

FGSM

Frontier Asset Global Small Cap Equity ETF

Fund Description

FGSM is an actively managed fund of funds with exposure to small-cap global companies. The portfolio will typically comprise of 6 to 12 ETFs.

FactSet Analyst Report

FGSM is a fund of funds designed to provide exposure to the global equity market with at least 40% allocation to non-US companies. To construct the portfolio, the adviser begins with determining the funds asset allocation mix through a mean variance optimization process. This aims to identify a combination of asset classes expected to maximize return for a given risk level through projected returns, standard deviations, and correlations of different asset classes. In selecting constituents, several analyses are conducted including quantitative, qualitative, and manager edge to filter ETFs for their ability to provide low-cost asset class exposure and add value on either an absolute or risk-adjusted basis. Other factors are also considered in the selection process such as market conditions, valuation metrics, risk profiles, and expected growth potential. The fund is actively managed and will typically comprise of 6 to 12 ETFs holding common stocks of small-cap companies.

