

# FCTR

## First Trust Lunt U.S. Factor Rotation ETF

### Fund Description

FCTR tracks an index of US large-cap stocks. Exposure rotates among four investment factors, selected by a risk-adjusted relative strength score. The fund aims to outperform the broad market over time.

### FactSet Analyst Report

FCTR tracks an index that tactically rotates exposure among either the highest or lowest scoring stocks for four separate investment factors: momentum, value, quality, and volatility. The index maintains two sub-indexes for each factor high and low. Each month, it selects one of the two sub-indexes based on 12-month risk-adjusted relative strength. The four factors each received 25% weight at inception, but are only rebalanced back to equal weight in months when all four sub-indexes change. Each sub-index is composed of 50 securities from a universe of 500 US large-cap firms, selected and weighted by their factor scores. The momentum, value and volatility sub-indices are rebalanced semi-annually, and the quality sub-index is rebalanced annually.