

SHRY

First Trust Bloomberg Shareholder Yield ETF

Fund Description

SHRY offers passive management by tracking an index of large- and mid-cap US equities that are selected and weighted based on shareholder yield characterized by dividends, net shares buybacks, and debt reduction.

FactSet Analyst Report

SHRY targets large- and mid-cap US companies that provide their shareholders with returns through dividends, buybacks, and debt paydown. The index excludes REITs and applies size and liquidity requirements, permitting only one security per issuer. Remaining securities are then screened to reflect and retain those with, over each of the trailing five years, positive free cash flow, positive total returned capital, and a ratio of the latter to the former (or Capacity) of under 150%. Securities must also have a shareholder yield of between 0.5% and 15% to be included. The top 50 securities by level of total returned capital are selected as final constituents and are weighted by their shareholder yield with 5% individual and 30% sector capping. The index is reconstituted and rebalanced quarterly. Prior to March 4, 2024, the fund was named First Trust Large Cap US Equity Select ETF with ticker RNLC and tracked the Nasdaq Riskalyze US Large Cap Index.

