

# ALPS Equal Sector Weight ETF

EQL

\$65.23

## Trading History



**NOTES:** The performance data quoted represents past performance. Past performance does not guarantee future results and current performance may be lower or higher than the performance quoted. Investment return and principal value will vary, and shares, when redeemed, may be worth more or less than their original cost. Additional performance info current to most recent month-end at [www.alpsetfs.com/eql-performance.php](http://www.alpsetfs.com/eql-performance.php).

## Fund basics

AltaVista Category	Style & Fundamental Indices
Fund sponsor	ALPS Fund Services Inc
Inception date	July 7, 2009
Fund assets (mns)	\$166
Avg. daily volume (000)	6
Expense ratio (bp)	34
Distributions	Quarterly
Options availability	NO

## Total returns (price)\*

One year	12.9%
Five year	13.4%
Ten year	n/a
Since inception	15.2%

\*as of 07/31/17. See Notes.

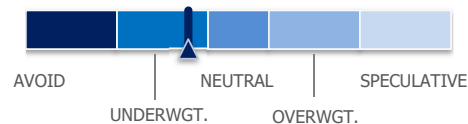
## Trading statistics

Beta vs. S&P 500	0.93
Standard deviation	9.7%

## AltaVista Recommendation

### UNDERWEIGHT

Below average appreciation potential. A rating of UNDERWEIGHT is assigned to funds with ALTAR Scores™ above 3.0% but below 6.0%. Typically, funds in this category consist of stocks trading at relatively expensive valuations and/or having below-average fundamentals.

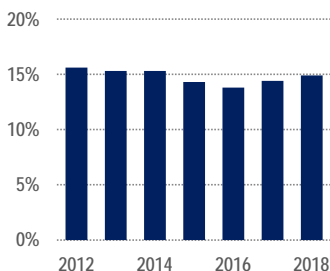


<b>ALTAR Scores™</b>		
S&P500	<b>EQL</b>	All ETFs
5.9%	5.4%	5.8%

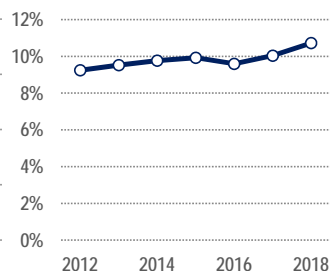
## Per share results & estimates

	2012	2013	2014	2015	2016	2017E	2018E	12-17E CAGR
Sales	31.79	32.48	33.31	30.88	31.24	33.18	34.75	0.9%
Earnings	2.94	3.09	3.25	3.07	3.00	3.33	3.73	2.5%
Book Value	19.36	21.09	21.42	21.39	22.20	24.05	26.13	4.4%
Dividends	1.02	1.17	1.29	1.39	1.45	1.51	1.59	8.1%
Sales growth		2.1%	2.5%	-7.3%	1.1%	6.2%	4.7%	
EPS growth		5.2%	5.1%	-5.8%	-2.1%	11.1%	11.8%	

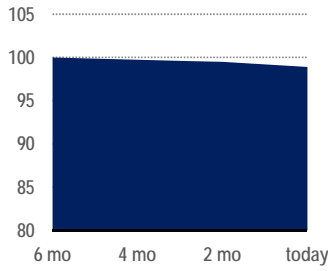
## Return on Equity



## Net margins



## Trend in Current FY Est.



## Analyst's opinion

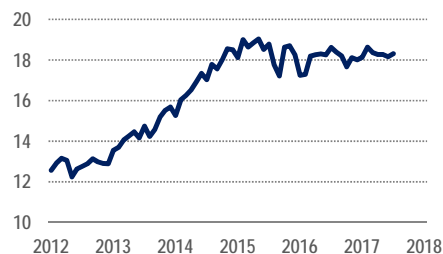
Equal sector weighting aims to systematically avoid the excesses of the cap-weighted benchmark (e.g. Tech bubble, Financial Crisis) making it ideal for "set-it-and-forget-it" investors who prefer somewhat less volatile returns. Profitability is similar to the S&P 500 on average, although it varies from year to year. But tactical investors may want to wait as the index happens to be overweight in some poorly-rated sectors and underweight in highly-rated ones at present.

