

PY

Principal Value ETF

Analyst Report

The Principal Value ETF (PY) follows a Nasdaq index of dividend-paying large and midsize U.S. companies. The index methodology aims to identify companies that generate shareholder yield through strong cash flow and share buybacks. The portfolio tends to have a strong tilt toward quality stocks, weighted based on dividend yield. The management fee of PY is a bit high compared ultra-low-cost passive, but reasonable for a specialty index.

There are plenty of other dividend and quality variations on the market, some cheaper than PY and some considerably more expensive. Investors can compare PY to other dividend strategies such as the WisdomTree U.S. Quality Dividend Growth Fund (DGRW) or the Legg Mason Low Volatility High Dividend ETF (LVHD). FlexShares offers a trio of dividend funds with slight variations in methodology: FlexShares Quality Dividend Defensive Index Fund (QDEF), FlexShares Quality Dividend Index Fund (QDF), and FlexShares Quality Dividend Dynamic Index Fund (QDYN). There are straightforward quality-focused funds, like the relatively inexpensive iShares Edge MSCI U.S.A. Quality Factor ETF (QUAL). And there are the ultra-cheap dividend ETFs like the giant Vanguard Dividend Appreciation ETF (VIG) or the Vanguard High Dividend Yield ETF (VYM).

ESG Themes and Scores

6.58/10

ESG Rate

51.46%

Global Percentile

66.48%

Peer Percentile

Performance Data

	PY	ETF Database Category Average	Factset Segment Average
1 Month	0.54%	3.45%	2.95%
3 Month	4.42%	10.77%	7.48%
YTD Return	3.34%	11.76%	9.63%
1 Year Return	13.49%	23.62%	18.52%
3 Year Return	11.71%	11.81%	9.20%
5 Year Return	7.94%	4.39%	4.09%

Top 5 Holdings

Symbol	Holding	% Assets
AAPL	Apple Inc.	8.36%
AMZN	Amazon.com, Inc.	3.16%
WMT	Walmart Inc.	2.49%
BAC	Bank of America Corp	2.17%
UNH	UnitedHealth Group Incorporated	2.03%

Vitals

Issuer	Principal
Brand	Principal
Structure	ETF
Expense Ratio	0.15%
Inception	Mar 21, 2016
Index Tracked	N/A

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. - Total Market Value
Category	Size and Style
Focus	Total Market
Niche	Value
Strategy	Active
Weighting	Proprietary

