

TDIV

First Trust NASDAQ Technology Dividend Index Fund

Fund Description

TDIV tracks a modified dividend-weighted index of US-listed technology companies that pay regular dividends.

FactSet Analyst Report

TDIV holds a dividend-weighted portfolio of up to 100 companies classified as a technology or telecommunications company under the Industry Classification Benchmark. TDIV limits its portfolio to US-listed stocks that pay dividends: Two filters that significantly narrow the global technology universe, causing it to exclude certain segment giants. Its international exposure comes mostly from ADRs. The companies included are first weighted according to their dividend yield relative to other securities within the index, then adjusted accordingly so that tech companies occupy up to 80% of the index, while the telecom companies occupy only 20%. It meets its mandate with the highest dividend yield in the segment, but its approach doesn't necessarily mean that it will outperform our benchmark on a risk-adjusted basis. Rebalancing occurs quarterly while reconstitution occurs semi-annually.