The Individual Investor's Guide to Exchange-Traded Funds 2015

By AAII Staff

Article Highlights

- Return, expense and portfolio composition information on 461 ETFs and ETNs in the print version and 1,752 funds on AAII.com.
- More than $2 trillion is invested in ETFs, nearly double the amount from just three years ago, leading to more niche funds.
- Even with the industry's strong growth, a significant amount of investment dollars continues to be directed to a small number of funds and managed by just three fund families.

The exchange-traded fund (ETF) industry has crossed the $2 trillion mark for assets under management (AUM).

As of June 30, 2015, $2.12 trillion was invested in exchange-traded funds and exchange-traded notes (ETNs). (We refer to both as ETFs unless specifically stated otherwise.) To put this number in perspective, just three years ago, AUM totaled $1.163 trillion. Yes, those numbers are correct: The dollars invested in U.S.-listed ETFs have nearly doubled since 2012.

With this growth has come more and more alternative index-based strategies. Among the 133 ETFs started during the first six months of 2015, over 20 have the word "hedge" in their name. Right near the end of June, iShares launched 11 currency hedged funds. These ETFs are intended to give investors exposure to the markets of foreign countries while smoothing out the impact of currency fluctuations.

We're also noticing a tendency for leveraged funds to become more specialized. This year, both Direxion and ProShares launched new ETFs targeting industries such as oil and gas and biotechnology. These new funds seek to return 300% of the daily move of the sectors they track.

Specialty strategies such as these are launched in response to perceived demand among institutional investors. Though they are available for purchase by individual investors, we don't see a good reason to buy them. For example, an ETF designed to track a widely followed, broad international index has less risk and a lower expense ratio than a currency hedged Italian or Australian fund does.

The dollar amounts invested

Table 1. The 15 Largest ETFs

ETF Name (Ticker)	Total Assets ($ Mil)	Expense Ratio (%)
SPDR S&P 500 ETF (SPY)	170,512	0.09
iShares Core S&P 500 (IVV)	67,702	0.07
iShares MSCI EAFE (EFA)	60,941	0.33
Vanguard Total Stock Market ETF (VTI)	56,152	0.05
Vanguard FTSE Emerging Markets ETF (VWO)	47,664	0.15
PowerShares QQQ ETF (QQQ)	38,792	0.20
Vanguard S&P 500 ETF (VOO)	32,282	0.05
iShares Russell 2000 (IWM)	29,690	0.20
iShares MSCI Emerging Markets (EEM)	29,584	0.68
iShares Russell 1000 Growth (IWF)	29,439	0.20
Vanguard FTSE Developed Markets ETF (VEA)	27,825	0.09
Vanguard Total Bond Market ETF (BND)	26,989	0.07
iShares Core S&P Mid-Cap (IJH)	26,915	0.12
SPDR Gold Shares (GLD)	26,774	0.40
iShares Russell 1000 Value (IWD)	25,922	0.20

Source: Morningstar, Inc. Data as of June 30, 2015.

in the newer ETFs support our assumptions. Extending the time period to the last full 12 months, only 29 out of the 236 ETFs to have launched have in excess of $100 million in assets. In other words, the new specialty funds are not attracting broad audiences.

Nonetheless, the ETF industry continues to look to the fringes of index strategies to create new products to sell. Many of these strategies are being marketed or grouped under the "smart beta" (aka "strategic beta") moniker. These are funds based on non-market-capitalization-weighted indexes. Whereas broad indexes, such as the S&P 500 index, assign the largest weightings to the company with the biggest market capitalization and the lowest weighting to the companies with the smallest market capitalization (called market-cap weighting), smart beta indexes may weight companies equally or weight them based on fundamental or price volatility factors.

It's hard to properly assess how popular smart beta ETFs have become because there is no standard definition of what smart beta truly is. Plus, smart beta funds don't have "smart beta" in their names. Rather, equity-based funds not using market-cap weighting are being grouped under the smart beta umbrella, rightly or wrongly. In early June, FactSet released a report saying that nearly half of ETFs currently on the market were smart beta. They estimated that these funds control 25% of the industry's AUM.

What all of the above trends show is the continued difficulty ETF providers are having coming up with new ideas. The traditional index strategies (e.g. the S&P 500, the Russell 2000, etc.) have been fully exploited. We have seen fund families take advantage of many of the better-known return anomalies for stocks, including value, small-size, low beta, momentum and

