benefit of daily transparency and exchange tradability.

Figure 10: Short-term bond ETFs may deliver higher yields than conventional savings accounts



Source: BlackRock, RBC as of 3/31/2025. Savings Account from RBC; 1-year non-redeemable GIC from RBC; iShares Core Canadian Short Term Bond Index ETF (XSB); iShares Premium Money Market ETF (CMR); iShares Floating Rate Index ETF (XFR); iShares Core Canadian Short Term Corporate Bond Index ETF (XSH); iShares Flexible Monthly Income ETF (XFLI). Past performance does not guarantee future results. Yield to Maturity (YTM) is the discount rate that equates the present value of a bond's cash flows with its market price (including accrued interest). YTM is gross of ETF fees and expenses. It's important to note that there are material differences between Savings accounts, GICs, and ETFs, including investment objectives, risks, fees, and expenses. GICs are fixed income investments that generally pay a set rate of interest over a fixed time period until maturity, whereupon the original principal is typically returned plus any interest earned. Early withdrawal from GICs may result in early withdrawal fees. Most savings accounts pay compound interest, meaning earnings are added to the balance to create a larger base on which future interest is paid. Most savings accounts allow you to add or withdraw money at any time without incurring a fee. Both Savings accounts and GICs principal investments are insured by the CDIC up to applicable CDIC limits, while ETFs are not CDIC insured and may lose value. Most ETFs seek to track an index, before fees and expenses. ETFs trade on exchanges intraday at market price, which may be greater or less than net asset value. Transactions in shares of ETFs may result in brokerage commissions and may generate tax consequences. There can be no assurance that an active trading market for shares of an ETF will develop or be maintained. Short duration bond ETFs typically carry a higher degree of risk than the other cash alternatives and should not always be used as a substitute. CMR: The money market ETF CMR's current yield is 2.991%. Current yield is an annualized historical yield based on the seven-day period ended on March 31, 2025 and does not represent an actual one-year return.

C. Combine public and private credit

Most private credit vehicles require investors to commit to invest capital to the strategy that is later called to be deployed (when investors make an actual investment) as investment opportunities arise over a period of one to five years. For investors looking to manage the capital call process, private credit markets can be proxied by public credit markets that offer similar economic exposures, but with the necessary liquidity. These exposures include bank loans, CLOs, high yield credit and investment grade floating rate notes, which are accessible via ETFs. For example, direct lending yields are generally comprised of floating rate plus a credit spread, which can be similar to bank loans. By proxying private credit risk with public market ETFs, an investor can maintain alignment with their anticipated strategic asset allocation and reduce cash drag of any committed capital.

