

# OMFS

## Invesco Russell 2000 Dynamic Multifactor ETF Analyst Report

The Invesco Russell 2000 Dynamic Multifactor ETF applies a proprietary index strategy to investing in smaller U.S. companies. Invesco starts with the Russell 2000 index of U.S. stocks, then assesses the prevailing economic environment and market conditions. Companies are scored based on the factors that are most relevant given the overall outlook. Invesco looks at economic and market barometers such as consumer sentiment, construction activity, manufacturing gauges and labor market conditions to determine whether the economy is expanding, slowing, contracting or recovering, and then scores stocks accordingly. During recovery or expansion, the fund may target company size and value, while during a slowdown or contraction the fund focuses on stocks with healthier balance sheets and reduced susceptibility to market swings. In both expanding or contracting conditions, the fund also may also target momentum stocks. The methodology excludes stocks whose multi-factor score falls below certain relative thresholds. The remaining stocks are weighted based on both the multi-factor score and the company's weight in the baseline index. Money managers have long recognized that certain factors, when deployed during certain market conditions, consistently reward investors. Factor ETFs have proliferated in recent years and there are many active and passive ETF options that target different factors. Some funds combine factors while others target a single factor. The result of OMFS's methodology is a portfolio that can diverge significantly from a plain-vanilla Russell 2000 ETF. The industry and sector mix may look different, and the fund may have a tilt toward smaller companies. OMFS won't own the full roster of companies in the Russell 2000 but the fund still owns a diversified mix of hundreds of U.S. equities. For believers in Invesco's multi-factor approach, the fund could be a good complement to a small-cap allocation, and may even be used as a core position. However, investors should note that the fund fees, while reasonable than ultra-low cost

### ESG Themes and Scores

4.8/10 ESG Rate      20.92% Global Percentile      1.3% Peer Percentile

### Performance Data

	OMFS	ETF Database Category Average	Factset Segment Average
1 Month	-2.70%	-2.76%	-1.38%
3 Month	0.04%	-0.46%	-0.30%
YTD Return	-6.59%	-1.63%	0.26%
1 Year Return	1.80%	10.86%	7.05%
3 Year Return	-3.44%	0.55%	-0.09%
5 Year Return	7.91%	6.63%	3.68%

### Top 5 Holdings

Symbol	Holding	% Assets
TDS	Telephone and Data Systems, Inc.	0.98%
HIBB	Hibbett Inc	0.80%
AMRX	Amneal Pharmaceuticals, Inc. Class A	0.73%
TPC	Tutor Perini Corporation	0.70%
CAL	Caleres, Inc.	0.64%

### Vitals

Issuer	Invesco
Brand	Invesco
Structure	ETF
Expense Ratio	0.39%
Inception	Nov 08, 2017
Index Tracked	Russell 2000 Invesco Dynamic Multifactor Index

### ETF Database Themes

Category	Small Cap Value 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	Market Cap

