

CIBR

First Trust NASDAQ Cybersecurity ETF

Analyst Report

The First Trust NASDAQ CEA Cybersecurity ETF (CIBR) tracks an index of companies engaged in the cybersecurity segment of the tech and industrial sectors. To make the cut, a company must be classified as a cybersecurity company by the Consumer Technology Association and have a minimum market cap of \$250 million. To ensure liquidity in the underlying stocks, which is a concern for ETFs that invest in small-cap names, companies must have a minimum free-float of 20%. The index then weights stocks based on their underlying liquidity, and imposes caps on how large any one security can become. The portfolio includes familiar names like Cisco Systems, Akamai and NortonLifeLock.

Though priced the same as its main rival, the ETFMG Prime Cyber Security ETF (HACK), CIBR was long overshadowed because HACK had the advantage of being the first cybersecurity ETF on the market. However, CIBR has since overtaken HACK in assets and inflows, due in part to controversies that have damaged the reputation of ETF Managers Group, the firm that runs HACK's day-to-day operations.

CIBR is a bit on the expensive side for an index-tracking fund, but that's par for the course with niche funds. CIBR is a good choice for investors who want targeted exposure to cybersecurity, but there are cheaper alternatives available for buy-and-hold investors looking for broad exposure to tech.

ESG Themes and Scores

7.6/10

ESG Rate

87.83%

Global Percentile

94.54%

Peer Percentile

Performance Data

	CIBR	ETF Database Category Average	Factset Segment Average
1 Month	23.88%	15.10%	14.72%
3 Month	33.24%	29.01%	21.22%
YTD Return	17.32%	28.20%	10.64%
1 Year Return	17.85%	52.43%	7.00%
3 Year Return	24.82%	23.31%	11.01%
5 Year Return	13.93%	5.81%	5.04%

Top 5 Holdings

Symbol	Holding	% Assets
CRWD	CrowdStrike Holdings, Inc. Class A	10.66%
PANW	Palo Alto Networks, Inc.	10.23%
FTNT	Fortinet, Inc.	8.83%
CSCO	Cisco Systems, Inc.	8.83%
AVGO	Broadcom Inc.	7.89%

Vitals

Issuer	First Trust
Brand	First Trust
Structure	ETF
Expense Ratio	0.58%
Inception	Jul 06, 2015
Index Tracked	Nasdaq CTA Cybersecurity Index

ETF Database Themes

Category	Technology 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: Global Cybersecurity
Category	Sector
Focus	Theme
Niche	Cybersecurity
Strategy	Vanilla
Weighting	Tiered

