

SMIZ

Zacks Small/Mid Cap ETF

Fund Description

SMIZ aims to generate positive risk-adjusted returns by investing in small- and mid-cap US stocks. The actively managed fund selects companies based on analyst agreement, magnitude, upside, and surprise.

FactSet Analyst Report

SMIZ invests in small- and mid-cap stocks listed on US exchanges. The fund considers securities from the Russell 2000 and Russell Mid Cap Indexes that are perceived to possess sound fundamentals and growth potential. Utilizing a proprietary quantitative model based on sell-side analyst data, the fund first focuses on four factors: Agreement (earnings estimate revisions), Magnitude (size of earnings estimate revisions), Upside (how earnings estimate compare to consensus estimates), and Surprise (differences between actual earnings versus the consensus estimates). Stocks are then selected based on the portfolio managers qualitative judgement. Holdings are rebalanced monthly using the same quantitative analysis but may consider qualitative factors, such as corporate actions and reorganizations. As an actively managed fund, SMIZ has full discretion to make buy, hold, or sell decisions at any time. The fund may hold derivatives, which opens investors to potential counterparty risk.