

# XUDV

## Franklin U.S. Dividend Multiplier Index ETF

### Fund Description

XUDV tracks an index of US large-cap companies that employs an optimizer aimed to deliver high dividend yield balanced against volatility.

### FactSet Analyst Report

XUDV seeks to deliver high dividend yield relative to the US large-cap equity market. The passively managed fund invests in stocks and depositary receipts, including derivatives with similar economic characteristics and exposure. The underlying index employs an optimizer to stocks of its parent index, composed of 500 US large-cap companies. The optimization process selects and weights stocks with the goal of maximizing dividend yield, subject to various constraints that try to limit volatility. Such constraints limit weights for individual stocks to 5%, sectors to 30%, and the one-way turnover of the parent index to 20% that can be relaxed if not feasible. The fund may invest in equity futures and swaps or enter currency forward and/or futures contracts. The index is reconstituted and rebalanced quarterly.