BondBloxx Launches Duration-Focused Emerging Market Fund in Response to Rising Interest Rates

LARKSPUR, Calif., June 30, 2022– BondBloxx Investment Management announced the launch of the BondBloxx JP Morgan USD Emerging Markets 1-10 Year Bond ETF (XEMD), which begins trading today on CBOE. The fund tracks the J.P. Morgan EMBI Global Diversified Liquid 1-10 Year Maturity Index and includes US-denominated fixed-rate and floating-rate instruments with at least $1B in outstanding debt issued by sovereign and quasi-sovereign entities in index-eligible countries.

"As a truly novel product with a compelling risk / return profile, we believe XEMD is a valuable addition to the marketplace because it enables emerging market exposure while simultaneously addressing creeping duration risk[1]," said Paul Van Gilder, Investment Officer and Portfolio Manager, Municipal Employees' Retirement System (MERS) of Michigan.
"As rates continue to rise, we think these kinds of tools will become even more critical."

XEMD is BondBloxx's eleventh listing since February 2022, adding to seven sector-specific high yield funds and three ratings-specific funds listed in May. The company has also filed a prospectus for a series of eight duration-specific Treasuries ETFs.[2] BondBloxx was founded in October of last year with a sole focus on developing specialized fixed income products designed for modern markets.

"Today's volatile markets present more challenges than ever for fixed income investors," said BondBloxx co-founder Tony Kelly. "At BondBloxx, we're working for, and with, investors to develop new products that address these challenges – like providing more control over duration risk."

In a landscape where less than one quarter of the ETF products available in the US provide fixed income exposure, despite similar market capitalizations in bond and equity markets, the company aims to provide better tools for investors through specialized, targeted fixed income products.

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1 *The higher the duration number, the more sensitive your bond investment will be to changes in interest rates. Duration risk is the name economists give to the risk associated with the sensitivity of a bond's price to a one percent change in interest rates. (Source: FINRA)*

2 *INFORMATION CONTAINED HEREIN IS SUBJECT TO COMPLETION OR AMENDMENT. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION BUT HAS NOT YET BECOME EFFECTIVE. THESE SECURITIES MAY NOT BE SOLD NOR MAY OFFERS TO BUY BE ACCEPTED PRIOR TO THE TIME THE REGISTRATION STATEMENT BECOMES EFFECTIVE. THIS COMMUNICATION SHALL NOT CONSTITUTE AN OFFER TO BUY OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY STATE IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER SECURITIES LAWS OF ANY SUCH STATE. AN INDICATION OF INTEREST IN RESPONSE TO THIS ADVERTISEMENT WILL INVOLVE NO OBLIGATION OR COMMITMENT OF ANY KIND.*

"As a forward-thinking asset owner, we are always looking for the best tools available to provide our members a secure retirement," said Jeb Burns, CIO, Municipal Employees' Retirement System (MERS) of Michigan. "A wide array of new, sophisticated ETFs has given us many more tools to choose from, and BondBloxx's precision fixed income ETFs are another big step in that evolution."

To learn more about BondBloxx, visit BondBloxxETF.com.

About BondBloxx Investment Management Corporation
BondBloxx Investment Management Corporation ("BondBloxx"), a registered investment adviser, is the first ETF issuer focused solely on addressing the needs of fixed income investors. BondBloxx will seek to design and launch ETFs that offer precise market exposures to fixed income asset classes. For more information, go to BondBloxxETF.com.

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The Fund is a newly organized entity and has no operating history. Investments in fixed income securities subject the holder to the credit risk of the issuer. Credit risk refers to the possibility that the issuer or other counter parties of a security will not be able or willing to make payments of interest and principal when due. Generally, the value of debt securities will change inversely with changes in interest rates. To the extent that interest rates rise, certain underlying obligations may be paid off substantially slower than originally anticipated and the value of those securities may fall sharply. Securities that are rated below investment-grade (sometimes referred to as "junk bonds") be deemed speculative, may involve greater levels of risk than higher-rated securities of similar maturity and may be more likely to default.

Investing in emerging markets involves risks relating to political, economic, or regulatory conditions not associated with investments in U.S. securities and instruments or investments in more developed international markets; Loss due to foreign currency fluctuations, or geographic events that adversely impact issuers of foreign securities.

The Fund is classified as a "non-diversified" fund under the 1940 Act. The Fund may be susceptible to an increased risk of loss to the extent that the Fund's investments are concentrated in the securities and/or other assets of a particular issuer or issuers, sector, sub-sector, market segment, market, industry, group of industries, country, group of countries, region or asset class.

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