

# FDN

## First Trust Dow Jones Internet Index Fund

### Analyst Report

This ETF offers exposure to companies that derive at least half of their sales from the Internet, a unique group of stocks that features a heavy tilt towards tech companies with a sprinkling of consumer firms as well. While the idea of exposure to web-based businesses may be appealing, it's important to note that the underlying holdings consist of companies engaged in a wide variety of businesses, and as such are impacted by entirely unique factors. Unlike many ETFs that focus on a specific sector, FDN isn't necessarily backed by a cohesive investment thesis; besides a general dependence on the Internet, the underlying components have little in common. As such, it's unclear exactly how FDN could fit into a portfolio, though it likely has little use for those interested in constructing a long-term portfolio. FDN is reasonably well balanced across about 40 names, though there is a general tilt towards large caps and a few well known tech giants account for a significant portion of holdings. Overall, FDN may be useful for a select few investors with a very specific view of the tech sector or a desire for fine tuned equity exposure, but most will find little use in this fund. Broad-based tech ETFs such as XLK may will be more useful for general tactical overlays, including more component stocks at a much lower fee.

### ESG Themes and Scores

5.58/10

ESG Rate

23.78%

Global Percentile

27.21%

Peer Percentile

### Performance Data

|               | FDN    | ETF Database Category Average | Factset Segment Average |
|---------------|--------|-------------------------------|-------------------------|
| 1 Month       | 6.18%  | 5.53%                         | 2.13%                   |
| 3 Month       | 14.55% | 10.18%                        | 5.92%                   |
| YTD Return    | 3.61%  | 10.04%                        | -1.97%                  |
| 1 Year Return | 11.14% | 26.50%                        | 3.60%                   |
| 3 Year Return | 21.87% | 21.17%                        | 13.40%                  |
| 5 Year Return | 4.41%  | 10.01%                        | 1.66%                   |

### Top 5 Holdings

| Symbol | Holding                    | % Assets |
|--------|----------------------------|----------|
| AMZN   | Amazon.com, Inc.           | 11.31%   |
| CSCO   | Cisco Systems, Inc.        | 8.70%    |
| META   | Meta Platforms Inc Class A | 8.51%    |
| NFLX   | Netflix, Inc.              | 6.77%    |
| GOOGL  | Alphabet Inc. Class A      | 6.15%    |

### Vitals

|               |                       |
|---------------|-----------------------|
| Issuer        | First Trust           |
| Brand         | First Trust           |
| Structure     | ETF                   |
| Expense Ratio | 0.49%                 |
| Inception     | Jun 19, 2006          |
| Index Tracked | DJ Internet Composite |

### ETF Database Themes

|                   |                           |
|-------------------|---------------------------|
| Category          | Large Cap Growth Equities |
| Asset Class       | Equity                    |
| Asset Class Size  | Large-Cap                 |
| Asset Class Style | Growth                    |
| Region (General)  | North America             |
| Region (Specific) | U.S.                      |

### FactSet Classifications

|                  |                       |
|------------------|-----------------------|
| Segment          | Equity: U.S. Internet |
| Category         | Sector                |
| Focus            | Theme                 |
| Niche            | Internet              |
| Strategy         | Vanilla               |
| Weighting Scheme | Market Cap            |

