

COWS

Amplify Cash Flow Dividend Leaders ETF

Fund Description

COWS is passively managed to invest on US companies with high free cash flow yield and dividend growth. Holdings are weighted based on a modified equal-weight basis. The fund aims to provide long-term capital appreciation and monthly income.

FactSet Analyst Report

COWS is an index tracking fund utilizing a replication strategy. The index strategy aims to invest in US stocks of companies perceived to be stable and pay dividends. The starting investment universe considers the 1000 most liquid US-listed companies, excluding the financial sector. Filtering this universe, the 100 highest ranked free cash flow yielding stocks, as measured by equally weighting the stocks average trailing and forward cash flow yield. Companies with no forward estimates for free cash flow yields or earnings are removed. The investment universe is then filtered to identify dividend paying stocks with three years of uninterrupted dividend growth. Stocks with a payout ratio greater than 75% are eliminated. The top 10% of dividend yielding stocks are selected for the index. This process results in 40-100 stocks being selected and initially equally weighted in the index. Industry exposure is capped at 24%. Index holdings are reconstituted and rebalanced on a quarterly basis.