

RFEM

First Trust Riverfront Dynamic Emerging Markets ETF

Fund Description

RFEM is actively-managed to select in emerging market stocks using multiple factors. The manager has discretion to hedge currency exposure up to 100% of the portfolio.

FactSet Analyst Report

RFEM's active manager aims to pick winners within emerging market equities using a multi-factor approach. RiverFront, the funds sub-advisor, chooses holdings based on a proprietary scoring system which considers value, quality, and momentum factors. The sub-advisor also considers country, sector, and risk exposure, as well as liquidity. RFEM can hedge up to 100% of the portfolio's currency exposure at its discretion using currency forwards and the spot market, dependent upon interest rate differentials and central bank policies. The fund can invest up to 20% of the portfolio in developed market equities, and has no explicit constraint on sector limitations.