

RZG

Invesco S&P SmallCap 600® Pure Growth ETF Analyst Report

RZG seeks to replicate a benchmark which offers exposure small cap firms that exhibit growth characteristics in the U.S. equity market. The investment thesis behind small caps is that these firms are likely to provide strong growth prospects to a portfolio and should have a much easier time growing than their large cap counterparts. However, these securities are extremely volatile and can experience large losses or gains in a very short period of time. Despite their volatility, these products should probably be in every investors' portfolio as they tend to move somewhat independently of large caps and can be a better 'pure play' on the American economy. This particular ETF, since it focuses on growth securities, has certain biases in its portfolio holdings and may not offer as much of a cross section as funds such as IWM and be more volatile as well. However, RZG is unique in the space because it implements a 'pure' system. This forces the provider to classify companies in the space as either growth or value ensuring that there is no overlap between this fund and its counterpart RZV. Thanks to this shift, this fund has substantially less securities than similar products in the space and is relatively more concentrated. In fact, RZG holds just 150 securities and puts close to 17.5% of its assets in the top ten holdings, a far cry from some funds in the space that hold over 1,200 securities. Due to this, investors should consider this fund if they are looking to only tap into growth securities and want nothing to do with value companies in the space. The fund does charge more than others in the category but its methodology may be worth it to many investors.

ESG Themes and Scores

4.94/10	15.58%	2.68%
ESG Rate	Global Percentile	Peer Percentile

Performance Data

	RZG	ETF Database Category Average	Factset Segment Average
1 Month	11.23%	4.60%	6.39%
3 Month	24.98%	17.82%	19.83%
YTD Return	30.49%	19.36%	17.95%
1 Year Return	43.67%	34.50%	28.11%
3 Year Return	21.24%	16.14%	12.94%
5 Year Return	6.37%	5.10%	3.34%

Top 5 Holdings

Symbol	Holding	% Assets
ACMR	ACM Research, Inc. Class A	3.04%
POWL	Powell Industries, Inc.	2.11%
SNEX	StoneX Group Inc.	1.91%
AGX	Argan, Inc.	1.87%
DAVE	Dave, Inc. Class A	1.61%

Vitals

Issuer	Invesco
Brand	Invesco
Structure	ETF
Expense Ratio	0.35%
Inception	Mar 01, 2006
Index Tracked	S&P Small Cap 600 Pure Growth

ETF Database Themes

Category	Small Cap Growth Equities
Asset Class	Equity
Asset Class Size	Micro-Cap
Asset Class Style	Growth
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Equity: U.S. - Small Cap Growth
Category	Size and Style
Focus	Small Cap
Niche	Growth
Strategy	Growth
Weighting	Fundamental