Table 2. Exchange-Traded Funds

Index	Enhanced	ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Risk Index Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
			Large-Cap Stock Category Average	**0.9**	**12.9**	**32.9**	**15.0**	**2.5**	**16.0**	**6.7**	**6.9**	**17.1**	**17.2**	**233.3**	**(50.6)**	**1.7**	**0.6**	**1.00**	**1.03**	**4,023**	**1,073**	**100**	**0**	**0**	**0**	**2.4**	**27**	**446**	**26**	**0.39**
I			ALPS Sector Dividend Dogs ETF (SDOG)	(2.0)	15.0	34.3	—	—	—	1.3	1.4	17.1	—	—	—	3.6	1.5	1.03	1.07	1,198	107	96	0	4	0	4.7	—	50	23	0.40
I			Fidelity Nasdaq Composite Tr Stk ETF (ONEQ)	5.8	14.6	39.7	17.2	(1.0)	17.8	14.4	14.6	20.6	20.0	283.9	(51.1)	0.9	0.5	1.11	1.14	587	18	100	0	0	0	6.1	7	1,930	32	0.21
I			First Trust Large Cap Core AlphaDEX ETF (FEX)	1.1	12.3	35.8	14.4	(0.2)	20.6	4.9	4.7	18.8	17.0	256.4	(52.5)	1.2	0.5	1.02	1.06	1,887	301	100	0	0	0	1.4	—	378	5	0.64
I			First Trust Large Cap Gr AlphaDEX ETF (FTC)	4.6	14.5	37.7	10.0	(2.7)	23.6	11.4	11.6	20.3	17.7	224.5	(50.4)	0.7	0.3	1.08	1.10	597	50	100	0	0	0	2.5	—	183	10	0.65
I			First Trust Large Cap Val AlphaDEX ETF (FTA)	(2.0)	10.9	33.9	17.3	1.4	18.5	(0.7)	(0.8)	17.3	16.1	279.1	(54.5)	1.8	0.7	1.10	1.13	1,215	77	100	0	0	0	0.5	—	196	10	0.64
I			First Trust Morningstar Div Leaders ETF (FDL)	(3.0)	12.9	22.8	9.2	14.4	16.0	(0.7)	(0.6)	10.7	15.4	232.1	(58.6)	3.7	1.5	0.98	1.00	858	150	100	0	0	0	0.1	40	99	61	0.45
I			First Trust NASDAQ-100 Equal Wtd ETF (QQEW)	2.4	19.1	40.0	14.9	(2.8)	21.2	12.9	12.9	21.5	19.6	304.2	(53.3)	0.7	0.4	1.22	1.25	647	73	100	0	0	0	8.8	—	108	10	0.60
I			First Trust US IPO ETF (FPX)	8.6	11.9	48.0	30.0	3.1	18.3	14.0	14.1	27.2	24.9	371.0	(51.4)	0.6	0.3	1.24	1.28	774	114	100	0	0	0	8.4	46	101	45	0.60
I			First Trust Value Line Dividend ETF (FVD)	(2.1)	15.9	26.6	11.2	9.1	16.0	4.6	4.5	14.5	15.8	204.3	(43.1)	2.3	1.1	0.95	0.97	1,167	161	100	0	0	0	13.3	63	196	5	0.70
I			FlexShares Quality Dividend ETF (QDF)	4.0	12.0	35.7	—	—	—	8.9	5.0	—	—	—	—	2.8	—	—	—	663	49	99	0	0	1	0.5	67	225	27	0.37
I			Guggenheim Russell Top 50 Mega Cap ETF (XLG)	0.9	11.4	28.8	15.4	4.2	9.2	7.1	7.2	14.5	15.9	180.3	(48.4)	2.1	0.9	0.98	1.00	495	11	100	0	0	0	1.4	6	52	37	0.20
I			Guggenheim S&P 500 Equal Weight ETF (RSP)	0.5	14.0	35.6	17.0	(0.5)	21.3	5.7	5.6	19.1	17.9	289.8	(54.3)	1.6	0.6	1.01	1.03	11,067	1,108	93	0	7	0	1.4	18	501	2	0.40
I			Guggenheim S&P 500 Pure Growth ETF (RPG)	2.5	13.9	43.3	15.0	0.4	27.1	5.7	5.6	20.7	21.2	323.7	(49.2)	0.6	0.3	1.15	1.19	2,152	106	100	0	0	0	4.7	46	106	20	0.35
I			Guggenheim S&P 500 Pure Value ETF (RPV)	(1.3)	12.3	47.5	25.0	(1.2)	22.5	0.6	0.5	24.3	19.9	477.3	(68.3)	2.0	0.7	1.30	1.33	949	97	99	0	1	0	1.1	25	119	18	0.35
I			iShares Core High Dividend (HDV)	(2.0)	12.6	23.6	9.7	—	—	1.2	1.2	11.2	—	—	—	3.7	1.0	1.00	1.02	4,443	287	100	0	0	0	0.0	47	76	59	0.12
I			iShares Core S&P 500 (IVV)	1.2	13.6	32.3	15.9	2.0	15.0	7.4	7.3	17.2	17.3	219.4	(50.8)	2.0	0.6	0.95	0.97	67,702	3,310	100	0	0	0	1.3	4	504	17	0.07
I			iShares Core S&P Total US Stock Mkt (ITOT)	1.5	13.0	32.7	16.0	1.5	16.1	7.2	7.3	17.4	17.3	223.2	(50.8)	1.8	0.5	0.95	0.98	2,394	145	100	0	0	0	1.2	4	1,507	15	0.07
I			iShares Core US Growth (IUSG)	4.3	12.3	33.9	15.0	1.9	17.4	10.7	10.8	18.0	18.4	236.5	(48.3)	1.3	0.4	0.99	1.01	683	60	100	0	0	0	1.2	13	1,813	20	0.09
I			iShares Core US Value (IUSV)	(0.5)	12.5	32.3	17.3	(0.3)	16.0	3.8	3.8	17.0	16.1	214.0	(54.1)	2.0	0.6	0.99	1.01	890	24	99	0	0	0	1.4	13	2,008	21	0.09
I			iShares Dow Jones US (IYY)	1.6	12.7	32.7	16.1	1.1	16.4	7.0	7.1	17.3	17.3	224.2	(50.8)	1.8	0.5	0.95	0.98	959	21	100	0	0	0	1.5	5	1,251	15	0.20
I			iShares Morningstar Large-Cap (JKD)	(1.5)	16.9	34.1	17.3	3.2	12.7	7.9	8.2	18.0	17.6	221.3	(47.2)	1.9	0.6	0.99	1.02	633	15	100	0	0	0	0.0	35	92	38	0.20
I			iShares Morningstar Large-Cap Growth (JKE)	5.5	14.1	32.1	17.7	1.3	12.6	12.3	12.3	18.3	19.1	234.3	(49.5)	0.9	0.3	1.03	1.06	747	31	100	0	0	0	3.1	23	105	37	0.25
I			iShares MSCI USA Minimum Volatility (USMV)	0.6	16.3	25.1	11.0	—	—	10.4	10.4	14.2	—	—	—	1.9	0.7	0.89	0.92	4,870	891	100	0	0	0	0.3	24	165	14	0.15
I			iShares MSCI USA Momentum Factor (MTUM)	5.8	14.5	—	—	—	—	14.3	14.3	—	—	—	—	1.2	—	—	—	650	24	100	0	0	0	4.7	123	125	39	0.15
I			iShares MSCI USA Quality Factor (QUAL)	2.3	11.6	—	—	—	—	10.2	10.2	—	—	—	—	1.5	—	—	—	1,048	30	100	0	0	0	0.6	27	126	37	0.15
I			iShares MSCI USA Value Factor (VLUE)	0.4	12.3	—	—	—	—	5.3	5.6	—	—	—	—	1.8	—	—	—	697	3	100	0	0	0	1.2	8	639	21	0.15
I			iShares Russell 1000 (IWB)	1.6	13.1	32.9	16.3	1.4	15.9	7.2	7.3	17.6	17.4	225.1	(51.0)	1.7	0.5	0.95	0.97	11,302	591	99	0	0	0	1.3	5	1,032	15	0.15
I			iShares Russell 1000 Growth (IWF)	3.9	12.8	33.2	15.0	2.5	16.5	10.4	10.4	17.8	18.4	233.4	(48.0)	1.3	0.4	0.98	1.00	29,439	1,188	100	0	0	0	1.2	13	647	21	0.20
I			iShares Russell 1000 Value (IWD)	(0.7)	13.2	32.2	17.3	0.2	15.3	3.9	4.0	17.1	16.3	213.9	(54.3)	2.1	0.6	0.98	1.00	25,922	1,280	99	0	0	0	1.4	13	686	23	0.20
I			iShares Russell 3000 (IWV)	1.9	12.4	33.3	16.2	0.9	16.7	7.1	7.1	17.5	17.3	226.0	(51.1)	1.7	0.5	0.96	0.98	6,240	181	100	0	0	0	1.3	5	3,010	14	0.20
I			iShares Russell Top 200 Growth (IWY)	3.8	13.3	32.3	14.8	4.4	13.0	10.9	10.8	17.3	18.4	—	—	1.5	0.4	0.96	0.99	591	26	100	0	0	0	1.2	10	138	31	0.20
I			iShares S&P 100 (OEF)	1.0	12.5	30.1	15.8	3.0	12.3	7.1	7.1	15.7	16.6	197.5	(50.0)	2.1	0.6	0.96	0.98	4,157	614	100	0	0	0	1.1	6	104	28	0.20
I			iShares S&P 500 Growth (IVW)	2.7	14.7	32.5	14.4	4.5	14.8	9.9	9.8	17.6	18.4	223.2	(45.2)	1.4	0.4	0.96	0.99	12,691	710	100	0	0	0	1.8	26	327	25	0.18
I			iShares S&P 500 Value (IVE)	(0.5)	12.1	31.7	17.5	(0.6)	14.9	4.4	4.5	16.6	15.8	212.2	(56.5)	2.3	0.7	0.98	1.01	8,365	731	100	0	0	0	0.8	25	364	26	0.18
I			Market Vectors Mstar Wide Moat ETF (MOAT)	(1.3)	9.3	30.9	—	—	—	1.4	1.4	16.4	—	—	—	1.4	0.4	1.15	1.19	863	113	100	0	0	0	0.0	15	20	52	0.49
I			PowerShares Buyback Achievers ETF (PKW)	1.7	11.6	45.6	13.8	10.0	18.0	9.0	8.9	20.4	20.5	289.8	(49.2)	0.5	0.3	1.11	1.14	2,899	230	100	0	0	0	0.2	68	212	35	0.68
I			PowerShares Dynamic Large Cap Value ETF (PWV)	(1.5)	12.3	32.7	16.2	6.3	13.4	2.6	2.6	16.2	16.7	200.6	(43.2)	2.1	0.9	1.00	1.02	1,059	85	100	0	0	0	1.4	82	51	34	0.57
I			PowerShares FTSE RAFI US 1000 ETF (PRF)	0.0	10.2	35.1	16.8	(0.3)	19.5	3.4	3.3	17.4	16.6	271.7	(55.4)	0.8	0.5	0.99	1.02	4,516	140	100	0	0	0	1.1	10	1,004	18	0.39
I			PowerShares QQQ ETF (QQQ)	4.3	19.1	36.6	18.1	3.4	19.9	15.3	15.2	20.2	21.5	315.4	(49.7)	1.1	0.6	1.15	1.18	38,792	26,229	100	0	0	0	4.5	5	108	47	0.20
I			PowerShares S&P 500 High Dividend ETF (SPHD)	(1.9)	19.8	20.9	—	—	—	4.1	4.1	—	—	—	—	3.5	—	—	—	519	128	100	0	0	0	0.0	—	50	27	0.30
I			PowerShares S&P 500 High Quality ETF (SPHQ)	(0.2)	16.1	32.0	14.6	6.2	20.6	9.4	9.3	17.5	18.0	184.6	(53.9)	1.8	0.8	0.96	0.99	506	72	100	0	0	0	0.0	18	134	13	0.29
I			PowerShares S&P 500 Low Volatility ETF (SPLV)	(2.2)	17.2	23.3	10.0	—	—	5.6	5.5	12.9	—	—	—	2.4	1.1	0.97	1.00	4,656	1,151	100	0	0	0	1.1	—	100	12	0.25
I			ProShares S&P 500 Dividend Aristocrats (NOBL)	(0.8)	15.4	—	—	—	—	8.9	8.7	—	—	—	—	1.9	—	—	—	761	97	100	0	0	0	0.0	—	53	21	0.35
I			Schwab Fundamental US Large Company ETF (FNDX)	(0.5)	12.3	—	—	—	—	4.3	4.6	—	—	—	—	1.7	—	—	—	686	238	99	0	1	0	0.6	10	644	19	0.32
I			Schwab US Broad Market ETF (SCHB)	1.9	12.7	33.4	16.2	1.4	17.1	7.3	7.2	17.7	17.6	—	—	1.8	0.8	0.96	0.98	5,043	473	100	0	0	0	1.4	4	2,012	14	0.04
I			Schwab US Dividend Equity ETF (SCHD)	(2.5)	11.7	32.9	11.4	—	—	2.9	2.9	14.5	—	—	—	2.9	1.2	0.98	1.00	2,680	392	100	0	0	0	0.0	26	102	42	0.07
I			Schwab US Large-Cap ETF (SCHX)	1.5	13.3	32.5	16.1	1.6	15.9	7.3	7.3	17.4	17.3	—	—	1.9	0.8	0.95	0.97	4,480	436	100	0	0	0	1.5	5	736	16	0.04
I			Schwab US Large-Cap Growth ETF (SCHG)	4.3	15.7	34.0	17.0	(0.7)	16.8	12.0	11.9	19.6	19.0	—	—	1.2	0.5	0.96	0.99	2,174	254	100	0	0	0	2.1	7	398	23	0.07
I			Schwab US Large-Cap Value ETF (SCHV)	(1.1)	11.0	31.0	15.1	3.6	14.9	3.0	3.0	15.2	15.7	—	—	2.6	1.1	0.99	1.01	1,390	146	100	0	0	0	0.9	9	347	26	0.07
I			SPDR Dow Jones Industrial Average ETF (DIA)	(0.1)	9.9	29.4	10.0	8.2	13.9	7.1	7.0	13.6	15.2	191.0	(47.2)	2.2	1.0	1.00	1.03	11,037	5,058	100	0	0	0	0.0	0	31	51	0.17
I			SPDR S&P 500 ETF (SPY)	1.2	13.5	32.2	15.8	2.1	14.9	7.3	7.2	17.2	17.2	218.5	(50.8)	2.0	0.8	0.93	0.97	170,512	115,238	100	0	0	0	1.3	4	503	17	0.09
I			SPDR S&P 500 Growth ETF (SPYG)	2.7	14.6	32.4	14.3	4.5	16.3	9.9	10.1	17.5	18.7	240.4	(47.5)	1.5	0.7	0.96	0.99	557	29	100	0	0	0	1.8	23	325	25	0.15
I			SPDR S&P Dividend ETF (SDY)	(2.1)	13.8	30.1	11.5	7.3	16.4	4.5	4.4	15.5	15.2	220.2	(45.4)	2.4	1.5	1.01	1.03	12,926	609	100	0	0	0	1.0	33	101	19	0.35
I			Vanguard Dividend Appreciation ETF (VIG)	(2.1)	10.1	29.0	11.6	6.2	14.7	3.1	3.0	13.9	14.8	173.3	(40.9)	2.2	0.8	1.03	1.06	19,799	612	100	0	0	0	0.8	20	186	35	0.10
I			Vanguard Growth ETF (VUG)	3.2	13.6	32.4	17.0	1.9	17.1	9.6	9.6	17.9	18.7	234.5	(47.1)	1.3	0.5	1.01	1.03	18,828	692	100	0	0	0	1.9	9	360	23	0.09
I			Vanguard High Dividend Yield ETF (VYM)	(0.6)	13.5	30.3	12.7	10.5	14.2	4.6	4.6	15.3	17.3	226.5	(51.7)	3.1	1.1	0.96	0.98	10,875	515	100	0	0	0	0.9	12	438	30	0.10

