

BCHP

Principal Focused Blue Chip ETF

Fund Description

BCHP is an actively managed, non-transparent ETF that invests in large-cap growth companies globally. The fund uses the Fidelity non-transparent model.

FactSet Analyst Report

BCHP provides exposure to the global large-cap space, investing in stocks classified to be blue chip or those that are projected to have high income, potential for growth, and capital appreciation. The adviser employs a bottom-up approach, evaluating stocks based on fundamental factors such as competitive position, management and organizational culture. The fund is non-transparent, utilizing a proxy portfolio to show a representative sample that closely mirrors the funds holdings daily called a Tracking Basket. This is constructed using a proprietary optimization process, aiming to minimize fluctuations between the returns of the tracking basket and the actual holdings. Additionally, the fund seeks to take advantage of the arbitrage opportunities presented to maximize profit. A disclosure of the overlap in weights between the tracking basket and actual portfolio is also published daily, providing insight into the potential risk of deviations in performance.

