

# ESN

## Essential 40 Stock ETF

### Fund Description

ESN attempts to track an index of 40 US blue-chip stocks that are deemed essential to the US economy by the index provider. Holdings are equally weighted in the index.

### FactSet Analyst Report

ESN aims to reflect an index composed of key blue-chip companies in the US. The fund primarily holds all 40 securities comprising the index, but with the flexibility to adjust holdings under specific conditions. Security selection is conducted by a committee that evaluates companies using a qualitative approach, focusing on their significance and stability across sectors such as technology, consumer goods, energy, and healthcare. The committee ensures diversified representation by selecting firms that are essential to the country's economy. Each firm is equally weighted during annual rebalancing, ensuring consistent exposure across components. However, the fund may modify weightings throughout the year, allowing underweighting or overweighting to better align with the index. Additionally, ESN may use up to 20 percent of the fund assets to employ S&P 500 futures and options strategies. ESN converted from a mutual fund to an ETF with \$70 million in assets.