yield. We've also seen ETF providers establish firm footholds in the bond and commodities space. This is forcing ETF providers to come up with more and more exotic strategies to grab and/or maintain market share. It's a trend we've pointed out previously and one we expect we will discuss in the future.

Some of these strategies may work. Others will flop, or at least not justify their higher expense ratios. We think investors would be wise to take the advice given by Warren Buffett in this year's letter to Berkshire Hathaway shareholders: "Whatever their [bankers'] line, never forget that 2+2 will always equal 4. And when someone tells you how old-fashioned that math is—zip up your wallet."

The Big Stay Big

Despite the introduction of new strategies, a significant portion of ETF assets still go to a relatively small number of funds and fund families. The 15 largest funds collectively control $0.33 out of every dollar invested in ETFs. The concentration increases as total assets rise. The five largest funds control $0.19 out of every dollar invested in ETFs. Eight cents out every ETF dollar is controlled by the largest fund, SPDR S&P 500 (SPY). The share of total ETF dollars going to the largest funds is trending slowly downward ($0.35 out every dollar went to the top 15 ETFs last year), but it remains very large, as Table 1 on page 7 shows.

Only one fund from last year's Top 15 list failed to make this year's list: Vanguard REIT Index ETF (VNQ). The fund is now the 17th largest ETF, ranked lower in part due to a 6.2% decline during the first half of 2015. Entering the Top 15 List this year is the Vanguard S&P 500 ETF (VOO). The fund's AUM of $32.3 billion ranks it as the 7th largest ETF.

Table 2. Exchange-Traded Funds (con't)