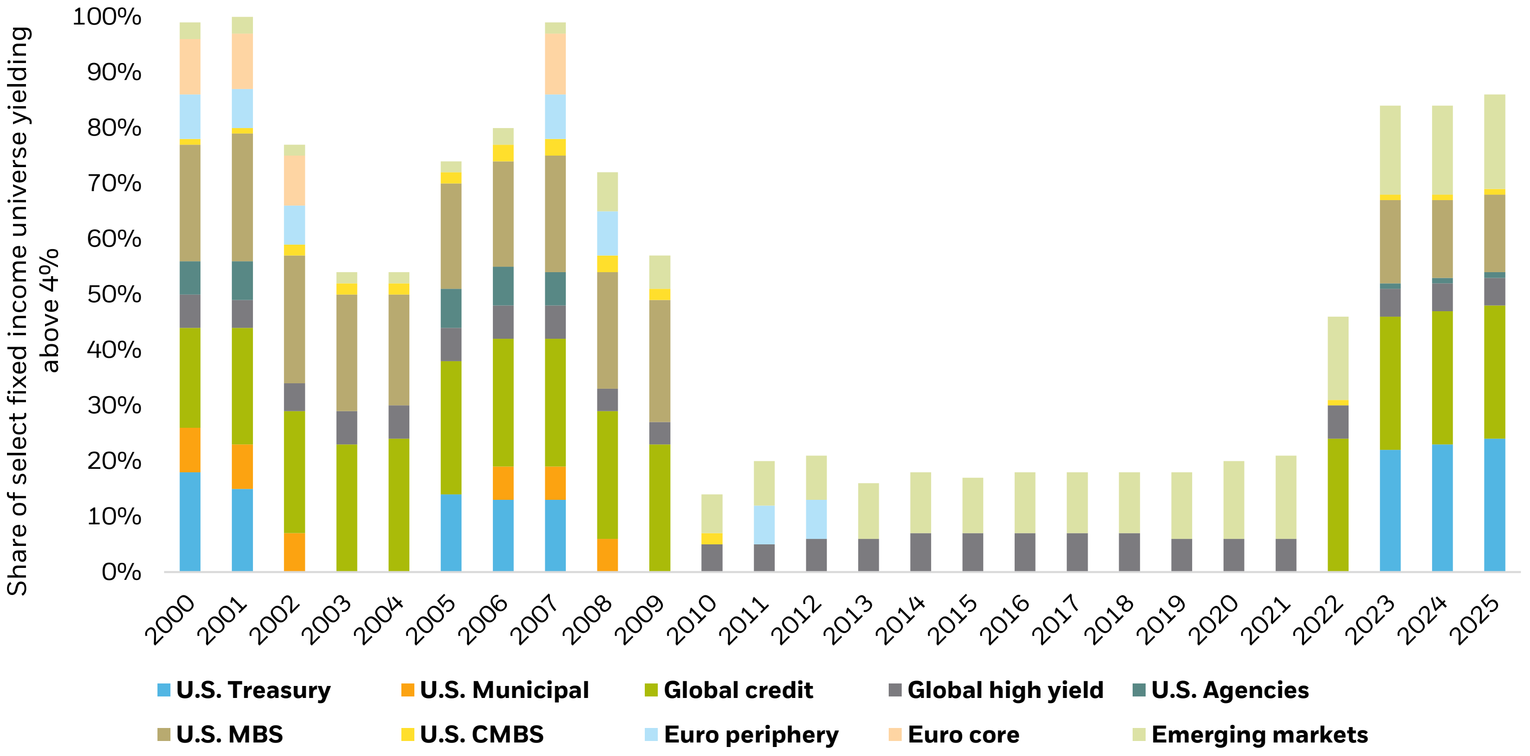
Sector	Economic risks	Example Liquid Proxies
Corporate private placements	Long duration, fixed-rate, investment grade corporate lending	10+ year IG Corporate Bond ETFs
Direct lending	Floating rate, lower quality, higher income corporate lending	Floating Rate Loan ETFs AAA CLO ETFs 0-5 Year High Yield Corporate Bond ETFs High Yield Corporate Bond ETFs Floating Rate Bond ETFs
Mortgages and asset-backed finance	Securitized credit risk, includes prepayment and default	MBS ETFs CMBS ETFs AAA CLO ETFs
Infrastructure debt	Typically longer duration, investment grade, occasionally inflation protected	10+ Year IG Corporate Bond ETFs Inflation Hedged Corporate Bond ETFs

Seize the moment

Harnessing the power of bond ETFs for today's market

Years of continued innovation comes at an opportune time for investors. Yields are higher now than they have been in years and the "income" in fixed income is clearly back (Figure 11). The ride has been bumpy, with U.S. 10-yr Treasury yields trading in a volatile range of 3.3% to 5% over the past two years.[19] But we believe yields are likely to remain elevated for the foreseeable future due to persistent deficits, stubborn inflation and ever-increasing government debt supply.

