

# GSSC

## TR Activebeta US Small Cap Equity ETF

### Analyst Report

The Goldman Sachs ActiveBeta US Small Cap Equity ETF (GSSC) offers broad exposure to small-cap stocks with Goldman's multi-factor twist. GSSC tracks a proprietary index that takes a multi-factor approach, looking for stocks that exhibit good value, strong momentum, high quality, and low volatility. Top holdings include Trex, Deckers Outdoor and Boston Beer Company.

The case for investing in small companies is the growth potential compared to mega-cap stocks that may have already hit their peak. The downside is that small companies also come with a fair amount of risk. Changes in regulations, economic circumstances, or access to credit could send share prices tumbling. While some exposure to small companies is standard for many portfolios, investors should avoid the risk of leaning too heavily on a notably volatile segment.

GSSC is reasonably priced for a multi-factor ETF, though more expensive than the iShares Core S&P Small-Cap ETF (IJR), the plain-vanilla index ETF that is among the biggest in the small-cap segment. There are other differences besides cost. GSSC owns more than twice as many stocks as IJR. It also has a smaller slice of its portfolio invested in micro-cap stocks. Does Goldman's factor twist work? There's limited performance history to go on since GSSC was launched in mid-2017, but it did outperform IJR during the pandemic turmoil of the first five months of 2020.

### ESG Themes and Scores

5.25/10

ESG Rate

18.95%

Global Percentile

9.69%

Peer Percentile

### Performance Data

|               | GSSC   | ETF Database Category Average | Factset Segment Average |
|---------------|--------|-------------------------------|-------------------------|
| 1 Month       | 5.21%  | 3.66%                         | 4.68%                   |
| 3 Month       | 20.32% | 17.58%                        | 15.24%                  |
| YTD Return    | 20.00% | 19.84%                        | 17.44%                  |
| 1 Year Return | 30.60% | 30.42%                        | 23.56%                  |
| 3 Year Return | 17.60% | 14.79%                        | 8.95%                   |
| 5 Year Return | 8.06%  | 5.03%                         | 3.91%                   |

### Top 5 Holdings

| Symbol | Holding                         | % Assets |
|--------|---------------------------------|----------|
| ALKS   | Alkermes Public Limited Company | 0.43%    |
| ENVA   | Enova International Inc         | 0.38%    |
| SNEX   | StoneX Group Inc.               | 0.34%    |
| DAVE   | Dave, Inc. Class A              | 0.32%    |
| TVTX   | Traverse Therapeutics, Inc.     | 0.32%    |

### Vitals

|               |  |
|---------------|--|
| Issuer        | Goldman Sachs                                |
| Brand         | Goldman Sachs                                |
| Structure     | ETF  |
| Expense Ratio | 0.20%  |
| Inception     | Jun 28, 2017                                 |
| Index Tracked | Goldman Sachs ActiveBeta US Small Cap Equity |

### ETF Database Themes

|                   |                           |
|-------------------|---------------------------|
| Category          | Small Cap Growth 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. - Small Cap |
| Category  | Size and Style           |
| Focus     | Small Cap                |
| Niche     | Broad-based              |
| Strategy  | Multi-factor             |
| Weighting | Tiered                   |

