

SMLL

Harbor Active Small Cap ETF

Fund Description

SMLL is actively managed, investing in small capitalization companies in the US. The fund utilizes proprietary analysis to select firms that demonstrate strong cash flow and competitive advantages.

FactSet Analyst Report

SMLL focuses on long-term total return through investments in US small capitalization companies that fall within the Russell 2000 Index. Employing a proprietary bottom-up analysis, SMLL selects approximately 30 to 80 companies based on competitive advantages, strong business models, and consistent cash flow. The selection process involves metrics like Price to Free Cash Flow, Return on Invested Capital, and insider share purchases. The Fund also analyzes a company's competitive position and assesses management's ability to allocate capital effectively. Regular valuation analysis is conducted to determine a stock's intrinsic value and assess whether it is trading at a discount. SMLL may divest from certain holdings if there are shifts in fundamentals, market overvaluation, or when better investment opportunities arise.