Figure 11: Globally, some 80% of fixed income assets now yield over 4%

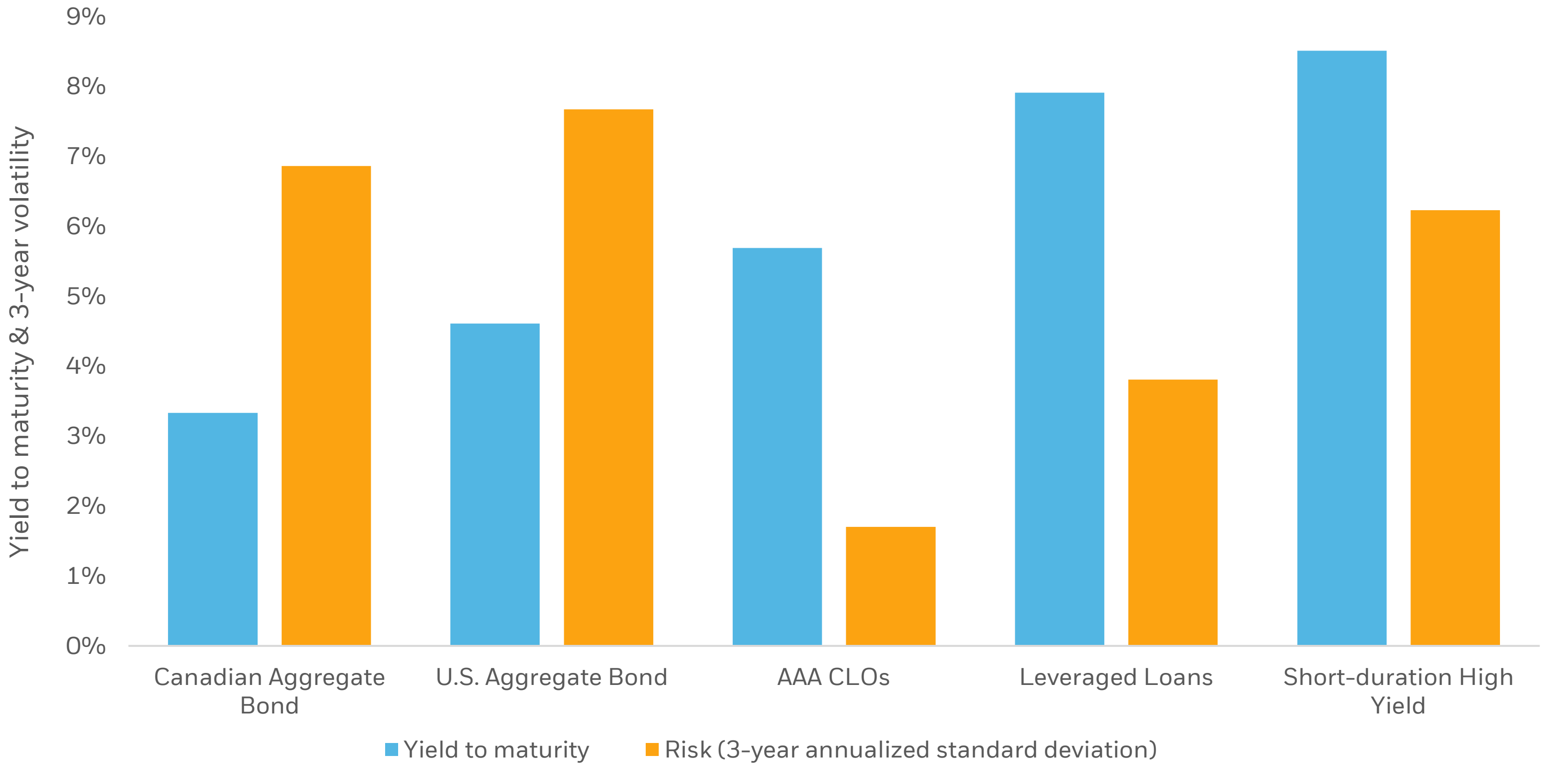


Source: BlackRock, Bloomberg, Feb. 28, 2025. Note: The bars show market capitalization weights of assets with an average annual yield over 4% in a select universe that represents about 70% of the Bloomberg Mulitiverse Bond Index. Euro Core is based on French and German government bonds indexes. Euro periphery is based on an average of government debt indexes for Italy, Spain and Ireland. Emerging markets combine external and local currency debt. Indices used: Bloomberg U.S. Treasury, Bloomberg Municipal Bond, Bloomberg Global Aggregate Corporate, Bloomberg Global High Yield, Bloomberg Global Aggregate Agencies, Bloomberg EM USD Aggregate, Bloomberg EM Local Currency Government, Bloomberg U.S. Mortgage Backed Securities, Bloomberg Investment Grade CMBS, Bloomberg Global Treasury Bond Indexes (Italy, Spain, Ireland, France, Germany). Past performance is no guarantee of future results. Indexes are unmanaged and one cannot invest directly in an index.

It's now easier than ever for investors to access even more parts of the fixed income market and seek to capitalize on the attractive yield opportunities. Enhanced granularity in indexed bond building blocks, coupled with innovation within active ETFs, has unlocked new investment opportunities that reach more deeply into the bond universe.

This chart highlights some attractive risk-adjusted return opportunities available in today's market, compared to that of the aggregate bond index, which serves as a typical bellwether reference point for the bond market. These exposures, previously difficult for many investors to access, are now are available via ETFs.

