

# SBIO

## ALPS Medical Breakthroughs ETF

### Fund Description

SBIO tracks, a market-cap weighted index comprising US-listed biotech companies with one or more drugs currently in either Phase II or Phase III FDA clinical trials.

### FactSet Analyst Report

SBIO invests in a concentrated portfolio of biotech companies with drugs in Phase II and Phase III of U.S. Food and Drug Administration (FDA) clinical trials, and limits itself to US-listed firms with market caps between USD 200 million and USD 5 billion. SBIO also screens for sustainability, meaning constituent firms have enough cash on hand to last two years. Given the low historical success rates in clinical trials, the fund is a high-risk, high-reward bet on a small subset of biotech companies. The Underlying Index undergoes semi-annual reconstitution and quarterly rebalance subject to certain caps. The largest stock is capped at 4.5%, and the excess weight is redistributed proportionately over the remainder of the Underlying Index. Prior to July 9, 2019 the funds index was Poliwogg Medical Breakthroughs Index, which has the same strategies.