## Valuation metrics

	2017E	2018E
Price-to-Earnings	19.6	17.5
Price-to-Cash Flow	13.2	11.8
Price-to-Sales	2.0	1.9
Price-to-Book Value	2.7	2.5
Yield* (%)	2.3	2.4

\*Based on consensus dividend forecasts for underlying stocks. Metrics differ significantly from distribution yield on the ETF.

## Historical P/E ratio\*



\*based on twelve months' forward EPS (max value of 100)

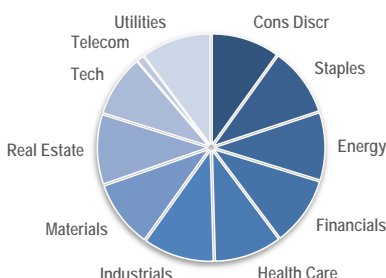
## Top 10 Holdings

TECHNOLOGY SELECT SECTOR SPDR	10.2%
FINANCIALS SELECT SECTOR SPDR	10.2%
HEALTH CARE SELECT SECTOR SPDR	10.2%
CONSUMER DISCRETIONARY SELECT	10.0%
MATERIALS SELECT SECTOR SPDR	10.0%
ENERGY SELECT SECTOR SPDR	10.0%
REAL ESTATE SELECT SECTOR SPDR	9.9%
INDUSTRIALS SELECT SECTOR SPDR	9.9%
CONSUMER STAPLES SELECT SECTOR	9.8%
UTILITIES SELECT SECTOR SPDR	9.7%
<b>TOTAL</b>	<b>100%</b>

## Description

The ALPS Equal Sector Weight ETF is an ETF of ETFs that delivers exposure to the US Large Cap Equity market by investing equal proportions in each of the 9 Select Sector SPDRs.

## Sector breakdown



## Constituent allocation

No. of constituents	10
Weighted avg mkt cap (mns)	\$122,138
Med mkt cap (mns)	\$14,886
Large cap ( >\$10bn)	94.4%
Mid cap (\$2-10bn)	5.7%
Small cap (<\$2bn)	0.0%

## Other fundamental data

LT growth est.	9.8%
Payout ratio	45.3%
Debt-to-equity	1.0x

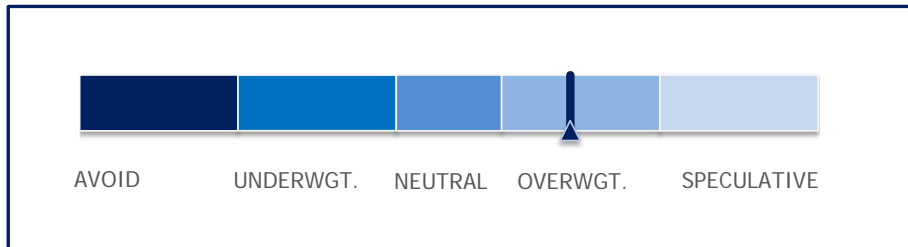


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# How we rate ETFs

## AltaVista Recommendation

For every ETF under coverage, we calculate a rating based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples. Then, we separate the funds into five tiers based on their individual scores as illustrated by the scale below. Although one fund's score and recommendation are independent of other funds' rankings, our coverage universe has a roughly normal distribution among the five tiers, with NEUTRAL accounting for the largest number of ETFs.



### What they mean...

#### SPECULATIVE

**Deeply undervalued but risky.** A rating of SPECULATIVE indicates exceptional appreciation potential in our opinion. However, firms in this index may also have deep structural issues, which can carry extra risk. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

#### OVERWEIGHT

**Above average appreciation potential.** A rating of OVERWEIGHT indicates that stocks in this index are trading at attractive valuations and/or have above-average fundamentals. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

#### NEUTRAL

**Average appreciation potential.** A rating of NEUTRAL indicates that valuations adequately reflect the fundamentals of stocks in these indices. The majority of indices we cover fall into this category. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

#### UNDERWEIGHT

**Below average appreciation potential.** A rating of UNDERWEIGHT indicates that stocks in this index are trading at relatively expensive valuations and/or have below-average fundamentals. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

#### AVOID

**Not worthwhile for most investors.** A rating of AVOID indicates poor appreciation potential. Some indices in this category consist of stocks with little if any history or expectation of profitability, for which our fundamentally-driven analysis may be less relevant. The rating is based on a proprietary scoring system that analyzes metrics such as Return on Equity and Price-to-Book Value multiples.

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