

DFSE

Dimensional Emerging Markets Sustainability Core 1 ETF

Fund Description

DFSE is an actively managed ETF that aims to invest in a portfolio of emerging market equities across all market-caps with perceived high profitability and positive sustainability characteristics.

FactSet Analyst Report

DFSE is actively managed to seek long-term capital appreciation by investing in a portfolio of emerging market companies across various market-caps and sectors, with emphasis on smaller companies, lower relative price, and higher perceived profitability. The fund may gain exposure by holding depositary receipts. It may also invest in China A-shares and variable interest entities. In assessing relative price and profitability, the adviser looks at balance sheet ratios and performance. The adviser may choose to adjust a company's allocation in the fund based on short-term considerations like price momentum and investment characteristics. DFSE may also modify component weights by looking at environmental and other sustainability factors. Companies with high greenhouse gas emissions intensity or fossil fuel reserves relative to other issuers are excluded from the fund. The use of derivatives or securities lending may be pursued in order to generate additional income. It may also use forward currency contracts to hedge against foreign currency exposure.

