



# IUSV

# Neutral Rating

## iShares Trust: iShares Core S&P US Value ETF

<b>Predictive Rating</b>	Neutral	
<b>Quality of Earnings Components: Ratings &amp; Values</b>		
Attractive	Economic vs Reported EPS	Positive EE
Neutral	Return on Invested Capital (ROIC)	10%
<b>Valuation Components: Ratings &amp; Values</b>		
Neutral	Free Cash Flow Yield	3%
Neutral	Price to Economic Book Value Ratio	2.2
Unattractive	Growth Appreciation Period	22 year(s)
<b>Fund Expenses: Rating &amp; Value</b>		
Very Attractive	Total Annual Costs	0.04%

- We do not recommend investors buy IUSV.
- IUSV ranks in the 34th percentile of the 650+ ETFs we cover.
- Positive EE means that economic earnings are positive because the ETF's ROIC is greater than its WACC.
- The Price to Economic Book Value Ratio compares market expectations for future cash flows to existing cash flows. When the ratio is greater than one, the market predicts cash flows will increase, and vice versa.
- Growth Appreciation Period measures the number of years of future profit growth implied by the stock price.
- Get the [PROOF](#) that our research outperforms.

### ETF Details

<b>Net Asset Value (\$MM)</b>	<b>\$10,410.20</b>
<b>Issuer</b>	<b>iShares</b>
<b>Category</b>	<b>All Cap Value</b>
<b>Index</b>	<b>Russell 3000 Value</b>
<b>Management Style</b>	<b>Passive</b>
<b>Exposure</b>	<b>Long</b>
<b>Inception Date</b>	<b>07/24/2000</b>
<b>Number of Holdings</b>	<b>741</b>
<b>Avg. Daily Volume (3 Mo.)</b>	<b>494,435</b>
<b>Geography</b>	<b>U.S.</b>

### Predictive Rating Methodology

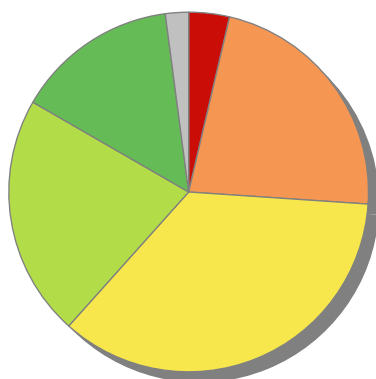
Our predictive rating is based on the aggregation of our financial models for the ETF's holdings, the fund's expenses, and the fund's overall rank.

Our ETF models enable us to assess the profitability and valuation of an ETF just like a stock.

### Total Annual Costs

<b>Expense Ratio</b>	<b>0.04%</b>
<b>Total Annual Costs</b>	<b>0.04%</b>
<b>Rank (percentile)</b>	<b>99%</b>

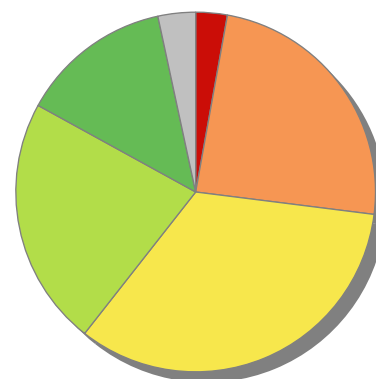
IUSV's Accumulated Total Costs are \$103.56 over 10 years assuming a \$10,000 investment and 10% returns.



### Allocations

4%	Very Unattractive	21
22%	Unattractive	179
36%	Neutral	249
22%	Attractive	166
15%	Very Attractive	101
2%	Unrated	25

### Holdings



### Top 5 Holdings

<b>Berkshire Hathaway, Inc. (BRK.A)</b>	<b>2.9%</b>
<b>JPMorgan Chase &amp; Company (JPM)</b>	<b>2.6%</b>
<b>The Walt Disney Company (DIS)</b>	<b>1.8%</b>
<b>Bank of America Corp (BAC)</b>	<b>1.7%</b>
<b>Johnson &amp; Johnson (JNJ)</b>	<b>1.5%</b>

### Capitalization Exposure

<b>Large Cap</b>	<b>91%</b>
<b>Mid Cap</b>	<b>7%</b>
<b>Small Cap</b>	<b>0%</b>

Our Predictive ETF Rating includes an analysis of the total cost of owning an ETF. Please contact us for more information.



