This ETF is linked to the MSCI US Prime Market Growth Index, which offers exposure to large-cap companies within the growth sector of the U.S. equity market. Investors with a longer-term horizon ought to consider the importance of growth stocks and the diversification benefits they can add to any well-balanced portfolio. Companies within the growth segment offer tremendous profit potential since they are still in the early stages of their life cycle, which in turn also raises the risk level associated with this asset class. Growth stocks may also appeal to those seeking capital appreciation versus dividend income, as these companies re-invest earnings. VUG is linked to an index consisting of just over 400 holdings and exposure is tilted most heavily towards technology, while industrials, health care, and consumer goods receive equal weightings. Viable alternatives with comparable holdings include IWF and SPYG.