Figure 12: ETF innovation provides investors access to attractive, yield opportunities



Source: BlackRock, Bloomberg, March 31. 2025. Indices used: FTSE Canada Universe Bond Index, Bloomberg Barclays US Aggregate Bond Index, JP Morgan CLOIE AAA Index, Morningstar LSTA Leverage Loan Index, Markit iBoxx USD Liquid High Yield 0-5 Index. Volatility is measured as annualized standard deviation of daily returns. Index performance is for illustrative purposes only. Index performance does not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest directly in an index. Past performance does not guarantee future results.

Conclusion

Bond ETF innovation is helping more and more investors experience the benefits of bonds with ease. RBC iShares fixed income ETFs are at the forefront of this innovation, offering the most granular set of building blocks and more modern, precise ways for investors to reach nearly every part of the fixed income market and drive portfolio outcomes. RBC iShares bond ETFs also continue to prove their durability and resilience, helping investors navigate stressed markets.

The convergence of an evolved, robust fixed income ETF toolkit with the most attractive yield environment in years presents a generational opportunity in fixed income, allowing investors to tailor their portfolios in ways that were previously unthinkable.

We hope that this paper will empower investors to revisit their portfolio construction approaches and assess how new innovations in bond ETFs across exposures and investment styles can help them to navigate the market environments of today and tomorrow and achieve their investment goals.

