# GINC

# First Trust Global Equity Income UCITS ETF

Data as at 31 December 2019

## Key Facts

| | |
|---|---|
| **Accumulation Share Class** | |
| ISIN | IE00BYTH6121 |
| Inception Date | 28/08/15 |
| **London Stock Exchange** | |
| Bloomberg Ticker | FGBL LN |
| SEDOL | BYTH612 |
| Trading Currency | GBP |
| **Euronext Paris** | |
| Bloomberg Ticker | FGBL FP |
| SEDOL | BYY9TD6 |
| Trading Currency | EUR |
| **Distribution Share Class** | |
| ISIN | IE00BD842Y21 |
| Inception Date | 20/10/16 |
| **London Stock Exchange** | |
| Bloomberg Ticker | GINC LN |
| SEDOL | BD5F8F1 |
| Trading Currency | GBP |
| Dividend Frequency | Quarterly |
| Last Distribution Per Share | 0.39730 |
| Distribution Rate† | 3.80% |
| **Fund Information** | |
| Base Currency | USD |
| Total Expense Ratio^ | 0.60% |
| Rebalance Frequency | Monthly |
| ISA Eligibility | Yes |
| SIPP Eligibility | Yes |
| PEA Eligibility | No |
| UK Reporting Status | Yes |
| Entry Fees | No |
| Exit Fees | No |
| Performance Fees | No |
| Tracking Index | NASDAQ Global High Equity Income NTR Index |
| Bloomberg Index Ticker | NQGIHEIN |
| Index Inception Date | 20/01/16 |
| Index Yield** | 4.93% |
| Investment Method | Physical |
| Index Replication Method | Full Replication |
| Benchmark | MSCI ACWI NTR Index |
| UCITS IV Compliant | Yes |
| Domicile | Ireland |
| Issuing Company | First Trust Global Funds PLC |
| Investment Manager | First Trust Advisors L.P. |
| Custodian | BNY Ireland |
| Administrator | BNY Ireland |
| Auditor | Deloitte |

The First Trust Global Equity Income UCITS ETF (the "Fund") seeks to provide investors with investment results that correspond generally to the price and yield of an equity index called the NASDAQ Global High Equity Income Index (the "Index"). The Index employs a rules-based stock selection methodology which uses fundamental screens and a plough-back based weighting methodology to objectively select dividend-paying stocks from the NASDAQ Global Index.

## Performance Summary (%)

| Fund History | 1 Month | 3 Months | YTD | 1 Year | 3 Years | 5 Years | Since Fund Inception |
|---|---|---|---|---|---|---|---|
| FGBL - NAV | 4.78 | 8.26 | 15.64 | 15.64 | 8.03 | N/A | 6.90 |
| GINC - NAV | 4.75 | 8.25 | 15.57 | 15.57 | 8.03 | N/A | 8.59 |
| Index History* | | | | | | | |
| Nasdaq Global High Equity Income NTR Index | 4.80 | 8.42 | 16.36 | 16.36 | 8.67 | N/A | N/A |
| MSCI All Country World NTR Index | 3.52 | 8.95 | 26.60 | 26.60 | 12.44 | N/A | 10.48 |

## 12 Month Performance Periods (%)

| Fund History | Q4 2014 - Q4 2015 | Q4 2015 - Q4 2016 | Q4 2016 - Q4 2017 | Q4 2017 - Q4 2018 | Q4 2018 - Q4 2019 |
|---|---|---|---|---|---|
| FGBL - NAV | N/A | 6.94 | 22.76 | -11.18 | 15.64 |
| GINC - NAV | N/A | N/A | 22.73 | -11.12 | 15.57 |

*Index returns for the "Since Fund Inception" period are based on the FGBL inception date (28 August 2015).

**Past performance is not a reliable indicator of future results.** Fund Performance is shown after fees including re-invested dividends in the base currency of the Fund and does not take into account any currency exposure that may exist against the trading currency of the Fund. Returns may fluctuate with currency fluctuations. Returns for periods less than one year are cumulative; all other performance figures are annualised. The NASDAQ Global High Equity Income Index launched 20 January 2016. Index performance shown from 20 January 2016 shows the actual performance since inception. Actual performance of the Fund may be materially lower than that of the index portfolios.

