

IVAL

Alpha Architect International Quantitative Value ETF

Fund Description

IVAL tracks an equal-weighted index of developed-market ex-US value stocks, screened for forensic accounting and earnings quality.

FactSet Analyst Report

IVAL cuts down the developed ex-US equity market to a concentrated portfolio of stocks that meet its eligibility screens. The fund uses a single metric EV/EBIT to select approximately 40-50 securities of its universe with additional screens for competitive advantage and financial strength, assessed using a number of financial-statement-derived metrics. Additionally, the fund uses a proprietary forensic accounting model to screen out companies that may be attempting to disguise low-quality cash flows. Selected securities are weighted equally at each quarterly reconstitution. IVAL launched as an actively managed fund but began tracking a new homegrown index in January 2017, a change which did not significantly alter the funds strategy or holdings. On October 1, 2020, IVAL was supposed to transition to being actively managed again but it did not pushed through.