

XSHQ

Invesco S&P SmallCap Quality ETF

Analyst Report

The Invesco S&P SmallCap Quality ETF tracks an index of U.S. small-cap stocks with stronger balance sheets and financial fundamentals than their peers. The methodology begins with the S&P SmallCap 600 Index and assesses return on equity, operating assets, and financial leverage. Approximately 120 of the top scoring stocks are included in the index. The portfolio is weighed based on a combination of companies' market capitalization and quality scores. The fund fees are reasonable for a small-cap factor strategy, though there are cheaper ultra-low-cost options in the small-cap market. The strategy is too targeted for most buy-and-hold investors, but may suit a tactical investor who wants to apply a quality overlay to their small-cap exposure. Prior to March 18, 2016, the fund tracked a different index of quality stocks.

ESG Themes and Scores

5.49/10

ESG Rate

30.32%

Global Percentile

26.69%

Peer Percentile

Performance Data

| | XSHQ | ETF Database Category Average | Factset Segment Average |
|---------------|--------|-------------------------------|-------------------------|
| 1 Month | 10.00% | 11.31% | 8.80% |
| 3 Month | 0.72% | -1.85% | -0.21% |
| YTD Return | 15.47% | 7.78% | 5.69% |
| 1 Year Return | 6.51% | 1.24% | 0.90% |
| 3 Year Return | 9.44% | 2.12% | 4.39% |
| 5 Year Return | 7.24% | 5.22% | 3.36% |

Top 5 Holdings

| Symbol | Holding | % Assets |
|--------|---|----------|
| RMBS | Rambus Inc. | 3.71% |
| FIX | Comfort Systems USA, Inc. | 2.90% |
| AIT | Applied Industrial Technologies, Inc. | 2.44% |
| AEL | American Equity Investment Life Holding Company | 2.35% |
| SM | SM Energy Company | 2.28% |

Vitals

| | |
|---------------|--------------------------|
| Issuer | Invesco |
| Brand | Invesco |
| Structure | ETF |
| Expense Ratio | 0.30% |
| Inception | Apr 06, 2017 |
| Index Tracked | S&P SmallCap 600 Quality |

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 | Fundamental |
| Weighting | Fundamental |

