

CSML

IndexIQ ETF Trust IQ U.S. Small Cap ETF

Fund Description

CSML tracks an equal-weighted index of small US companies selected by value, growth, technical, and sentiment factors.

FactSet Analyst Report

The Fund is closing. The last day of trading is April 22, 2024. CSML provides a multifactor view on the US small-cap space using the Chaikin Power Gauge, a model based on 20 fundamental and technical metrics divided into four primary components: value (weighted 35%), growth (20%), technical (15%) and sentiment (30%). The index starts with narrowing down all the eligible securities from the NASDAQ US 1500 Index using a risk filter which omits the riskiest third of the securities based mainly on beta and volatility. From this subset, 500 securities having the highest ranking per the Chaikin Power Gauge metrics will be selected for inclusion, considering necessary industry constraints. Components are then equally weighted and rebalanced annually. Overall, CSMLs take on the US small-cap makes it a great complement to CLRG, a fund that targets the US large-cap space.