

DFIC

Dimensional International Core Equity 2 ETF

Fund Description

DFIC actively selects companies of all market capitalizations in developed markets outside the US. Holdings are fundamentally screened to emphasize relatively low-priced and profitable small-caps.

FactSet Analyst Report

DFIC holds a very similar portfolio as DFAI, an actively managed, total market fund of non-US stocks, drawn from a market-cap-weighted selection universe of developed markets. Both of the funds reduce exposure to large, high relative price companies to emphasize small-caps that, in comparison to their peers, are relatively lower-priced and more profitable. Although specifically, DFIC reduces allocation to large-cap, high relative price firms by 5% to 35% of their percentage weight in the initial universe. Eligible securities are screened using various financial factors, such as price-to-book ratio, which is the main criterion for relative price. Additionally, a company's price momentum and investment characteristics may also be considered for the portfolios selection. The adviser further takes into account the sizes of eligible securities to set country weights.