Index / Enhanced / ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Risk Index Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
I	Vanguard Large-Cap ETF (VV)	1.5	13.4	32.7	16.1	1.6	15.8	7.4	7.3	17.5	17.4	222.7	(50.4)	1.9	0.7	0.93	0.97	5,925	150	100	0	0	0	1.4	3	653	16	0.09
I	Vanguard Mega Cap ETF (MGC)	1.1	13.3	32.1	16.1	2.3	13.8	7.1	7.1	17.0	17.2	211.9	—	1.9	0.7	0.93	0.97	1,026	29	100	0	0	0	1.2	6	302	20	0.11
I	Vanguard Mega Cap Growth ETF (MGK)	2.8	13.7	32.5	17.2	3.0	14.7	9.5	9.5	17.7	18.6	227.4	—	1.3	0.5	1.01	1.05	1,941	99	100	0	0	0	2.1	11	150	29	0.11
I	Vanguard Mega Cap Value ETF (MGV)	(0.2)	13.0	32.1	14.9	1.5	13.0	5.2	5.3	16.5	15.9	199.9	—	2.4	0.9	0.96	0.99	988	58	100	0	0	0	0.4	8	160	30	0.11
I	Vanguard Russell 1000 ETF (VONE)	1.6	13.1	32.9	16.3	1.4	—	7.2	7.2	17.6	—	—	—	1.7	0.6	0.95	0.97	496	32	100	0	0	0	1.2	7	1,039	15	0.12
I	Vanguard S&P 500 ETF (VOO)	1.2	13.6	32.3	16.0	2.1	—	7.4	7.4	17.3	—	—	—	2.0	0.7	0.95	0.97	32,282	1,478	100	0	0	0	1.3	3	509	17	0.05
I	Vanguard S&P 500 Growth ETF (VOOG)	2.7	14.7	32.6	14.4	4.4	—	9.9	10.1	17.6	—	—	—	1.5	0.5	0.96	0.99	541	20	100	0	0	0	1.8	23	327	25	0.15
I	Vanguard Total Stock Market ETF (VTI)	1.9	12.6	33.5	16.4	1.1	17.3	7.2	7.2	17.7	17.6	231.2	(50.8)	1.9	0.7	0.96	0.99	56,152	2,466	100	0	0	0	1.3	3	3,827	14	0.05
I	Vanguard Value ETF (VTV)	(0.1)	13.2	33.0	15.2	1.2	14.4	5.5	5.4	17.1	16.2	213.0	(53.9)	2.4	0.9	0.96	0.99	18,279	810	100	0	0	0	0.8	6	317	26	0.09
I	WisdomTree Dividend ex-Financials ETF (DTN)	(2.7)	15.1	27.6	11.8	11.9	21.4	2.8	2.9	14.8	17.4	274.3	(57.1)	3.4	1.4	0.91	0.93	1,111	76	100	0	0	0	0.0	—	84	18	0.38
I	WisdomTree Equity Income ETF (DHS)	(2.0)	15.1	24.4	11.3	13.9	17.6	3.3	3.3	12.7	16.8	261.1	(62.0)	3.2	1.4	0.91	0.93	980	51	100	0	0	0	0.0	—	433	39	0.38
I	WisdomTree LargeCap Dividend ETF (DLN)	(0.9)	14.1	27.4	12.9	9.5	15.0	5.1	5.0	14.4	16.8	215.3	(53.3)	2.6	1.1	0.91	0.94	1,816	114	100	0	0	0	0.0	—	298	27	0.28
I	WisdomTree Total Dividend ETF (DTD)	(0.8)	14.1	28.0	13.1	8.6	16.2	4.9	5.0	14.8	16.9	225.6	(53.4)	2.6	1.1	0.91	0.93	523	22	100	0	0	0	0.0	—	950	23	0.28
	Mid-Cap Stock Category Average	2.7	10.0	35.6	15.8	(0.7)	24.3	5.5	5.5	18.3	17.3	263.7	(52.8)	1.7	0.5	1.00	1.17	1,975	126	99	0	1	0	2.6	61	357	18	0.40
I	First Trust Dorsey Wright Focus 5 ETF (FV)	11.1	—	—	—	—	—	23.6	23.5	—	—	—	—	0.1	—	—	—	3,770	1,442	100	0	0	0	1.8	—	6	100	0.94
I	First Trust Mid Cap Core AlphaDEX ETF (FNX)	2.5	5.6	37.5	14.2	0.8	27.0	1.8	1.8	17.2	17.0	276.5	(49.0)	0.9	0.4	1.08	1.26	1,010	108	100	0	0	0	0.3	—	300	7	0.67
I	FlexShares Mstar US Mkt Factors Tilt ETF (TILT)	2.7	9.9	35.8	16.4	—	—	6.5	5.4	17.9	—	—	—	1.3	0.3	0.94	1.09	783	9	99	0	0	1	1.2	25	2,248	12	0.27
I	Guggenheim Multi-Asset Income ETF (CVY)	(3.7)	(4.2)	19.6	13.1	7.6	17.6	(14.7)	(14.8)	5.4	9.8	202.1	(57.8)	6.4	2.3	0.94	1.09	755	134	82	9	11	(2)	17.1	180	149	11	0.84
I	Guggenheim S&P MidCap 400 Pure Gr ETF (RFG)	8.8	(0.3)	35.7	16.9	0.4	34.7	6.1	6.2	17.0	19.0	328.6	(46.9)	0.6	0.3	1.17	1.36	766	30	99	0	1	0	0.0	75	88	22	0.35
I	Guggenheim Spin-Off ETF (CSD)	2.3	1.4	51.8	27.0	3.8	21.9	0.6	0.7	20.9	20.4	366.6	(63.0)	1.6	0.3	1.30	1.52	519	41	99	0	1	0	12.3	81	40	46	0.66
I	iShares Core S&P Mid-Cap (IJH)	4.2	9.6	33.4	17.8	(1.9)	26.4	6.3	6.3	18.5	17.7	264.2	(49.2)	1.4	0.4	1.00	1.16	26,915	1,271	100	0	0	0	0.1	15	401	6	0.12
I	iShares Morningstar Mid-Cap (JKG)	2.9	15.6	32.5	17.7	2.1	26.1	8.6	8.5	19.6	19.7	296.9	(52.5)	1.4	0.4	0.92	1.08	528	11	100	0	0	0	0.4	50	218	10	0.25
I	iShares Russell Mid-Cap (IWR)	2.3	13.0	34.5	17.1	(1.7)	25.3	6.5	6.3	19.1	18.0	277.1	(53.6)	1.4	0.4	0.90	1.06	12,853	248	99	0	1	0	1.2	10	832	4	0.20
I	iShares Russell Mid-Cap Growth (IWP)	4.1	11.7	35.4	15.6	(1.8)	26.1	9.3	9.2	19.0	18.5	272.7	(52.9)	1.0	0.3	0.96	1.13	6,231	297	100	0	0	0	1.4	20	511	8	0.25
I	iShares Russell Mid-Cap Value (IWS)	0.3	14.5	33.1	18.3	(1.5)	24.5	3.5	3.5	18.9	17.5	278.1	(54.6)	1.8	0.6	0.89	1.05	7,025	444	99	0	1	0	1.0	22	557	7	0.25
I	iShares S&P Mid-Cap 400 Growth (IJK)	6.4	7.4	32.5	17.1	(1.2)	30.3	8.9	9.0	18.2	18.1	271.7	(48.2)	1.0	0.3	1.01	1.17	5,590	111	100	0	0	0	0.0	50	222	12	0.25
I	iShares S&P Mid-Cap 400 Value (IJJ)	1.5	11.9	34.0	18.3	(2.6)	22.5	3.4	3.3	18.5	17.0	253.0	(50.4)	1.7	0.5	1.03	1.20	4,224	75	100	0	0	0	0.2	42	303	10	0.25
I	iShares Select Dividend (DVY)	(3.8)	14.9	28.7	10.5	11.9	17.7	0.8	0.8	13.9	16.1	220.9	(54.8)	3.3	0.9	0.89	1.05	13,869	805	100	0	0	0	2.1	22	102	22	0.39
I	PowerShares DWA Momentum ETF (PDP)	5.2	12.1	31.8	17.9	1.8	26.4	10.8	10.8	18.3	19.0	258.7	(55.5)	0.4	0.2	0.87	1.02	2,002	170	100	0	0	0	1.9	73	107	24	0.65
I	PowerShares High Yld Eq Div Achiev ETF (PEY)	(0.5)	17.9	30.4	6.5	8.7	20.6	6.5	6.6	16.3	15.9	254.8	(64.2)	3.3	1.5	0.90	1.06	513	147	100	0	0	0	0.0	45	50	27	0.55
I	Schwab US Mid-Cap ETF (SCHM)	5.5	10.2	36.4	17.4	—	—	7.5	7.4	20.2	—	—	—	1.3	0.6	0.99	1.15	1,884	196	100	0	0	0	0.6	9	496	6	0.07
I	SPDR S&P MidCap 400 ETF (MDY)	4.1	9.4	33.1	17.6	(2.0)	26.2	6.1	6.1	18.2	17.5	259.9	(49.5)	1.2	0.5	0.99	1.16	16,254	1,513	100	0	0	0	0.1	17	400	6	0.25
I	Vanguard Extended Market ETF (VXF)	4.8	7.6	38.4	18.5	(3.6)	27.5	6.2	6.2	19.3	18.3	280.1	(52.7)	1.3	0.5	1.05	1.23	4,465	191	99	0	0	1	2.3	9	3,317	5	0.10
I	Vanguard Mid-Cap ETF (VO)	3.1	13.8	35.2	16.0	(2.0)	25.6	8.6	8.8	19.7	18.2	277.9	(53.5)	1.3	0.4	0.90	1.06	12,233	311	100	0	0	0	2.3	11	370	7	0.09
I	Vanguard Mid-Cap Growth ETF (VOT)	4.9	13.5	32.2	15.9	(3.7)	29.1	11.4	11.5	19.1	18.6	266.4	(54.3)	0.8	0.2	0.97	1.13	3,562	124	99	0	0	1	1.0	17	177	12	0.09
I	Vanguard Mid-Cap Value ETF (VOE)	1.3	14.0	37.7	16.0	(0.3)	21.8	5.9	5.9	20.1	17.8	286.5	(53.1)	1.7	0.6	0.89	1.05	4,003	177	100	0	0	0	3.4	14	210	11	0.09
I	WisdomTree MidCap Dividend ETF (DON)	(0.3)	15.3	33.0	14.8	5.1	21.7	3.8	3.8	18.0	17.7	299.3	(53.5)	2.6	1.1	0.91	1.07	1,565	76	100	0	0	0	0.0	—	403	9	0.38
I	WisdomTree MidCap Earnings ETF (EZM)	3.0	8.4	40.2	17.8	1.4	25.5	3.9	4.0	20.8	18.8	328.5	(50.6)	1.2	0.5	1.10	1.27	774	20	100	0	0	0	0.1	—	616	6	0.38
	Small-Cap Stock Category Average	3.4	5.3	39.7	17.0	(1.9)	26.5	4.8	4.9	17.8	17.7	295.7	(53.9)	1.3	0.5	1.00	1.38	1,886	646	99	0	0	0	1.4	32	656	11	0.30
I	First Trust Small Cap Core AlphaDEX ETF (FYX)	2.3	1.3	43.2	15.4	(0.1)	26.9	2.3	2.4	17.4	17.0	290.2	(53.8)	0.7	0.3	1.08	1.49	719	64	100	0	0	0	0.7	—	449	5	0.67
I	Guggenheim S&P MidCap 400 Pure Val ETF (RFV)	1.1	8.4	38.3	19.0	(5.5)	22.5	2.9	2.7	19.3	16.7	378.2	(63.5)	1.4	0.5	1.02	1.41	120	5	100	0	0	0	0.9	40	109	19	0.37
I	Guggenheim S&P SmallCap 600 PureVal ETF (RZV)	1.6	2.7	45.1	21.3	(7.8)	28.1	1.5	1.3	20.3	17.0	468.4	(67.1)	1.1	0.4	1.28	1.76	176	8	97	0	3	0	0.8	51	157	14	0.36
I	iShares Core S&P Small-Cap (IJR)	4.2	5.7	41.4	16.3	0.9	26.1	6.7	6.6	18.8	18.4	275.6	(51.3)	1.3	0.4	0.98	1.35	16,879	650	100	0	0	0	0.3	14	604	5	0.12
I	iShares Morningstar Small-Cap Value (JKL)	(1.4)	9.8	35.4	18.1	(2.1)	25.6	1.0	1.2	16.8	16.4	304.8	(53.0)	2.7	0.7	0.97	1.33	422	10	100	0	0	0	0.9	52	250	8	0.30
I	iShares Russell 2000 (IWM)	4.8	4.9	38.8	16.4	(4.2)	26.8	6.6	6.5	17.9	17.1	251.1	(51.9)	1.3	0.4	1.02	1.41	29,690	30,444	100	0	0	0	1.1	19	1,984	2	0.20
I	iShares Russell 2000 Growth (IWO)	8.8	5.7	43.4	14.7	(2.9)	29.1	12.5	12.5	20.3	19.4	285.0	(52.2)	0.7	0.3	1.08	1.49	7,253	791	100	0	0	0	0.8	30	1,168	4	0.25
I	iShares Russell 2000 Value (IWN)	0.7	4.1	34.3	17.9	(5.6)	24.3	0.7	0.7	15.4	14.7	217.5	(51.7)	1.9	0.6	1.01	1.39	6,093	972	100	0	0	0	1.5	26	1,327	4	0.25
I	iShares S&P Small-Cap 600 Growth (IJT)	7.5	3.7	42.6	14.5	3.5	27.8	9.5	9.5	18.8	19.3	291.3	(51.4)	0.9	0.3	0.99	1.38	3,470	129	100	0	0	0	0.0	50	355	9	0.25
I	iShares S&P Small-Cap 600 Value (IJS)	0.7	7.3	39.7	18.1	(1.5)	24.4	3.6	3.6	18.4	17.3	257.2	(51.3)	1.5	0.4	0.99	1.36	3,482	78	100	0	0	0	0.6	41	459	8	0.25
I	PowerShares DWA SmallCap Momentum ETF (DWAS)	6.2	(1.6)	49.2	—	—	—	6.0	5.9	—	—	—	—	0.1	—	—	—	431	45	100	0	0	0	0.7	—	201	14	0.60
I	PowerShares FTSE RAFI US 1500 Sm-Mid ETF (PRFZ)	3.3	4.5	41.8	18.3	(6.1)	29.0	4.1	4.2	18.8	17.2	341.4	(55.7)	1.2	0.5	0.98	1.35	1,188	27	100	0	0	0	3.7	26	1,482	2	0.39
I	Schwab Fundamental US Small Company ETF (FNDA)	2.5	7.8	—	—	—	—	4.1	3.9	—	—	—	—	1.1	—	—	—	421	119	99	1	0	0	1.0	22	903	4	0.32
I	Schwab US Small-Cap ETF (SCHA)	4.8	6.5	39.6	18.2	(3.0)	28.3	6.1	6.2	19.2	18.3	—	—	1.3	0.6	0.94	1.31	2,976	329	100	0	0	0	0.8	13	1,746	3	0.08
I	SPDR S&P 600 Small Cap ETF (SLY)	4.1	5.6	41.0	16.2	0.9	27.4	6.6	7.0	18.6	18.6	307.6	(53.4)	1.3	1.0	0.98	1.35	411	12	100	0	0	0	0.3	18	601	5	0.15
I	SPDR S&P 600 Small Cap Growth ETF (SLYG)	7.5	3.7	42.5	14.4	3.5	30.2	9.5	10.0	18.7	20.0	330.5	(54.1)	1.0	0.8	0.99	1.36	560	14	100	0	0	0	0.0	54	353	9	0.15
I	Vanguard Russell 2000 ETF (VTWO)	4.8	4.9	38.8	16.3	(4.3)	—	6.5	6.6	17.8	—	—	—	1.1	0.4	1.02	1.42	611	92	99	0	0	1	1.1	16	2,015	3	0.15

