

PFI

Invesco Dorsey Wright Financial Momentum ETF Analyst Report

This ETF offers exposure to the domestic financial sector, including many of the large Wall Street institutions that can exhibit significant volatility in certain environments. Due to the sector-specific nature of the fund, PFI probably doesn't have a place in long-term, buy-and-hold portfolios; it is more appropriate for use as a tactical overlay or part of a sector rotation strategy. PFI is part of the suite of Intellidex product from PowerShares, meaning that this ETF is linked to an index designed to outperform traditional cap-weighted benchmarks. Those who believe this methodology has the potential to generate excess returns may find PFI to be the ideal way to access the U.S. financials market; those not convinced about the methodology may prefer cheaper ETF options such as XLF or FFL. It should be noted that the methodology of the underlying index has one potential advantage that is unique in the financial sector; PFI does not exhibit nearly the degree of concentration as do ETFs linked to cap-weighted indexes, offering a more balanced way to play the U.S. financial sector (the equal-weighted RKH is another option).

ESG Themes and Scores

5.36/10

ESG Rate

20.74%

Global Percentile

3.95%

Peer Percentile

Performance Data

| | PFI | ETF Database Category Average | Factset Segment Average |
|---------------|--------|-------------------------------|-------------------------|
| 1 Month | 0.72% | 4.21% | -0.26% |
| 3 Month | 6.72% | 8.65% | 2.21% |
| YTD Return | 1.67% | 11.99% | -1.16% |
| 1 Year Return | 6.78% | 25.43% | 5.54% |
| 3 Year Return | 15.12% | 14.29% | 11.56% |
| 5 Year Return | 4.12% | 4.66% | 3.74% |

Top 5 Holdings

| Symbol | Holding | % Assets |
|--------|---|----------|
| IBKR | Interactive Brokers Group, Inc. Class A | 5.50% |
| MS | Morgan Stanley | 5.39% |
| JPM | JPMorgan Chase & Co. | 5.18% |
| GS | Goldman Sachs Group, Inc. | 4.13% |
| AHR | American Healthcare REIT, Inc. | 4.09% |

Vitals

| | |
|---------------|--|
| Issuer | Invesco |
| Brand | Invesco |
| Structure | ETF |
| Expense Ratio | 0.60% |
| Inception | Oct 12, 2006 |
| Index Tracked | Dorsey Wright Financials Tech Leaders TR |

ETF Database Themes

| | |
|-------------------|------------------|
| Category | All Cap 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. Financials |
| Category | Sector |
| Focus | Financials |
| Niche | Broad-based |
| Strategy | Momentum |
| Weighting Scheme | Momentum |

