

OUSM

ALPS O'Shares US Small-Cap Quality Dividend ETF

Fund Description

OUSM tracks an index of US small-cap stocks weighted for exposure to quality, low volatility, high dividend yield, and dividend quality factors.

FactSet Analyst Report

OUSM invests in small-cap US equity securities. The portfolio selection starts with the S-Network US Equity Mid/Small-Cap 2500 Index and reweights it to increase exposure to four factors: quality (determined by financial statement metrics ROA and EBITDA), low volatility (trailing five-year weekly volatility), dividend yield (12-month trailing), and dividend quality (cash dividend growth and dividend payout). Multiple metrics within each factor are averaged to develop an overall ranking score for each security. The final selection intends to hold 200 stocks with the highest overall scores with weights subject to various diversification constraints including a 2% cap on any single constituent at each quarterly rebalance and a 22% cap on each sector during annual reconstitution. Prior to June 1, 2020, the fund follows the FTSE USA Small Cap ex Real Estate 2Qual/Vol/Yield 3% Capped Factor Index. On June 17, 2022, ALPS became the fund advisor, adding the reference to the fund name.

