

# MORT

## VanEck Mortgage REIT Income ETF

### Analyst Report

This ETF offers exposure to mortgage REITs, a corner of the real estate market that features both significant risks and potential for significant returns. Unlike more traditional REITs, mortgage REITs don't actually own real estate. Instead, these entities generate revenue through real estate financing by issuing mortgages or acquiring loans and mortgage-backed securities. The streams of revenue generated from these operations can often be substantial, making MORT a potentially attractive tool for investors seeking to enhance the current returns generated from their portfolios. As such, this ETF has the potential to be useful as a yield enhancement tool in a long-term portfolio, and it can certainly also be useful in shorter-term strategies as well.

It should be noted, however, that MORT is capable of significant volatility; because many of the underlying entities utilize leverage in their operations, this ETF can be fairly sensitive to interest rate changes and the overall health of the U.S. real estate market. Investors considering a position should take a look at the underlying portfolio in order to determine the extent to which leverage is used (Van Eck provides this information on its web site).

The MORT portfolio is somewhat concentrated; the number of holdings is relatively shallow, and a small handful of components makes up a significant portion of total assets. However, it's important to keep in mind that component companies generally have exposure to thousands of individual mortgages or other real estate-related securities, potentially lessening the importance of balance in this corner of the markets.

For investors looking to achieve attractive current returns and willing to take on a bit of risk to do so, MORT can be an intriguing destination. Investors looking for other options may want to take a look at REM, which features a diverse portfolio of mortgage REITs. Those looking for a more conservative approach may want to consider a national Real Estate



### ESG Themes and Scores

4.23/10

ESG Rate

2.95%

Global Percentile

3.05%

Peer Percentile

### Performance Data

	MORT	ETF Database Category Average	Factset Segment Average
1 Month	-4.43%	2.13%	-2.96%
3 Month	-2.09%	2.61%	-1.31%
YTD Return	0.05%	10.69%	0.05%
1 Year Return	13.10%	13.13%	9.07%
3 Year Return	10.76%	9.37%	7.19%
5 Year Return	-1.55%	2.15%	-1.07%

### Top 5 Holdings

Symbol	Holding	% Assets
NLY	Annaly Capital Management, Inc.	17.14%
AGNC	AGNC Investment Corp.	13.80%
STWD	Starwood Property Trust, Inc.	7.24%
RITM	Rithm Capital Corp.	6.48%
DX	Dynex Capital, Inc.	4.94%

### Vitals

Issuer	VanEck
Brand	VanEck
Structure	ETF
Expense Ratio	0.43%
Inception	Aug 16, 2011
Index Tracked	MVIS US Mortgage REITs

### ETF Database Themes

Category	Real Estate
Asset Class	Real Estate
Asset Class Size	Multi-Cap
Asset Class Style	Blend
Region (General)	North America
Region (Specific)	U.S.

### FactSet Classifications

Segment	Equity: U.S. Mortgage REITs
Category	Sector
Focus	Financials
Niche	Mortgage REITs
Strategy	Vanilla
Weighting	Market Cap