

FTBI

First Trust Balanced Income ETF

Fund Description

FTBI tracks an index with tiered allocations to exchanged-traded funds across three asset classes: equity, investment grade fixed income, and commodities. The strategy applies a focus on income generation to each asset class.

FactSet Analyst Report

FTBI is a passively managed fund-of-funds that allocates to income-generating ETFs across three asset classes: equity, fixed income, and commodity. The index includes ETFs advised by First Trust with assets under management of at least \$50 million. The equity allocation consists of growth, value, and core funds that seek to generate income using either a buy-write or a target income strategy. The fixed income allocation includes funds that invest in investment grade bonds of any maturity issued by US and non-US governments and corporations. Lastly, the funds commodity allocation seeks to provide a level of income tied to the annual yield of one-month US Treasury securities through FLEX Options that reference an exchange-traded product that invests directly in gold. The fund allocates 60% to equity, 35% to fixed income, and 5% to commodities while equally weighting the underlying funds in each asset class. The index reconstitutes and rebalances semi-annually.