

VTWO

Vanguard Russell 2000 ETF

Analyst Report

VTWO seeks to replicate a benchmark which offers exposure to small cap firms 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 both value and growth securities, could provide more of a diversified play than products that just focus on 'growth' or 'value' securities within this segment. Thanks to this broad focus, VTWO has an extremely large number of securities-- close to 2,000 in total-- and does a great job of dividing up assets among the components as no one company makes up more than 40 basis points of total assets. Thanks to this high level of diversification and VTWO's low expense ratio, the fund could make for a quality addition to portfolios of investors who are looking for small cap exposure and do not have a preference in terms of value or growth equities.

ESG Themes and Scores

5.4/10

ESG Rate

26.8%

Global Percentile

12.64%

Peer Percentile

Performance Data

	VTWO	ETF Database Category Average	Factset Segment Average
1 Month	10.02%	9.60%	7.18%
3 Month	13.28%	13.49%	8.91%
YTD Return	21.25%	19.79%	11.66%
1 Year Return	32.53%	28.98%	16.72%
3 Year Return	5.49%	4.72%	3.54%
5 Year Return	10.16%	8.30%	4.28%

Top 5 Holdings

Symbol	Holding	% Assets
Other	U.S. Dollar	2.32%
Other	FUTURES	0.52%
FTAI	FTAI Aviation Ltd.	0.50%
SFM	Sprouts Farmers Market, Inc.	0.48%
PCVX	Vaxcyte, Inc.	0.47%

Vitals

Issuer	Vanguard
Brand	Vanguard
Structure	ETF
Expense Ratio	0.10%
Inception	Sep 20, 2010
Index Tracked	Russell 2000 Index

ETF Database Themes

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

FactSet Classifications

Segment	Equity: U.S. - Small Cap
Category	Size and Style
Focus	Small Cap
Niche	Broad-based
Strategy	Vanilla
Weighting	Market Cap

