

# EMOT

## First Trust S&P 500 Economic Moat ETF

### Fund Description

EMOT aims to track an equal-weighted index comprised of S&P 500 stocks with sustainable competitive advantages, determined by metrics such as gross margins, ROIC, and market share.

### FactSet Analyst Report

EMOT aims to achieve the returns of an index primarily comprised of common stocks of S&P 500 companies that demonstrate sustainable competitive advantages, excluding those in the real estate sector. The selection process begins with all eligible S&P 500 stocks and evaluates them using metrics such as gross margin (focused on consistency over five years), the five-year average Return on Invested Capital (ROIC), and market share score to assign an Economic Moat score. This score is based on combined z-scores. The top 50 securities with the Highest Economic Moat scores are then chosen and equally weighted in the Index. The Index undergoes Semi-annual reconstitution and rebalancing, and EMOT adjusts its portfolio accordingly.