

FXR

First Trust Industrials/Producer Durables AlphaDEX Fund Analyst Report

This ETF offers exposure to the U.S. industrials sector, a corner of the domestic market that includes transportation firms, providers of commercial and professional services, and manufacturers of capital goods. Given the sector-specific focus, FXR likely doesn't deserve a core allocation, but may be useful as a means of implementing a tactical tilt towards the industrials sector. FXR seeks to replicate an index that employs a unique strategy designed to generate excess returns relative to traditional cap-weighted benchmarks. The underlying AlphaDEX Index employs a quant-based screening methodology designed to identify stocks poised for outperformance. In return for exposure to this strategy, which has historically delivered impressive returns, investors can expect to pay a bit more; FXR's expense ratio is about 50 basis points higher than low cost options for industrials exposure such as FIL and XLI. The unique index construction methodology has some other potential advantages; FXR maintains much lower concentration of top holdings than do cap-weighted funds such as XLI. That means that performance isn't as dependent on a handful of large cap stocks, potentially giving a better way to access industrials. For those who believe in the merits of the AlphaDEX methodology and willing to pay a little extra for a shot at alpha, FXR might be worth a closer look. Those looking to keep a cap on expenses and simply own the broader market have cheaper options available to them.

ESG Themes and Scores

6.83/10

ESG Rate

62.37%

Global Percentile

77.39%

Peer Percentile

Performance Data

	FXR	ETF Database Category Average	Factset Segment Average
1 Month	5.55%	4.93%	5.11%
3 Month	7.33%	7.68%	13.23%
YTD Return	11.13%	16.99%	20.21%
1 Year Return	24.89%	31.95%	34.73%
3 Year Return	15.89%	15.56%	15.76%
5 Year Return	9.77%	6.81%	8.12%

Top 5 Holdings

Symbol	Holding	% Assets
FIX	Comfort Systems USA, Inc.	1.51%
CAT	Caterpillar Inc.	1.47%
RKLB	Rocket Lab Corporation	1.42%
PWR	Quanta Services, Inc.	1.36%
GEV	GE Vernova Inc.	1.35%

Vitals

Issuer	First Trust
Brand	First Trust
Structure	ETF
Expense Ratio	0.60%
Inception	May 08, 2007
Index Tracked	StrataQuant Industrials Index

ETF Database Themes

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

FactSet Classifications

Segment	Equity: U.S. Industrials
Category	Sector
Focus	Industrials
Niche	Broad-based
Strategy	Multi-factor
Weighting Scheme	Tiered