On 7 October 2016, the Fund's underlying index changed from the NASDAQ AlphaDEX® Global Index to the NASDAQ Global High Equity Income Index. Therefore, the Fund's performance and historical returns shown for the periods prior to this date are not necessarily indicative of the performance that the Fund, based on its current index, would have generated.

The NASDAQ Global High Equity Income Index (the "Index") is a trademark of Nasdaq, Inc. ("Nasdaq") and has been licensed for use by First Trust Portfolios L.P., and sub-licensed for use by First Trust Global Funds PLC. The Fund is not sponsored, endorsed, sold or promoted by Nasdaq and Nasdaq makes no representation or warranty regarding the advisability of investing in the Fund or as to the result to be obtained by any person from use of the Index in connection with the trading of the Fund.

The MSCI ACWI Index is a free float-adjusted market capitalization-weighted index that is designed to measure the equity market performance of developed and emerging markets.

†Distribution rate is a 12-Month Distribution Rate calculated by dividing the sum of the fund's trailing 12-month ordinary distributions paid or declared by the NAV price. Distribution rates may vary.

**Index yield represents the weighted average trailing 12-month dividend of the constituents of the NASDAQ Global High Equity Income Index.

^The Investment Manager has undertaken to waive 0.10% of its annual management fee of 0.70% until 18 May 2020.

## Fund Information

| | |
|---|---|
| Number of Holdings | 291 |
| Maximum Market Cap. | $295,247 |
| Median Market Cap. | $13,427 |
| Minimum Market Cap. | $4,628 |
| Price/Earnings | 10.03 |
| Price/Book | 1.21 |
| Price/Cash Flow | 6.35 |
| Price/Sales | 0.97 |

Market capitalisations, in millions, are expressed in the Fund's base currency.

## Top 10 Holdings

| | % |
|---|---|
| Verizon Communications Inc. | 2.66 |
| Total S.A. | 2.25 |
| Royal Bank of Canada | 2.13 |
| Rio Tinto Plc | 2.07 |
| Rio Tinto Ltd | 1.99 |
| Pfizer Inc. | 1.98 |
| Chevron Corporation | 1.88 |
| Equinor ASA | 1.70 |
| The Toronto-Dominion Bank | 1.70 |
| CK Hutchison Holdings Limited | 1.52 |

## Sector Allocation

| | % |
|---|---|
| Financials | 23.04 |
| Energy | 15.36 |
| Materials | 12.48 |
| Real Estate | 12.15 |
| Industrials | 11.40 |
| Communication Services | 7.82 |
| Consumer Discretionary | 7.39 |
| Utilities | 3.06 |
| Health Care | 2.49 |
| Information Technology | 2.46 |
| Consumer Staples | 2.35 |

## Country Allocation

| | % |
|---|---|
| United States | 16.81 |
| Japan | 13.19 |
| China | 11.38 |
| Hong Kong | 10.59 |
| United Kingdom | 10.22 |
| Canada | 6.22 |
| France | 4.93 |
| Germany | 3.04 |
| Singapore | 2.88 |
| Australia | 2.67 |
| Others | 18.07 |

Top 10 holdings as a percentage of Total Net Assets. References to specific securities should not be construed as a recommendation to buy or sell and should not be assumed profitable.

## Investment Objective

The Fund seeks to provide investors with investment results that correspond generally to the price and yield of an equity index called the NASDAQ Global High Equity Income Index (the "Index").

## Index Description

- The NASDAQ Global High Equity Income Index is a modified market capitalisation weighted index designed by Nasdaq to objectively identify and select stocks from the NASDAQ Global Index.
- The Index begins with the eligible companies in the NASDAQ Global Index, excluding mortgage REITs. Companies are selected based on factors such as liquidity, dividend yield and other quality screens.
- To be eligible for inclusion in the Index, the companies must meet stringent eligibility criteria and exhibit the ability to increase dividends. The following quality screens are also applied:
  - Exclude stocks in the bottom quintile by return on assets.
  - Long term debt to assets less than 75%.
  - Three-year dividend payout ratio less than 90%.
  - Positive free cash flow.
  - One security per issuer is permitted.
- Eligible securities that pass the above screens are selected for inclusion and are weighted by "net income minus dividends paid" or "plough-back", subject to a maximum weight of 3% for developed stocks and 1% for emerging stocks.
- The Index stocks are rebalanced and reconstituted semi-annually.
  - The Index is divided into six separate sub-portfolios, each of which receives 16.67% of the total Index weight. Each sub-portfolio is rebalanced and reconstituted on a separate semi-annual schedule so that one sub-portfolio is rebalanced each calendar month. The sub-portfolios are returned to their ideal weights of 16.67% once a year in December.

