

PIO

Invesco Global Water ETF

Analyst Report

This ETF offers exposure to a group of companies operating generally in the water industry, including both water utilities and infrastructure companies and water equipment and materials companies. As such, this ETF likely doesn't belong in a long-term buy-and-hold portfolio due to the targeted nature of exposure, but may be appealing to those who believe that scarcity issues will prompt increased demand for water treatment companies. While this investment thesis may seem compelling, it is not clear how strong the link between water usage/scarcity trends and performance will be going forward. Given the complexity of the issues, as well as the various other business operations of component companies, we're skeptical of the ability of this ETF to accomplish the objective investors may be expecting of it. Moreover, PIO faces severe concentration issues, as a few individual stocks receive huge allocations-- arguably the most so out of the Category-- and it is the priciest fund in the Category as well. From the universe of water ETFs--which includes FIW, PHO, and CGW, this fund is probably the worst choice; it is the most concentrated and expensive and investors looking for exposure to the industry would be better served by looking elsewhere.

ESG Themes and Scores

7.27/10

ESG Rate

79.27%

Global Percentile

86.14%

Peer Percentile

Performance Data

| | PIO | ETF Database Category Average | Factset Segment Average |
|---------------|--------|-------------------------------|-------------------------|
| 1 Month | -5.37% | -2.67% | -2.62% |
| 3 Month | -2.92% | -2.99% | -2.39% |
| YTD Return | -1.31% | -2.17% | -0.60% |
| 1 Year Return | -0.04% | -0.58% | 1.02% |
| 3 Year Return | 8.26% | 8.35% | 6.50% |
| 5 Year Return | 2.93% | 4.51% | 3.14% |

Top 5 Holdings

| Symbol | Holding | % Assets |
|--------|-------------------------------------------------|----------|
| 6361 | Ebara Corporation | 8.56% |
| ROP | Roper Technologies, Inc. | 8.47% |
| SBSP3 | Companhia de Saneamento Basico do Estado de Sao | 7.94% |
| ECL | Ecolab Inc. | 7.61% |
| PNR | Pentair plc | 6.51% |

Vitals

| | |
|---------------|-------------------------|
| Issuer | Invesco |
| Brand | Invesco |
| Structure | ETF |
| Expense Ratio | 0.75% |
| Inception | Jun 13, 2007 |
| Index Tracked | NASDAQ OMX Global Water |

ETF Database Themes

| | |
|-------------------|-------------------|
| Category | Water Equities |
| Asset Class | Equity |
| Asset Class Size | Multi-Cap |
| Asset Class Style | Blend |
| Region (General) | Developed Markets |
| Region (Specific) | Broad |

FactSet Classifications

| | |
|------------------|----------------------|
| Segment | Equity: Global Water |
| Category | Sector |
| Focus | Theme |
| Niche | Water |
| Strategy | Vanilla |
| Weighting Scheme | Tiered |

