

GLOV

Goldman Sachs ActiveBeta World Low Vol Plus Equity ETF

Fund Description

GLOV tracks an index that selects large- and mid-cap stocks in developed markets based on four factors: value, momentum, quality and an emphasis on low volatility.

FactSet Analyst Report

GLOV replicates the holdings of a rules-based index that selects securities based on similar factors used in actively managed funds. Index construction begins by scoring the holdings of a developed market large- and mid-cap stock index for low volatility. The volatility score is based on a stocks daily returns over the previous 12-month period. Stocks above a set cut-off score are overweighted and those below the cut-off score are underweighted. From this low volatility subindex, three additional subindexes are created by scoring for value, momentum, and quality. Specific criteria relevant to each factor is used to assign a factor score. Each subindex overweightes their respective components towards those scoring high. The four factor subindexes are then equally weighted to form the underlying index. Weight constraints are applied to managed unwanted biases to countries, regions, and industries. The index is rebalanced quarterly.