

FAN

First Trust Global Wind Energy ETF

Analyst Report

This ETF offers exposure to the global wind power industry, a corner of the market that may have tremendous long term potential but often exhibits significant volatility in the short term. Given FAN's narrow focus, it is likely most effective for those looking to establish a tactical tilt towards the wind power industry, either as part of a long term strategy or a shorter term move. The most noteworthy attribute of FAN is the composition of the underlying index, which includes both pure play wind power companies and firms with more broad-based operations that maintain some focus on wind power. As a result, this ETF is more broadly based than PWND (i.e., contains a greater number of holdings) but may include firms whose primary operations focus on oil and gas or auto parts, as well as diversified industrial conglomerates. The impact of this inclusion is felt on the risk/return profile; while FAN and PWND have some overlap, these products are actually quite different. If you're considering FAN for wind power exposure, be sure to take a look under the hood and understand the consequences of the index construction methodology. This fund can be an very useful tool for certain objectives, but the composition of the portfolio may be somewhat surprising as well.

ESG Themes and Scores

7.65/10

ESG Rate

89.04%

Global Percentile

86.4%

Peer Percentile

Performance Data

	FAN	ETF Database Category Average	Factset Segment Average
1 Month	-3.91%	-2.01%	-1.59%
3 Month	3.03%	10.12%	5.86%
YTD Return	21.25%	21.55%	13.99%
1 Year Return	41.08%	61.64%	38.98%
3 Year Return	13.03%	7.38%	3.66%
5 Year Return	4.42%	0.89%	-1.25%

Top 5 Holdings

Symbol	Holding	% Assets
VWS	Vestas Wind Systems A/S	8.27%
NDX1	Nordex SE	8.15%
ORSTED	Orsted	7.50%
EDPR	EDP Renewables SA	6.55%
NPI	Northland Power Inc.	5.87%

Vitals

Issuer	First Trust
Brand	First Trust
Structure	ETF
Expense Ratio	0.60%
Inception	Jun 16, 2008
Index Tracked	ISE Clean Edge Global Wind Energy Index

ETF Database Themes

Category	Alternative Energy Equities
Asset Class	Equity
Asset Class Size	Multi-Cap
Asset Class Style	Blend
Region (General)	Developed Markets
Region (Specific)	Broad

FactSet Classifications

Segment	Equity: Global Renewable Energy
Category	Sector
Focus	Theme
Niche	Renewable Energy
Strategy	Vanilla
Weighting	Tiered

