

FDM

First Trust Dow Jones Select MicroCap Index Fund Analyst Report

FDM seeks to replicate a benchmark which offers exposure to the micro cap sector of the U.S. equity market. The investment thesis behind micro caps is a very similar, but more aggressive approach than small caps. The companies held in this ETF will be very small and volatile firms that have a huge potential for both explosive growth and utter failure. At one point in time most companies were micro caps, and this ETF will give investors exposure to the ones that work their way into the upper echelons of the U.S. equities market. While some exposure to these small companies is healthy for a portfolio, the allocation should be kept low as this ETF will likely exhibit a high amount of volatility as well as being incredibly risky. FDM spreads its assets relatively evenly across numerous market sectors with a slight bias toward financials and consumer stocks. However, this fund has less diversification than other micro cap funds in the field as First Trust employs a 'select' methodology that attempts to weed out some of the worst performers. As a result, this fund will be a good addition for investor looking for growth, but do not mind a bit of risk in their portfolio.

ESG Themes and Scores

4.45/10

ESG Rate

10.6%

Global Percentile

0.41%

Peer Percentile

Performance Data

	FDM	ETF Database Category Average	Factset Segment Average
1 Month	1.18%	1.98%	4.13%
3 Month	8.04%	12.23%	11.41%
YTD Return	12.36%	13.92%	10.51%
1 Year Return	30.14%	30.50%	26.90%
3 Year Return	18.59%	11.47%	13.12%
5 Year Return	9.31%	3.19%	4.86%

Top 5 Holdings

Symbol	Holding	% Assets
STOK	Stoke Therapeutics, Inc.	1.99%
DCH	Dauch Corporation	1.94%
TTI	TETRA Technologies, Inc.	1.85%
NWPX	NWPX Infrastructure Inc.	1.64%
PLOW	Douglas Dynamics, Inc.	1.42%

Vitals

Issuer	First Trust
Brand	First Trust
Structure	ETF
Expense Ratio	0.60%
Inception	Sep 27, 2005
Index Tracked	Dow Jones Select Microcap Index

ETF Database Themes

Category	Small Cap Blend Equities
Asset Class	Equity
Asset Class Size	Micro-Cap
Asset Class Style	Blend
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Equity: U.S. - Micro Cap
Category	Size and Style
Focus	Micro Cap
Niche	Broad-based
Strategy	Fundamental
Weighting	Market Cap