## Explanation of Predictive ETF Rating System

[Predictive ETF Ratings](#) enable smarter investing by assessing the key drivers of future fund performance. We start by analyzing every fund holding based on New Constructs' [stock ratings](#), which are regularly featured as among the best by [Barron's](#).

Predictive Rating	Portfolio Rating					Total Annual Costs Rating
	Quality of Earnings		Valuation			
	Economic vs Reported EPS	Return on Invested Capital (ROIC)	FCF Yield	Price-to-EBV Ratio	Growth Appreciation Period (yrs)	
Very Unattractive	Misleading Trend	Bottom Quintile	< -5%	> 3.5 or -1 < 0	> 50	> 4%
Unattractive	False Positive	4th Quintile	-5% < -1%	2.4 < 3.5 or < -1	20 < 50	2% < 4%
Neutral	Neutral EE	3rd Quintile	-1% < 3%	1.6 < 2.4	10 < 20	1% < 2%
Attractive	Positive EE	2nd Quintile	3% < 10%	1.1 < 1.6	3 < 10	0.5% < 1%
Very Attractive	Rising EE	Top Quintile	> 10%	0 < 1.1	0 < 3	< 0.5%

### It's Official: We Offer the Best Fundamental Data in the World

Many firms claim their research is superior, but none of them can prove it with independent studies from highly-respected institutions as we can. Three different papers from both the public and private sectors show:

1. Legacy fundamental datasets suffer from significant inaccuracies, omissions, and biases.
2. Only our "novel database" enables investors to overcome these flaws and apply [reliable](#) fundamental data in their research.
3. Our proprietary measures of [Core Earnings](#) and [Earnings Distortion](#) materially improve stock picking and forecasting of profits.

#### Best Fundamental Data in the World

Forthcoming in [The Journal of Financial Economics](#), a top peer-reviewed journal, [Core Earnings: New Data & Evidence](#) proves our Robo-Analyst technology overcomes material shortcomings in legacy firms' data collection processes to provide superior [fundamental data](#), [earnings](#) models, and [research](#). More [details](#).

Key quotes from the paper:

- "[New Constructs] *Total Adjustments* differs significantly from the items identified and excluded from Compustat's adjusted earnings measures. For example... 50% to 70% of the variation in *Total Adjustments* is not explained by S&P Global's (SPGI) *Adjustments* individually." -pp. 14, 1<sup>st</sup> para.
- "A final source of differences [between New Constructs' and S&P Global's data] is due to data collection oversights... we identified cases where Compustat did not collect information relating to firms' income that is useful in assessing core earnings." - pp. 16, 2<sup>nd</sup> para.

#### Superior Models

A top accounting firm features the superiority of our ROIC, NOPAT, and Invested Capital research to Capital IQ & Bloomberg's in [Getting ROIC Right](#). See the [Appendix](#) for direct comparison details.

Key quotes from the paper:

- "...an accurate calculation of ROIC requires more diligence than often occurs in some of the common, off-the-shelf ROIC calculations. Only by scouring the footnotes and the MD&A [as New Constructs does] can investors get an accurate calculation of ROIC." -pp. 8, 5<sup>th</sup> para.
- "The majority of the difference... comes from New Constructs' machine learning approach, which leverages technology to calculate ROIC by applying accounting adjustments that may be buried deeply in the footnotes across thousands of companies." -pp. 4, 2<sup>nd</sup> para.

#### Superior Stock Ratings

Robo-Analysts' stock ratings outperform those from human analysts as shown in this [paper](#) from Indiana's Kelley School of business. Bloomberg features the paper [here](#).

Key quotes from the paper:

- "the portfolios formed following the buy recommendations of Robo-Analysts earn abnormal returns that are statistically and economically significant." -pp. 6, 3<sup>rd</sup> para.
- "Our results ultimately suggest that Robo-Analysts are a valuable, alternative information intermediary to traditional sell-side analysts." -pp. 20, 3<sup>rd</sup> para.

Our mission is to provide the best fundamental analysis of public and private businesses in the world and make it affordable for all investors, not just Wall Street insiders.

We believe every investor deserves to know the whole truth about the profitability and valuation of any company they consider for investment. More details on our cutting-edge technology and how we use it are [here](#).



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