Notably, the Vanguard S&P 500 ETF and its two larger competitors—SPDR S&P 500 ETF (SPY) and iShares Core S&P 500 (IVV)—combined control nearly $0.13 out every ETF dollar. The statistic is skewed upward by the sheer size of the SPDR S&P 500, whose AUM of $170.5 billion is two and a half times the size of the second-largest ETF, the iShares Core S&P 500.

There also continues to be a large amount of market share controlled by a handful of fund families. BlackRock's iShares unit oversees $810.8 million of ETF assets. Vanguard and State Street Advisor's SPDRs manage $470.1 billion and $409.7 billion, respectively. This equates to nearly 80% of all ETF dollars being invested in an iShares, a Vanguard or a SPDR fund.

Expense ratios were reduced on five of the largest 15 funds. The largest reduction occurred on the iShares Russell 2000 (IWM), which saw its expense ratio reduced by four basis points (0.04%) to 0.20%. IShares also lowered expenses on its Core S&P Mid-Cap (IJH), MSCI EAFE (EFA) and Russell 1000 Value (IWD) ETFs, by three, one and one basis points, respectively. Vanguard lowered the expense ratio on its Total Bond Market ETF (BND) by one basis point. The only large fund to pass along a fee increase was iShares MSCI Emerging Markets (EEM), whose expense ratio rose by one basis point to 0.68%.

Active ETFs Are Still Small

Actively managed ETFs remain a small niche of the ETF market. While PIMCO's Enhanced Short Maturity Active (MINT) and Total Return Active (BOND) ETFs have very respectable AUMs of $3.5 billion and $2.5 billion, respectively, only one other actively managed ETF is above the $1 billion

Table 2. Exchange-Traded Funds (con't)

