

BTEC

Principal Healthcare Innovators ETF

Analyst Report

The Principal Healthcare Innovators Index ETF (BTEC) tracks an index of U.S. health care stocks, avoiding large-cap and less liquid companies. The index aims to score companies based on their investment in researching and developing innovative medicines, therapies, equipment, and facilities. The portfolio includes the highest ranked 150 to 200 companies. Top holdings include Seattle Genetics, Exact Sciences Corp. and Moderna, which became a household name for its vaccine efforts early the 2020 coronavirus pandemic.

BTEC's management fee is lower than the average for the ETFdb health and biotech equities category, but there a number of less expensive funds in the space. BTEC has been on the market since 2016 but hasn't gathered the assets of its more seasoned competitors. This may be why BTEC trades at wider spreads than the he Fidelity MSCI Health Care Index ETF (FHLC), the iShares U.S. Health Care ETF (IYH), the Health Care Select Sector SPDR Fund (XLV), and the Vanguard Health Care ETF (VHT), all of which offer more liquidity — in some cases at a fraction of the price. Investors can also take a look at the iShares Nasdaq Biotechnology Fund (IBB) and Goldman Sachs Human Evolution ETF (GDNA). For an actively-managed fund that has shown consistent outperformance, there's also the ARK Genomic Revolution ETF (ARKG).

ESG Themes and Scores

5.25/10

ESG Rate

26.34%

Global Percentile

21.42%

Peer Percentile

Performance Data

	BTEC	ETF Database Category Average	Factset Segment Average
1 Month	7.70%	4.37%	2.46%
3 Month	16.51%	9.26%	6.47%
YTD Return	9.72%	6.38%	7.64%
1 Year Return	12.25%	5.44%	7.99%
3 Year Return	-10.86%	-4.17%	-0.92%
5 Year Return	3.56%	3.75%	5.52%

Top 5 Holdings

Symbol	Holding	% Assets
ALNY	Alnylam Pharmaceuticals, Inc	4.68%
MRNA	Moderna, Inc.	3.30%
SRPT	Sarepta Therapeutics, Inc.	2.73%
NTRA	Natera, Inc.	2.56%
ILMN	Illumina, Inc.	2.52%

Vitals

Issuer	Principal
Brand	Principal
Structure	ETF
Expense Ratio	0.42%
Inception	Aug 19, 2016
Index Tracked	N/A

ETF Database Themes

Category	Health & Biotech Equities
Asset Class	Equity
Asset Class Size	Multi-Cap
Asset Class Style	Growth
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Equity: U.S. Health Care
Category	Sector
Focus	Health Care
Niche	Broad-based
Strategy	Active
Weighting	Proprietary

