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All of Schwab's Bond ETFs Now Cost Just Three Basis Points.

- **Average fee across 633 US-listed bond ETFs is 34 basis points**
- **Small fee cuts can fuelmillions of dollars worth of inflows**

Schwab Asset Management is making an aggressive attempt to offer some of the cheapest bond exchange-traded funds on the market.

The asset manager announced Monday that will cut fees on the $50 million Schwab High Yield Bond ETF (ticker SCYB) and the $11.6 billion Schwab U.S. TIPS ETF (SCHP) to just three basis points, bringing all nine of its fixed-income funds below that threshold, according to a press release Monday. The average expense ratio among the 633 US-listed bond ETFs is about 35 basis points, Bloomberg data show.

Schwab's move is the latest in a series of tiny fee cuts as issuers fight for space the increasingly saturated $7.2 trillion ETF industry. Schwab has been among the most active, joining the likes of BlackRock Inc., Vanguard Group Inc. and State Street Global Advisors, in trimming expense ratios by just a couple of basis points over the past few years.

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