Index	Enhanced ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
I		Vanguard Small-Cap ETF (VB)	4.2	7.5	37.8	18.2	(2.7)	27.9	5.2	5.2	18.7	18.2	291.7	(53.1)	1.4	0.5	0.90	1.25	11,742	390	100	0	0	0	1.3	10	1,491	3	0.09
I		Vanguard Small-Cap Growth ETF (VBK)	6.6	4.0	38.2	17.7	(1.4)	30.9	6.4	6.4	18.1	18.8	296.9	(53.4)	1.0	0.3	0.93	1.28	4,734	124	100	0	0	0	1.2	26	742	6	0.09
I		Vanguard Small-Cap Value ETF (VBR)	2.1	10.6	36.6	18.8	(4.1)	25.0	4.2	4.1	19.0	17.3	282.7	(53.1)	1.8	0.7	0.92	1.26	5,880	256	100	0	0	0	1.4	12	825	5	0.09
I		WisdomTree SmallCap Dividend ETF (DES)	0.5	7.5	36.9	18.4	(1.8)	26.6	3.4	3.5	16.9	16.1	289.7	(55.4)	2.9	1.2	0.97	1.34	1,260	44	100	0	0	0	0.3	—	717	9	0.38
I		WisdomTree SmallCap Earnings ETF (EES)	2.9	2.2	45.4	15.4	(1.8)	26.3	3.4	3.6	17.9	17.2	337.8	(53.7)	1.1	0.5	1.06	1.47	435	10	100	0	0	0	1.5	—	964	7	0.38
		Micro-Cap Stock Category Average	4.3	1.9	45.0	19.0	(11.9)	25.4	5.1	5.0	18.2	16.2	224.3	(58.7)	1.7	0.5	1.00	1.50	263	20	98	0	2	0	3.0	55	716	5	0.66
I		iShares Micro-Cap (IWC)	6.0	3.5	45.4	19.4	(9.5)	28.8	8.3	8.5	19.1	17.3	259.2	(57.5)	1.2	0.4	1.02	1.53	948	71	99	0	0	1	1.8	26	1,438	3	0.60
I		Wilshire Micro-Cap ETF (WMCR)	5.4	4.1	48.1	21.3	(15.8)	24.2	5.9	5.4	19.5	17.6	227.8	(60.8)	3.4	0.8	0.95	1.42	20	3	93	0	7	0	0.3	29	806	5	0.56
		Preferred Stock Category Average	0.2	11.1	(1.4)	15.9	0.0	14.2	1.3	1.2	4.2	8.1	221.5	(58.4)	5.7	2.1	1.00	0.59	2,086	402	13	8	78	1	8.8	41	133	25	0.50
I		iShares US Preferred Stock (PFF)	1.8	13.4	(0.6)	18.3	(2.2)	14.0	4.3	4.3	6.6	7.9	212.4	(54.3)	6.1	2.0	0.75	0.43	13,103	1,962	15	0	83	2	9.3	13	299	16	0.47
I		PowerShares Financial Preferred ETF (PGF)	2.4	14.0	(0.9)	20.7	(1.6)	16.5	5.7	5.8	6.6	9.3	280.3	(62.5)	5.9	2.5	0.75	0.44	1,422	210	22	0	78	0	14.6	9	88	33	0.63
I		PowerShares Preferred ETF (PGX)	2.1	15.3	(1.8)	14.5	3.3	12.2	5.7	5.4	6.4	8.1	171.8	—	6.1	2.6	0.79	0.45	2,766	746	19	0	82	0	9.4	—	213	23	0.50
		Ultra Market (Long) Category Average	0.8	6.5	54.1	28.1	(19.1)	32.6	(4.0)	(3.0)	21.1	23.2	704.0	(80.7)	1.2	0.3	1.00	3.84	190	559	189	1	36	(126)	52.1	44	137	217	0.87
I	N	Barclays ETN+ FI Enhanced Europe 50 (FEEU)	5.6	(13.3)	—	—	—	—	(15.9)	(15.5)	—	—	—	—	0.0	—	—	—	910	6	—	—	—	—	—	—	—	—	0.76
I	N	Credit Suisse FI Large Cap Gr Enh ETN (FLGE)	7.1	—	—	—	—	—	20.0	20.2	—	—	—	—	0.0	—	—	—	586	4	—	—	—	—	—	—	—	—	0.85
I		Direxion Daily Energy Bull 3X ETF (ERX)	(16.9)	(32.7)	84.9	3.7	(19.5)	47.9	(61.4)	(61.5)	7.8	16.2	158.3	—	0.0	0.0	1.29	4.94	500	1,239	300	0	0	(200)	1.2	—	13	300	0.98
I		Direxion Daily Financial Bull 3X ETF (FAS)	(1.5)	40.6	125.9	85.2	(53.4)	13.0	25.3	25.3	61.3	31.5	841.4	—	0.0	0.0	0.86	3.27	1,196	3,237	305	0	0	(205)	4.0	—	252	299	0.97
I		Direxion Daily Gold Miners Bull 3X ETF (NUGT)	(27.1)	(59.5)	(95.0)	(43.5)	(46.0)	—	(82.5)	(82.5)	(75.4)	—	—	—	0.0	0.0	3.13	12.03	879	16,266	301	0	0	(201)	262.9	—	15	301	1.05
I		Direxion Daily Small Cap Bull 3X ETF (TNA)	10.6	5.0	146.9	42.2	(37.9)	68.4	10.8	10.7	50.3	38.1	1,256.2	—	0.0	0.4	1.13	4.34	537	4,577	292	0	0	(192)	0.0	—	17	292	0.98
I		ProShares Ultra Bloomberg Crude Oil (UCO)	(10.3)	(68.4)	9.2	(28.1)	(18.2)	(1.0)	(76.8)	(76.9)	(31.0)	(25.1)	(71.7)	—	0.0	0.0	1.55	5.93	977	6,779	0	0	200	(100)	0.0	0	6	200	1.13
I		ProShares Ultra Financials (UYG)	(0.7)	27.4	74.3	54.2	(32.7)	17.6	17.3	17.3	39.1	24.9	603.0	(95.9)	0.6	0.2	0.57	2.18	810	75	176	0	23	(99)	1.8	—	292	127	0.95
I		ProShares Ultra Nasdaq Biotechnology (BIB)	43.8	66.7	160.1	67.1	15.8	—	94.5	94.8	90.0	77.0	—	—	0.0	0.0	1.12	4.30	903	681	158	0	38	(96)	6.5	—	162	139	0.95
I		ProShares Ultra QQQ (QLD)	7.1	37.5	81.8	35.0	0.1	37.0	28.9	28.8	40.4	42.2	1,206.3	(80.6)	0.1	0.1	0.63	2.42	965	1,721	177	0	23	(100)	8.0	—	120	118	0.95
I		ProShares Ultra S&P500 (SSO)	1.0	25.6	70.5	30.8	(2.6)	26.5	12.1	12.1	33.8	32.6	680.2	(81.3)	0.5	0.2	0.51	1.97	1,720	4,413	173	0	27	(100)	2.2	—	514	113	0.89
I		ProShares UltraPro QQQ (TQQQ)	9.3	56.8	140.0	52.0	(7.8)	—	42.3	42.3	62.1	63.1	—	—	0.0	0.0	0.96	3.70	1,015	2,952	292	0	8	(200)	13.2	—	120	247	0.95
I		ProShares UltraPro S&P500 (UPRO)	0.4	38.0	118.6	46.3	(11.5)	35.8	16.0	15.9	51.8	47.7	—	—	0.3	0.1	0.78	3.00	801	2,594	265	0	35	(200)	3.4	—	516	230	0.95
I	N	UBS AG FI Enhanced Large Cap Growth ETN (FBGX)	7.1	—	—	—	—	—	19.9	20.0	—	—	—	—	0.0	—	—	—	777	27	—	—	—	—	—	—	—	—	0.85
		Long-Short Category Average	0.1	2.4	8.6	2.9	1.5	5.9	(0.6)	(0.7)	4.0	9.8	95.9	(36.7)	2.6	0.2	1.00	0.77	75	18	58	6	1	35	7.2	118	217	53	0.95
