

FLSP

Franklin Systematic Style Premia ETF

Analyst Report

The Franklin Liberty Systematic Style Premia ETF (FLSP) is an actively managed fund that allocates its assets across two strategies. In the first, the portfolio managers focus on factors like value, momentum, and carry, and consider those factors in making bullish and bearish bets across stocks, bonds, commodities, and currencies. In the second strategy, the team uses factors like quality, momentum, and value in determining whether to hold long or short positions in individual stocks and stock indices. The fund is reasonably priced for what it offers but offers little liquidity and often trades at wide spreads.

Ultimately any actively managed fund is a bet on the manager's ability to outperform the market. FLSP is reasonably priced for what it offers but is not a tool for buy-and-hold investors who want low-cost, diversified asset allocation.

There are other hedge-fund imitators in the ETF marketplace. Given the consistent under-performance of active management, investors might wonder if there's any point in trying to mimic them, but that hasn't stopped issuers from trying. Other variations include the SPDR SSGa Multi-Asset Real Return ETF (RLY), the RPAR Risk Parity ETF (RPAR), and the First Trust Long/Short Equity ETF (FTLS).

ESG Themes and Scores

N/A

ESG Rate

N/A

Global Percentile

N/A

Peer Percentile

Performance Data

	FLSP	ETF Database Category Average	Factset Segment Average
1 Month	-0.47%	0.97%	-0.53%
3 Month	-0.44%	3.85%	0.59%
YTD Return	1.64%	6.10%	4.64%
1 Year Return	15.79%	9.74%	5.90%
3 Year Return	9.83%	7.67%	3.11%
5 Year Return	8.09%	2.46%	1.16%

Top 5 Holdings

Symbol	Holding	% Assets
INFXX	Institutional Fiduciary Trust Money Market Portfolio	25.98%
Other	U.S. Dollar	9.76%
GOOG	Alphabet Inc. Class C	1.76%
MU	Micron Technology, Inc.	1.56%
AMAT	Applied Materials, Inc.	1.36%

Vitals

Issuer	Franklin Templeton
Brand	Franklin
Structure	ETF
Expense Ratio	0.65%
Inception	Dec 18, 2019
Index Tracked	N/A

ETF Database Themes

Category	Long-Short
Asset Class	Alternatives
Asset Class Size	Multi-Cap
Asset Class Style	Blend
Region (General)	Developed Markets
Region (Specific)	Broad

FactSet Classifications

Segment	Alternatives: Hedge Fund Strategies
Category	Hedge Fund Strategies
Focus	Global Macro
Niche	Risk Premia
Strategy	Active
Weighting	Proprietary

