



RRIEGER **B**REPORT®

August 2019 Bond ETF Flow Report

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What are the Bond ETF Flows Telling Us?

- August “risk off” reversal from July’s “risk on” market: Bond ETFs garnered approximately \$8.25billion in assets in August 2019 so far.
- Government bond ETFs gained \$2.98billion in assets while corporate bonds lost \$3.595billion in August almost wiping out the entire corporate bond July asset growth.
 - Tactical use of bond ETFs is evident here.
 - Both corporate and junk bond ETFs see outflows.
- Other asset classes attracting assets include:
 - Broad bond ETFs gained over \$1.93billion
 - Municipal bond ETFs gained \$1.3billion
 - U.S. TIPS ETFs gained \$1.3billion of which over \$1billion went to Schwab U.S. TIPS (SCHP)
 - MBS ETFs continue to grow with an additional \$933million in assets being added.
- Notable flows:
 - iShares iBoxx \$ High Yield (HYG): -\$2.3billion
 - iShares iBoxx \$ Investment Grade Corporate (LQD): -\$1.122billion
 - iShares National Municipal Bond (MUB): \$515million
 - Vanguard Tax-Exempt Municipal Bond (VETB): \$250million

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Bond ETF Flows August 2019: As of 8/29/2019

Select Asset Classes	30 Day Flows
Broad Fixed Income	\$1.931bill
Corporate	-\$3.595bill
Municipal	\$1.308bill
TIPS	\$1.372bill
MBS	\$933bill
Government	\$2.980bill

Note: Not all fixed income asset classes are represented here.

Source: [First Bridge Data](#). Table is provided for illustrative purposes only. Past performance is not a guarantee of future results. Data as of 8/28/2019.

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Bond ETF Flows August 2019:

Top Five (Inflows)

ETF	July 2019 Flows
Vanguard Total Bond (BND)	\$1.377bill
iShares U.S. Treasury (GOVT)	\$1.373bill
Schwab U.S. TIPS (SCHP)	\$1.024bill
iShares 7 – 10 Year Treasury (IEF)	\$905mill
iShares 1 – 3 Year Treasury (SHY)	\$799mill

Bottom Five (Outflows)

ETF	July 2019 Flows
iShares iBoxx \$ High Yield Corporate (HYG)	-\$2.3bill
iShares iBoxx \$ Investment Grade Corporate (LQD)	-\$1.122bill
WisdomTree Floating Rate Treasury (USFR)	-\$846mill
SPDR Bloomberg Barclays High Yield (JNK)	-\$703mill
Vanguard Intermediate-Term Corporate (VCIT)	-\$666mill

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