Contributors

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Ben Wallach

RBC iShares Fixed Income ETFs

Fund Name	ETF Ticker	Mgmt Fee (%)
CANADIAN FIXED INCOME		
Broad Market		
iShares Core Canadian Universe Bond Index ETF	XBB	0.09
iShares High Quality Canadian Bond Index ETF	XQB	0.12
iShares Core Canadian Government Bond Index ETF	XGB	0.12
iShares Core Canadian Corporate Bond Index ETF	XCB	0.15
Short Term		
iShares Core Canadian Short Term Bond Index ETF	XSB	0.09
iShares Core Canadian Short Term Corporate Bond Index ETF	XSH	0.09
RBC Canadian Discount Bond ETF	RCDB	0.15
RBC PH&N Short Term Canadian Bond ETF	RPSB	0.35
Long Term		
iShares Core Canadian Long Term Bond Index ETF	XLB	0.18
iShares Core Canadian 15+ Year Federal Bond Index ETF	XFLB	0.15
iShares Canadian Real Return Bond Index ETF	XRB	0.35
Laddered		
iShares 1-10 Year Laddered Government Bond Index ETF	CLG	0.15
iShares 1-5 Year Laddered Government Bond Index ETF	CLF	0.15
iShares 1-10 Year Laddered Corporate Bond Index ETF	CBH	0.25
iShares 1-5 Year Laddered Corporate Bond Index ETF	CBO	0.25
RBC 1-5 Year Laddered Canadian Bond ETF	RLB	0.22
RBC 1-5 Year Laddered Corporate Bond ETF	RBO	0.25
Target Maturity		
RBC Target 2025 Canadian Government Bond ETF	RGQN	0.15
RBC Target 2026 Canadian Government Bond ETF	RGQO	0.15
RBC Target 2027 Canadian Government Bond ETF	RGQP	0.15
RBC Target 2028 Canadian Government Bond ETF	RGQQ	0.15
RBC Target 2029 Canadian Government Bond ETF	RGQR	0.15
RBC Target 2030 Canadian Government Bond ETF	RGQS	0.15
RBC Target 2025 Canadian Corporate Bond Index ETF	RQN	0.2
RBC Target 2026 Canadian Corporate Bond Index ETF	RQO	0.2
RBC Target 2027 Canadian Corporate Bond Index ETF	RQP	0.2
RBC Target 2028 Canadian Corporate Bond Index ETF	RQQ	0.2
RBC Target 2029 Canadian Corporate Bond Index ETF	RQR	0.2
RBC Target 2030 Canadian Corporate Bond Index ETF	RQS	0.2
ESG		
iShares ESG Aware Canadian Aggregate Bond Index ETF	XSAB	0.15
iShares ESG Aware Canadian Short Term Bond Index ETF	XSTB	0.15
iShares ESG Advanced Canadian Corporate Bond Index ETF	XCBG	0.15
iShares ESG Advanced 1-5 Year Canadian Corporate Bond Index ETF	XSHG	0.15

Fund Name	ETF Ticker	Mgmt Fee (%)
Other		
iShares Floating Rate Index ETF	XFR	0.12
iShares Premium Money Market ETF	CMR	0.12
iShares Canadian HYBrid Corporate Bond Index ETF	XHB	0.45
iShares Convertible Bond Index ETF	CVD	0.45
U.S. FIXED INCOME		
Broad Market		
iShares U.S. Aggregate Bond Index ETF	XAGG / XAGH / XAGG.U	0.18
iShares U.S. IG Corporate Bond Index ETF	XCBU / XIG / XCBU.U	0.30
iShares U.S. High Yield Bond Index ETF	XHY	0.50
Short Term		
iShares 0-5 Year TIPS Bond Index ETF	XSTP / XSTH / XSTP.U	0.15
iShares 1-5 Year U.S. IG Corporate Bond Index ETF	XSHU / XIGS / XSHU.U	0.15
RBC U.S. Discount Bond ETF	RUDB / RDBH / RUDB.U	0.25
RBC Short Term U.S. Corporate Bond ETF[1]	RUSB / RUSB.U	0.35
Long Term		
iShares 20+ Year U.S. Treasury Bond Index ETF	XTLT / XTLH / XTLT.U	0.18
Target Maturity		
RBC Target 2025 U.S. Corporate Bond ETF	RUQN / RUQN.U	0.20
RBC Target 2026 U.S. Corporate Bond ETF	RUQO / RUQO.U	0.20
RBC Target 2027 U.S. Corporate Bond ETF	RUQP / RUQP.U	0.20
RBC Target 2028 U.S. Corporate Bond ETF	RUQQ / RUQQ.U	0.20
RBC Target 2029 U.S. Corporate Bond ETF	RUQR / RUQR.U	0.20
RBC Target 2030 U.S. Corporate Bond ETF	RUQS / RUQS.U	0.20
GLOBAL FIXED INCOME		
RBC Fixed Income Pools		
RBC Conservative Bond Pool – ETF Series	RCNS	0.40
RBC Core Bond Pool – ETF Series	RCOR	0.40
RBC Core Plus Bond Pool – ETF Series	RPLS	0.40
iShares Strategic Fixed Income		
iShares Conservative Short Term Strategic Fixed Income ETF	XSC	0.40
iShares Conservative Strategic Fixed Income ETF	XSE	0.50
iShares Short Term Strategic Fixed Income ETF	XSI	0.50
Other		
iShares Global Government Bond Index ETF	XGGB	0.20
iShares J.P. Morgan USD Emerging Markets Bond Index ETF	XEB	0.52
iShares Flexible Monthly Income ETF	XFLI / XFLX / XFLI.U	0.55