## Risks

- **The Fund's shares may change in value and may go down as well as up. You could lose money by investing in the Fund. You may not get back all of the money you invest.**
- The Fund is subject to Market Risk, which means that shares of the Fund may fall in value due to market fluctuations caused by such factors as economic, political, regulatory or market developments, changes in interest rates and perceived trends in securities prices.
- There may be tracking difference between the Fund and the underlying index due to the impact of annual Fund management fees. Therefore the Fund's return may not match the return of the NASDAQ Global High Equity Income Index.
- The Fund's holdings may be issued by companies concentrated in a particular industry or country.
- The Fund may invest in small capitalisation and mid capitalisation companies. Such companies may experience greater price volatility than larger, more established companies.
- As the Fund's investments may be denominated in currencies other than the Fund's currency, an investment in this Fund may expose you to currency risk.
- This Fund's Net Asset Value (NAV) is likely to have high volatility due to the portfolio composition and/or the index replication technique. As such, potential investors should be aware that the Fund's shares may change in value, and may do so in a volatile fashion; potential investors could lose money by investing in the Fund.
- Neither First Trust Global Portfolios Limited ("FTGP") nor any of its affiliates, guarantees the performance or the future returns of the Fund.
- For more details relating to risks of investing in the Fund, please refer to the "Risk Factors" section of the Fund's prospectus.
- There is no guarantee that the Fund will declare dividends.

## Important Information

This financial promotion is issued by FTGP of 8 Angel Court, London, EC2R7HJ. FTGP is authorised and regulated by the UK Financial Conduct Authority ("FCA") (FRN:583261). The Fund is not regulated by the FCA.

Nothing contained herein constitutes investment, legal, tax or other advice and it is not to be solely relied on in making an investment or other decision, nor does the document implicitly or explicitly recommend or suggest an investment strategy, reach conclusions in relation to an investment strategy for the reader, or provide any opinions as to the present or future value or price of any fund. It is not an invitation, offer, or solicitation to engage in any investment activity, including making an investment in the Fund, nor does the information, recommendations or opinions expressed herein constitute an offer for sale of the Fund.

The Fund is an open-ended sub-fund of the First Trust Global Funds PLC (the "Company"), an umbrella UCITS fund with segregated liability between sub-funds, incorporated with limited liability as an investment company with variable capital under the laws of Ireland with UCITS registered number 514357.

The material in this document is not comprehensive and must therefore be read in conjunction with the Fund's prospectus, which contains material information not contained herein, including the terms of investment and information regarding investment risks and restrictions, fees and expenses and conflicts of interests. Potential investors should pay particular attention to the risk disclosures in the "Risk Factors" section of the Fund's prospectus. No assurance can be given that the Fund's investment objective will be achieved or that the Fund will generate a positive return. Contact FTGP or visit **www.ftglobalportfolios.com** to obtain a Prospectus and/or Key Investor Information Document (available in English).

Shares of the Fund are not available for sale in any state or jurisdiction in which such sale would be prohibited. The shares of the Fund have not been registered under the US Securities Act of 1933, as amended, and the Fund is not registered under the US Investment Company Act of 1940, as amended. Neither this material nor the Fund's shares are available to or suitable for US persons.

UCITS ETF's units / shares purchased on the secondary market cannot usually be sold directly back to UCITS ETF. Investors must buy and sell units / shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying units / shares and may receive less than the current net asset value when selling them.

**Portfolio Holdings Disclosure Policy:**
The Company's portfolio holdings policy is designed to be transparent, whilst being in the best interest of the Funds and protecting the confidentiality of each Fund's portfolio holdings. The full portfolio holdings for the Fund shall generally be available daily, with a one-day lag, on www.ftglobalportfolios.com. Any portfolio holdings information which may otherwise be provided on request shall be provided on a confidential basis.