

QLTI

GMO International Quality ETF

Fund Description

QLTI is actively managed, investing in non-US equities that the adviser deems to be high quality. The fund focuses on companies with strong cash flows, targeting investments with high return potential.

FactSet Analyst Report

QLTI seeks total return by investing in non-US equities that it considers to be high-quality. A high-quality company is defined by its solid operational foundation and ability to generate future returns. For its selection process, QLTI utilizes a mix of quantitative metrics, such as profitability and leverage, along with qualitative assessments of market conditions and growth prospects. It focuses on identifying companies that have demonstrated strong returns on past investments and show potential for effective cash flow management, whether through reinvestment or shareholder returns. Valuation techniques, including discounted cash flow and price-to-earnings ratios, help identify stocks that may be undervalued. While QLTI has flexibility in targeting specific sectors or regions, it maintains liquidity through investments in the GMO US Treasury Fund and other money market instruments, allowing for varied exposure across developed and emerging markets.