

ISMD

Inspire Small/Mid Cap Impact ETF

Fund Description

ISMD tracks an equal-weighted index of 500 small- and midcap US stocks that are screened for alignment with biblical values and positive impact on the world according to various ESG criteria.

FactSet Analyst Report

ISMD follows a principles-based, biblically responsible investing philosophy, screening for firms with products and policies aligned to evangelical Christian values. By rule, it screens out companies with any degree of involvement in certain activities: abortion, gambling, alcohol, human rights violations, and (to some controversy) LGBT lifestyles. ISMD goes on to score remaining firms by how well they align with its values, considering factors such as family time for employees, community philanthropy, environmental protection, or products that treat disease or support education. The 500 highest scoring firms receive equal weights in the fund. Despite an environmental component in its screen, many firms in extractive industries mining and petroleum appear to make the cut. The portfolio does show a pronounced tilt toward small-caps. This is at least partially a result of the fund's equal-weighting scheme, which favors smaller firms, and its small-cap-leaning selection universe. The index is rebalanced quarterly.

