

AQLT

iShares MSCI Global Quality Factor ETF

Fund Description

AQLT tracks an index of large- and mid-cap stocks from around the world selected for their high quality scores. The portfolio is market cap-weighted, with tilts based on the quality scores derived from fundamental factors.

FactSet Analyst Report

AQLT is passively managed to invest in global stocks perceived to be higher quality. The starting universe begins with large- and mid-cap stocks MSCI ACWI Index. Stock selection is based on quality score on individual securities using three fundamental metrics: high return on equity, stable year-over-year earnings growth, and low financial leverage. The fund then assigns weights by multiplying each security's market-cap weight in the parent index by a tilt score. The tilt score accounts for the security's quality score and relative market-cap position. Final constituents are then normalized to build the portfolio. Issuers are capped at 5%, along with other countries and sector weights limits. The fund may invest in derivatives or engage in securities lending. The index is reviewed and rebalanced semi-annually.