I	N	Barclays ETN+ S&P VEQTOR (VQT)	(6.3)	4.8	13.2	2.6	16.3	—	(3.9)	(3.9)	3.3	—	—	—	0.0	0.0	0.97	0.75	548	11	—	—	—	—	—	—	—	—	0.95
		PowerShares S&P 500 Downside Hedged ETF (PHDG)	(6.2)	5.0	13.1	—	—	—	(3.8)	(3.8)	—	—	—	—	5.9	—	—	—	607	147	87	0	2	11	1.1	—	507	27	0.40
		Contra Stock Market Category Average	(7.2)	(25.0)	(38.5)	(30.9)	(21.7)	(39.0)	(13.7)	(14.0)	(29.6)	(34.8)	(92.0)	95.9	0.0	0.0	1.00	2.73	134	1,144	(183)	0	(16)	299	(9.4)		8	218	0.96
I		Direxion Daily Small Cap Bear 3X ETF (TZA)	(19.5)	(29.1)	(68.6)	(48.9)	(43.7)	(68.0)	(30.8)	(30.8)	(48.9)	(54.4)	(99.8)	—	0.0	0.0	1.49	4.06	707	16,487	(286)	0	0	386	0.0	—	9	286	0.98
I		ProShares Short Russell2000 (RWM)	(6.1)	(8.4)	(30.6)	(17.9)	(8.0)	(27.2)	(9.5)	(9.6)	(18.3)	(19.6)	(82.0)	64.2	0.0	0.0	0.51	1.39	378	649	(95)	0	0	196	(1.1)	0	12	104	0.95
I		ProShares Short S&P500 (SH)	(2.2)	(13.7)	(25.8)	(15.8)	(7.9)	(16.5)	(8.8)	(8.6)	(16.4)	(17.3)	(75.2)	75.3	0.0	0.0	0.34	0.94	1,517	2,895	(94)	0	(6)	200	(1.2)	—	11	100	0.89
I		ProShares UltraPro Short S&P500 (SPXU)	(7.6)	(37.0)	(60.0)	(42.5)	(32.6)	(46.4)	(26.1)	(25.9)	(42.9)	(46.3)	—	—	0.0	0.0	1.01	2.76	493	4,599	(300)	0	0	400	(3.9)	0	12	300	0.92
I		ProShares UltraShort QQQ (QID)	(11.0)	(34.1)	(49.4)	(34.3)	(22.5)	(38.9)	(29.7)	(29.6)	(35.2)	(38.5)	(97.1)	119.1	0.0	0.0	0.83	2.26	342	3,251	(199)	0	(1)	300	(9.0)	0	13	200	0.95
I		ProShares UltraShort S&P500 (SDS)	(4.5)	(25.7)	(45.2)	(29.8)	(19.1)	(32.0)	(17.2)	(17.2)	(30.4)	(32.5)	(94.6)	147.0	0.0	0.0	0.68	1.86	1,321	8,986	(200)	0	0	300	(2.6)	—	12	200	0.89
		Market Volatility Category Average	(14.9)	(23.3)	(25.2)	(18.1)	(21.0)	(43.0)	(21.3)	(21.6)	(27.8)	(47.6)	(94.7)	—	0.0	0.0	1.00	4.17	162	4,176	75	0	0	25	0.0	0	4	125	1.08
I	N	iPath S&P 500 VIX ST Futures ETN (VXX)	(35.5)	(26.2)	(66.0)	(78.1)	(4.6)	(72.2)	(28.8)	(29.7)	(56.1)	(60.1)	(99.7)	—	0.0	0.0	1.19	4.95	1,277	49,334	—	—	—	—	—	0	—	—	0.89
I	N	VelocityShares Daily Inverse VIX ST ETN (XIV)	28.8	(9.1)	105.3	159.0	(46.2)	—	(10.6)	(9.7)	52.6	—	—	—	0.0	0.0	1.40	5.85	579	16,014	—	—	—	—	—	—	—	—	1.35
		Communications Sector Category Average	3.1	4.5	33.1	12.8	(2.7)	15.9	3.3	3.3	15.0	13.9	173.4	(51.2)	2.0	1.0	1.00	1.36	291	97	100	0	0	0	24.6	46	83	54	0.37
I		iShares Global Telecom (IXP)	4.6	(0.7)	24.4	7.0	1.2	11.1	2.0	2.0	9.3	11.4	108.5	(44.8)	3.4	1.6	0.91	1.23	470	50	100	0	0	0	65.9	8	44	72	0.48
I		iShares US Telecommunications (IYZ)	1.4	0.5	26.2	18.5	(7.3)	20.7	(1.2)	(1.2)	12.2	12.4	135.6	(51.3)	2.4	0.7	1.11	1.50	495	526	100	0	0	0	0.0	53	25	61	0.45
I		Vanguard Telecommunication Services ETF (VOX)	2.5	4.0	24.3	16.5	(2.3)	19.6	1.5	1.5	12.2	14.0	157.1	(47.5)	2.6	1.1	0.96	1.31	924	70	100	0	0	0	0.0	19	34	71	0.12
		Consumer Discretionary Sector Cat Average	3.7	6.0	40.0	21.8	2.0	29.1	9.4	9.4	18.7	20.4	330.1	(51.1)	1.2	0.4	1.00	1.38	1,172	507	100	0	0	0	20.1	46	132	35	0.43
I		Consumer Discret Sel Sect SPDR ETF (XLY)	6.7	9.5	42.7	23.6	6.0	27.4	16.2	16.2	22.3	23.1	379.5	(50.9)	1.3	0.6	0.90	1.25	10,307	5,225	100	0	0	0	1.1	5	87	46	0.15
I		First Trust Cnsmr Discret AlphaDEX ETF (FXD)	2.5	11.6	43.0	15.8	1.0	32.0	10.7	10.7	22.1	20.8	383.5	(57.9)	0.8	0.3	0.98	1.34	2,602	473	100	0	0	0	0.0	100	135	14	0.70
I		iShares Globl Consumer Discretionary (RXI)	7.2	3.8	38.5	24.6	(4.5)	22.9	9.8	10.1	20.0	18.8	272.9	(54.1)	1.4	0.4	0.84	1.16	465	85	100	0	0	0	41.8	6	187	31	0.48
I		iShares US Consumer Services (IYC)	4.5	14.1	41.5	23.6	6.7	23.2	16.9	17.0	22.1	23.0	325.3	(45.7)	0.9	0.3	0.86	1.19	1,066	33	100	0	0	0	1.4	5	180	39	0.45
I		SPDR S&P Retail ETF (XRT)	3.4	9.9	42.2	20.7	9.7	37.0	14.9	14.8	20.0	23.9	437.0	(47.5)	1.0	0.5	1.13	1.56	1,110	1,870	100	0	0	0	0.0	40	103	11	0.35
I		Vanguard Consumer Discretionary ETF (VCR)	6.4	9.4	43.6	24.7	3.7	30.6	15.2	15.2	22.9	23.2	396.9	(53.9)	1.2	0.4	0.91	1.26	1,988	90	100	0	0	0	2.9	7	384	34	0.12
		Consumer Staples Sector Category Average	2.9	13.4	30.6	11.1	9.7	17.6	10.0	10.1	16.4	17.2	204.0	(32.4)	1.9	0.7	1.00	1.21	1,296	716	100	0	0	0	13.4	39	73	51	0.39
I		Consumer Staples Select Sector SPDR ETF (XLP)	(0.6)	15.9	26.3	10.7	14.0	13.8	9.5	9.5	14.1	16.5	178.6	(25.8)	2.6	1.1	0.93	1.14	7,210	7,237	100	0	0	0	0.0	4	38	63	0.15
I		First Trust Cnsmr Staples AlphaDEX ETF (FXG)	4.5	21.0	41.9	9.4	13.1	19.8	12.3	12.3	23.5	21.6	271.2	(35.1)	1.6	0.7	1.15	1.39	2,543	353	100	0	0	0	0.0	100	38	46	0.67
I		iShares Global Consumer Staples (KXI)	1.4	6.7	19.9	13.4	9.2	13.0	2.4	2.4	11.2	13.7	160.0	(33.0)	2.3	0.7	0.90	1.09	625	28	100	0	0	0	46.4	5	108	43	0.48

