

FTSD

Franklin Short Duration U.S. Government ETF Analyst Report

The Franklin Liberty Short Duration U.S. Government ETF (FTSD) is an actively managed fund that invests in short-term investment-grade U.S. government bonds. The ETF invests in Treasuries with a remaining maturity of three years or less. The ETF provides minimal credit risk and low interest rate risk. By investing in shorter-term securities, FTSD reduces duration, a measure of bond price sensitivity to interest rate changes. Typically bond prices fall when rates rise. FTSD is reasonably priced for active fund, though there are cheaper index-tracking options available, like the Vanguard Short-Term Treasury ETF (VGSH), the Schwab Short-Term U.S. Treasury ETF (SCHO), and the SPDR Portfolio Short Term Treasury ETF (SPTS)

For those willing to take on more credit risk, ultra-short debt ETFs are another popular option for investors looking for a relatively safe way to eke out more yield than brokerage sweep accounts or long-term Treasuries provide. There are several competitors, such as the JPMorgan Ultra-Short Income ETF (JPST), the iShares Ultra Short-Term Bond ETF (ICSH), and the Goldman Sachs Access Ultra Short Bond ETF (GSST).

ESG Themes and Scores

| | | |
|----------|-------------------|-----------------|
| N/A | N/A | N/A |
| ESG Rate | Global Percentile | Peer Percentile |

Performance Data

| | FTSD | ETF Database Category Average | Factset Segment Average |
|---------------|-------|-------------------------------|-------------------------|
| 1 Month | 0.67% | 2.62% | 0.67% |
| 3 Month | 1.93% | 5.66% | 1.93% |
| YTD Return | 2.80% | 2.35% | 2.80% |
| 1 Year Return | 5.72% | 5.98% | 5.72% |
| 3 Year Return | 1.22% | -1.13% | 1.22% |
| 5 Year Return | 1.42% | 0.24% | 1.42% |

Top 5 Holdings

| Symbol | Holding | % Assets |
|--------|---------------------------------------------------|----------|
| Other | United States Treasury Notes 3.125% 15-AUG-2025 | 11.47% |
| Other | United States Treasury Notes 4.5% 15-NOV-2025 | 5.60% |
| Other | FNMA 30yr Pool#MA5139 6.000% 01-Sep-2053 6.0% 01- | 5.19% |
| Other | United States Treasury Notes 4.75% 31-JUL-2025 | 4.36% |
| Other | FNMA 30yr Pool#MA4941 5.500% 01-Mar-2053 5.5% 01- | 4.21% |

Vitals

| | |
|---------------|--------------------|
| Issuer | Franklin Templeton |
| Brand | Franklin |
| Structure | ETF |
| Expense Ratio | 0.25% |
| Inception | Nov 04, 2013 |
| Index Tracked | N/A |

ETF Database Themes

| | |
|-------------------|----------------------------|
| Category | Mortgage Backed Securities |
| Asset Class | Bond |
| Asset Class Size | N/A |
| Asset Class Style | N/A |
| Region (General) | North America |
| Region (Specific) | U.S. |

FactSet Classifications

| | |
|-----------|--------------------------------------------------------------------------|
| Segment | Fixed Income: U.S. - Government, Broad-based Investment Grade Short-Term |
| Category | Government, Broad-based |
| Focus | Investment Grade |
| Niche | Short-Term |
| Strategy | Active |
| Weighting | Proprietary |

