

FSCC

Federated Hermes MDT Small Cap Core ETF

Fund Description

FSCC is actively managed, investing primarily in small-cap US companies within the Russell 2000 Index. The fund aims for capital growth, utilizing a quantitative model focused on maximizing returns and risk management.

FactSet Analyst Report

FSCC focuses on long-term capital appreciation by primarily investing in the common stocks of small-cap US companies found in the Russell 2000 Index, which includes the 2,000 smallest US companies by market capitalization. Investments may also include real estate investment trusts (REITs). The Fund employs a quantitative model that integrates both fundamental and technical variables to guide stock selection, aiming to maintain strict discipline free from market or manager psychology. This model factors in trading costs to optimize post-expense profitability. The Fund commits most of its net assets to these small-cap companies and uses diversification constraints to manage risk effectively. Active portfolio management is a key component, which may increase turnover and trading costs and could impact performance. FSCC does not aim to mirror the returns of the Russell 2000 Index but actively manages its holdings for optimized annual returns while balancing risk.