

VHT

Vanguard Health Care ETF

Analyst Report

This ETF is one of many offering exposure to U.S. health care stocks, a corner of the domestic economy that has historically exhibited relatively low volatility. As a sector-specific ETF, VHT probably isn't all that useful in a long-term, buy-and-hold portfolio; most of the underlying companies will be included in broader U.S. equity products. This fund will be more attractive to those looking to put a tactical tilt towards health care stocks in place or as a tool in a sector rotation strategy. One noteworthy element of this ETF is the depth of holdings; with hundreds of individual stocks, VHT casts a considerably wider net than other health care ETFs such as XLV. But this fund is still somewhat concentrated; a small handful of stocks account for a significant portion of the total portfolio, while many of the smaller names have very minor weightings. VHT is also appealing from an expense perspective; the ER is one of the lowest in the ETFdb Category, and commission free trading in Vanguard accounts may further increase the appeal to cost conscious investors. Other options include XLV (for those seeking instant liquidity) and RYH, an equal-weighted fund that may be attractive for those looking to steer clear of market capitalization weighting methodologies.

ESG Themes and Scores

6.31/10

ESG Rate

40.55%

Global Percentile

36.81%

Peer Percentile

Performance Data

	VHT	ETF Database Category Average	Factset Segment Average
1 Month	3.62%	5.25%	2.40%
3 Month	1.56%	6.42%	3.25%
YTD Return	-2.22%	3.28%	0.47%
1 Year Return	16.27%	29.44%	10.40%
3 Year Return	6.30%	6.61%	3.28%
5 Year Return	4.27%	0.68%	0.86%

Top 5 Holdings

Symbol	Holding	% Assets
LLY	Eli Lilly and Company	13.99%
JNJ	Johnson & Johnson	8.44%
ABBV	AbbVie, Inc.	6.07%
UNH	UnitedHealth Group Incorporated	5.44%
MRK	Merck & Co., Inc.	4.63%

Vitals

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

ETF Database Themes

Category	Health & Biotech Equities
Asset Class	Equity
Asset Class Size	Large-Cap
Asset Class Style	Growth
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

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

