

BOBP

CORE16 Best of Breed Premier Index ETF

Fund Description

BOBP tracks an equal-weighted index of 50 US large-cap equities with perceived capital appreciation potential while minimizing short-term volatility. The fund employs a continuous 10 to 20% cash drag on the portfolio.

FactSet Analyst Report

BOBP invests in US large-cap securities identified to have favorable near- to medium-term capital appreciation potential based on equity skewness, a measure of how returns are likely to be higher or lower than average. Positive skewness suggests more frequent small losses and fewer but larger gains, while negative skewness implies more frequent small gains and fewer but larger losses. The index calculates equity skewness using a moving average and considers the correlation of each security's return to its universe-wide average. If the universe-wide skewness is positive, the fund selects stocks with positive skewness. If the universe-wide skewness is negative, it favors stocks with less negative skewness. Based on these conditions, the fund selects and equally weights the top 50 stocks. The methodology aims to filter market noise and short-term volatility. The fund allocates 10-20% to cash and cash equivalents according to proprietary indicators. The index is rebalanced bi-weekly.