

JHMS

John Hancock Multifactor Consumer Staples ETF

Fund Description

JHMS tracks an index of large- and mid-cap of US equities from the consumer staples sector. Stocks are selected by market cap and weighted by multiple factors: size, value, profitability, and momentum.

FactSet Analyst Report

The security is being delisted. The last day of trading is October 24, 2022. JHMS offers multi-factor exposure to the US consumer staples sector. The fund selects stocks by market cap, pulling industrial names from the largest 1,000 US stocks. The fund's factors—size, value (relative price) and profitability—are not used in selection, and serve to modify rather than completely replace market-cap weighting. The size factor breaks the eligible universe into three buckets, with the smallest funds (ranked 201 to 1000 by size) receiving the largest overweight, expect a bias to mid-caps rather than small-caps. The value factor relies on price/book as a signal and groups stocks accordingly into five buckets. Stocks with the lowest valuation receive the greatest overweight. The profitability factor (operating profit to book value) is treated in the same manner as the value factor. The momentum factor, based on 11-month returns, wherein smaller low-momentum stocks are barred from receiving an overweight they might otherwise earn.

