

# SIZE

## iShares MSCI USA Size Factor ETF

### Fund Description

SIZE tracks an index of large- and mid-cap US stocks. Holdings are weighted by the inverse natural logarithm of their market capitalization.

### FactSet Analyst Report

SIZE provides total-market exposure that's flipped on its head. The fund's weighting scheme allocates larger positions to the smallest firms from its large- and mid-cap parent index, the MSCI USA Index. However, the methodology's natural log weighting function produces muted results compared to a simple inversion. SIZE resembles an equal-weighted portfolio with a slight boost given to smaller firms. In addition to this small-size tilt, inverse weighting is likely to produce significant sector tilts relative to the parent index. The fund's top holdings can change often as market movements and corporate actions push smaller mid-cap firms in and out of the large-/mid universe, and the contrarian strategy requires SIZE to sell winners and buy losers at each semi-annual rebalance. Prior to December 3, 2018, SIZE tracked an index that favors low-volatility US stocks.

