

FTGS

First Trust Growth Strength ETF

Fund Description

FTGS tracks an equal-weighted index of 50 well-capitalized, large-cap companies with strong market positions in the US. The fund uses various fundamental metrics to select growth equities.

FactSet Analyst Report

FTGS is passively managed to hold domestic equities selected for growth metrics using a fundamental methodology. The selection universe initially comprises the top 500 securities by market capitalization in the Nasdaq US Benchmark Index. The universe is narrowed down by screening for at least \$1 billion cash on hand, less than 30% long-term debt to market-cap ratio, greater than 15% return on equity, and positive shareholder equity. Then remaining securities are ranked by a composite of their 3-year percentage growth in cash flow and revenue. The top 50 securities are selected, with a restriction that no industry, as determined by the Industry Classification Benchmark, has more than 15 securities. The resulting portfolio is weighted equally. The index reconstitutes and rebalances quarterly.