

MVAL

VanEck Morningstar Wide Moat Value ETF

Fund Description

MVAL tracks a modified equal-weighted index of 30 to 60 value-oriented US stocks that Morningstar determines to be attractively priced and have sustainable competitive advantages.

FactSet Analyst Report

MVAL is passively managed to hold a concentrated portfolio of US stocks deemed as wide moat (attractively priced stocks with sustainable competitive advantages). Morningstar's equity research team determines the selection by assigning an economic moat rating and a fair value estimate to the companies in the Morningstar US Market Index. Wide moat companies with the lowest price/fair value ratios are considered for inclusion. A style score is also assigned to eligible companies using a 10-factor model incorporating backward- and forward-looking metrics such as earnings, dividends, sales, cash flow, and book value. Pure growth stocks are screened out from the portfolio. The index initially weights the portfolio equally and then tilts weights in favor of pure value companies. The index is divided into two sub-portfolios and follows a staggered schedule, where each sub-portfolio is reconstituted and rebalanced semi-annually in alternating quarters.

