

EKG

First Trust Nasdaq Lux Digital Health Solutions ETF

Fund Description

EKG tracks a market cap-weighted index of globally-listed companies engaged in digital health technologies.

FactSet Analyst Report

EKG is passively managed to hold stocks and depository receipts of companies around the globe that enable the digitization of healthcare. Digital health companies include those that develop, commercialize, or participate in technologies related to medical and surgical devices, clinical diagnostics, healthcare-related business/productivity software, and other digitally enabled healthcare technologies. To be included in the index at each semi-annual reconstitution, a company must have an annual revenue growth of at least 10% in each of its two preceding fiscal years. And to maintain index inclusion, companies must meet a minimum of 7% revenue growth in one of the two preceding years and a market capitalization of at least \$50 billion. The index uses a market-cap-weighting scheme that caps the weights of the top five securities at 8% and the remaining securities at 4%.