References

1. Bloomberg, March 31, 2025. 10 Year US Treasury yield at 4.3%, with 52-week range between 3.6% to 4.8%.
2. BlackRock Global Market Intelligence, March 31, 2025. Organic asset growth for 2024 compared with equity MF (-3%), equity ETFs (13%), fixed income MFs (7%), fixed income ETFs (20%), other MFs (6%), other ETFs (16%).
3. BlackRock Global Business Intelligence, March 31, 2025.
4. BlackRock proprietary research. BlackRock projections as of March 31, 2025. Subject to change. The figures are for illustrative purposes only and there is no guarantee the projections will come to pass.
5. SIFMA 2024 Capital Markets Outlook issued July 2024, BlackRock Global Business Intelligence, March 31, 2025. Global bond industry stands at $140 trillion (as of Dec. 31 2023), vs $2.6 trillion in bond ETFs (as of December 2024). Global equity industry stands at $115 trillion (as of Dec. 31 2023), vs $11.5 trillion in equity ETFs (as of December 2024).
6. BlackRock Global Market Intelligence, Dec. 31, 2024. Based on data from Simfund for US MFs, Broadridge for Non-US MFs and GBI iShares for Global ETFs. Numbers exclude institutional mandates / investment vehicles, and closed ended funds.
7. BlackRock Global Market Intelligence, Dec. 31, 2024. Based on data from Simfund for US MFs, Broadridge for Non-US MFs and GBI iShares for Global ETFs. Numbers exclude institutional mandates / investment vehicles, and closed ended funds. Fixed Income Mutual Funds make up $12.1 trillion in assets, versus ETFs making up $2.6 trillion.
8. BlackRock Global Business Intelligence, March 31, 2025. First quarter global fixed income inflows were $131.6 billion, compared to an average of $50 billion for first quarters from 2015 to 2024.
9. BlackRock, Bloomberg, April 8, 2025.
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11. BlackRock Global Business Intelligence, March 31, 2025. The first iShares active bond ETF to launch was the iShares Short Duration Bond Active ETF (NEAR) in September 2013.
12. BlackRock Global Market Intelligence, Feb 28, 2025. Global active bond mutual fund flows were $608 billion in 2024 and have added an additional $116 billion through February.
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16. Bloomberg News, Sept. 25, 2024, article "The $6.3 trillion money-market industry just got its first ETF."
17. Cerulli, "U.S. Asset Allocation Model Portfolios," 2024. As of Dec. 31, 2024, U.S. model assets were about $4.2 trillion and are expected to reach $11.5 trillion in the next 10 years.
18. Source: Top 10 asset managers based on P&I Money Manager ranking as of 2023. Usage based on analysis of Morningstar Direct and 13f filing reported holdings from Dec 2023-Dec 2024. S&P Global Intelligence, BlackRock analysis of filings with the National Association of Insurance Commissioners (NAIC) and the Securities and Exchange Commission as of 12/31/2024.
19. Bloomberg, March 31, 2025, measured high and low point of US 10-yr Treasury yield between Mar 31, 2023 and March 31, 2025. The low of 3.3% occurred on April 6, 2023 and high of 5% on Oct. 19, 2023.

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