

OPTZ

Optimize Strategy Index ETF

Fund Description

OPTZ aims to track an index of broad market US equities, choosing large- and small-cap firms perceived to have strong quality and momentum characteristics. Weighting is tiered, using a modified market-cap method. Holdings are equally weighted within each sector, but sector weights use the sum of market cap of all constituents.

FactSet Analyst Report

OPTZ seeks to track a broad market index consisting of US-listed equities that meet certain market-cap threshold and liquidity requirements. To be included in the fund, eligible large-cap and small-cap companies are evaluated and ranked within their own sector. Large cap companies are ranked based on the ratio of current EPS over the trailing 10-year average EPS, the current P/E ratio, and the 2-year forward EPS growth estimate. Small-cap companies are ranked solely on their P/S ratio. Within these two groups, the top 20% are selected from each sector. The index weights the sectors using the sum of the market capitalization of all constituents in each sector and within each sector each constituent is equally weighted. Reconstitution and rebalancing are done semi-annually.