

# QVAL

## Alpha Architect US Quantitative Value ETF

### Fund Description

QVAL is an active, equal-weighted portfolio of US value stocks, screened for forensic accounting and earnings quality.

### FactSet Analyst Report

QVAL whittles down the US equity market to a relative handful of stocks that meet its stringent screens. The fund uses a single metric EV/EBIT to select the cheapest 10% of its universe, with additional screens for competitive advantage and financial strength, assessed using a number of financial-statement-derived metrics. Additionally, the fund uses a proprietary forensic accounting model to screen out companies that may be attempting to disguise low-quality cash flows. The few dozen holdings that emerge from this process are weighted equally. QVAL launched as an actively managed fund but began tracking a new homegrown index in January 2017. On January 31, 2022, the fund switched back to being actively managed. These changes did not significantly alter the funds strategy or holdings.