

AVSC

Avantis U.S Small Cap Equity ETF

Fund Description

AVSC is an actively-managed portfolio of US small-cap value companies selected based on fundamental criteria.

FactSet Analyst Report

AVSC seeks long-term capital appreciation by targeting US small-cap value stocks that are highly profitable, as defined by the fund manager, across market sectors and industry groups. It aims to underweight or dismiss securities expected to have lower returns, like non-profitable large-cap companies. The funds portfolio is curated initially by identifying eligible securities using fundamental screens and market data including shares outstanding, book value, cash flow, revenues earned, and incurred expenses. Other factors may also influence the selection process such as historical performances, liquidity, and tax governance framework. Final constituents are then market-cap weighted. AVSCs portfolio manager aims to achieve the benefits correlated with indexing including diversification, low turnover, and transparency of exposure, but with the ability to add value by implementing an active investment strategy with current prices as the basis and the Russell 2000 Index as a benchmark.

