INVN
Alger Russell Innovation ETF

Fund Description

INVN tracks an equal-weighted index of 50 US stocks selected from the Russell 1000 through a fundamental approach. The fund seeks to identify companies at the forefront of innovation.

FactSet Analyst Report

INVN is passively managed and invests in a narrow portfolio of 50 US companies deemed the most innovative within the Russell 1000 Index. This includes firms that may not yet be widely recognized but are developing or benefiting from new products, services, technologies, or advancements. The parent universe is broadly comprised of large- and mid-cap US companies, and the index does not impose limits on market capitalization, sector, or industry exposure. Initially, the index screens out the bottom one-third of stocks in the Russell 1000 based on free cash flow margin. To identify innovative firms, it ranks the remaining stocks by research and development spending relative to enterprise value. The top 50 stocks are selected and weighted equally. The index reconstitutes and rebalances the portfolio quarterly.