

VDC

Vanguard Consumer Staples ETF

Analyst Report

This ETF offers targeted exposure to the U.S. consumer staples sector, making it too targeted for investors looking to simply buy and hold but a potentially useful tool for those implementing a sector rotation strategy or seeking to tilt their portfolio towards low beta holdings. Vanguard ETFs are generally among the most cost efficient choices in any category, but that isn't necessarily the case here; both FCD and XLP are slightly cheaper in terms of expense ratio. There are, however, no consumer staples ETFs that can match the depth of holdings delivered by VDC; the unique Vanguard structure allows this fund to hold more than 100 individual stocks and avoid excessive concentration in a small handful of mega cap stocks. There are a number of potential alternatives to VDC besides those ETFs mentioned above; the equal-weighted RHS is one option, while the alpha-seeking FXG and PSL could be interesting options as well.

ESG Themes and Scores

6.31/10

ESG Rate

40.23%

Global Percentile

50.54%

Peer Percentile

Performance Data

	VDC	ETF Database Category Average	Factset Segment Average
1 Month	0.62%	1.03%	0.53%
3 Month	-6.06%	-6.55%	-4.96%
YTD Return	8.59%	7.60%	5.81%
1 Year Return	5.42%	2.36%	1.60%
3 Year Return	8.69%	3.70%	3.12%
5 Year Return	6.88%	3.15%	2.65%

Top 5 Holdings

Symbol	Holding	% Assets
WMT	Walmart Inc.	16.15%
COST	Costco Wholesale Corporation	12.26%
PG	Procter & Gamble Company	9.12%
KO	Coca-Cola Company	8.34%
PEP	PepsiCo, Inc.	4.53%

Vitals

Issuer	Vanguard
Brand	Vanguard
Structure	ETF
Expense Ratio	0.09%
Inception	Jan 26, 2004
Index Tracked	MSCI US IMI 25/50 Consumer Staples

ETF Database Themes

Category	Consumer Staples Equities
Asset Class	Equity
Asset Class Size	Large-Cap
Asset Class Style	Blend
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Equity: U.S. Consumer Staples
Category	Sector
Focus	Consumer Staples
Niche	Broad-based
Strategy	Vanilla
Weighting	Market Cap