AUM threshold: First Trust North American Energy Infrastructure (EMLP). Conversely, 90 out of the 134 actively managed ETFs have AUM of less than $100 million.

A big part of the problem is transparency. ETFs are required to disclose their portfolio holdings every day. This isn't an issue for a fund manager tracking an index, but it is a huge issue for a manager following an active strategy that he or she does not want revealed to competitors.

Hybrid solutions are being proposed. While one solution was rejected by the Securities and Exchange Commission (SEC), a coveted exemption from the federal law governing funds was granted. Eaton Vance's NextShares is attempting to launch a series of exchange-traded managed funds (ETMFs). These funds would trade on an intraday basis, just like ETFs, but their net asset value would only be updated at the end of every trading day like a mutual fund. The transparency issue would be resolved by revealing the holdings less frequently than with an ETF. (A representative of NextShares said it is possible that holdings will be revealed every 30 days with a 30-day lag). A launch date remains uncertain.

Recently, industry website Ignites said that Vanguard is in talks with USAA about licensing its patented actively managed ETF platform. Vanguard has yet to launch an ETF version of its actively managed funds and there is no clear sign that it intends to do so in the foreseeable future.

For now, hopes for a large selection of active ETFs remain similar to hopes for a Chicago Cubs World Series victory, with fans cheering "wait until next year!"

New in This Year's Guide

We added 15 additional funds to this year's print guide, bringing

Table 2. Exchange-Traded Funds (con't)

Index	Enhanced ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Risk Index Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
I		iShares US Consumer Goods (IYK)	1.0	11.6	29.9	12.3	8.3	19.0	7.6	7.7	15.8	16.8	208.0	(38.1)	2.0	0.6	0.90	1.08	582	23	100	0	0	0	1.7	9	113	50	0.45
I		Vanguard Consumer Staples ETF (VDC)	(0.1)	15.8	28.0	11.1	13.6	14.4	9.8	9.9	14.9	17.1	191.1	(27.9)	1.9	0.7	0.93	1.13	2,481	90	100	0	0	0	0.0	5	102	58	0.12
		Energy Sector Category Average	(4.0)	(8.8)	31.1	(0.8)	(11.6)	12.8	(23.2)	(23.2)	5.5	3.8	70.3	(56.8)	3.5	1.0	1.00	2.12	801	578	98	1	0	0	26.8	35	59	49	0.93
I		Alerian MLP ETF (AMLP)	(7.8)	4.8	18.2	2.2	10.1	—	(12.4)	(12.5)	5.6	—	—	—	7.5	2.6	0.52	1.09	8,490	4,868	100	0	0	0	0.0	—	23	67	5.43
I	N	Credit Suisse X-Links CushgMLPInfrasETN (MLPN)	(9.5)	6.2	38.9	0.5	10.2	—	(17.7)	(17.3)	11.9	12.5	—	—	5.0	1.9	0.79	1.68	695	67	—	—	—	—	—	—	—	—	0.85
I		Energy Select Sector SPDR ETF (XLE)	(3.8)	(8.6)	26.2	5.2	3.0	21.7	(23.1)	(23.1)	6.4	10.7	106.9	(45.4)	2.7	0.9	0.77	1.63	12,848	11,050	100	0	0	0	0.4	5	42	61	0.15
I		First Trust Energy AlphaDEX ETF (FXN)	(3.7)	(16.0)	28.7	3.7	(8.2)	27.8	(30.6)	(30.7)	5.3	7.4	126.7	(58.4)	2.0	0.5	1.03	2.17	522	535	100	0	0	0	3.2	72	63	29	0.67
		First Trust North Amer Engy InfrasETF (EMLP)	(8.2)	23.6	16.9	—	—	—	(2.9)	(3.0)	11.1	—	—	—	3.5	1.3	0.58	1.24	1,121	262	96	0	0	4	17.6	7	71	36	0.95
I	N	iPath S&P MLP ETN (IMLP)	(9.1)	7.6	—	—	—	—	(16.7)	(17.4)	—	—	—	—	5.3	—	—	—	676	71	—	—	—	—	—	—	—	—	0.80
I		iShares Global Energy (IXC)	(4.8)	(11.6)	16.2	2.6	0.5	11.0	(25.8)	(25.8)	1.5	6.2	61.8	(45.1)	3.0	0.8	0.80	1.68	1,079	242	98	0	2	0	39.5	6	94	52	0.48
I		iShares US Energy (IYE)	(4.1)	(9.6)	25.7	4.3	3.8	18.9	(23.6)	(23.6)	5.3	10.0	93.5	(43.9)	2.5	0.6	0.78	1.65	1,456	582	100	0	0	0	0.9	6	94	63	0.45
I		iShares US Oil&Gas Explor&Prodtn (IEO)	(0.2)	(12.3)	30.6	4.4	(3.3)	19.0	(26.2)	(26.2)	8.0	9.0	127.3	(50.4)	1.5	0.3	0.91	1.92	445	86	100	0	0	0	0.2	32	74	59	0.45
I	N	JPMorgan Alerian MLP ETN (AMJ)	(11.4)	3.8	28.5	2.3	13.0	34.9	(20.6)	(20.7)	6.8	10.6	—	—	5.9	2.0	0.81	1.72	4,918	1,464	—	—	—	—	—	0	—	—	0.85
I		Market Vectors Oil Services ETF (OIH)	(2.9)	(23.6)	25.9	2.0	—	—	(38.2)	(38.2)	0.8	—	—	—	2.5	0.6	1.19	2.51	1,135	5,182	100	0	0	0	13.9	15	27	71	0.35
I		SPDR S&P Oil & Gas Explor & Prodtn ETF (XOP)	(1.6)	(29.5)	27.9	3.9	0.9	28.5	(42.4)	(42.5)	(1.4)	4.8	91.2	(50.6)	1.5	0.5	1.25	2.65	1,523	6,004	100	0	0	0	1.4	46	74	16	0.35
I	N	UBS ETRACS Alerian MLP Infras ETN (MLPI)	(11.2)	6.9	27.8	3.4	15.9	—	(17.6)	(17.6)	8.3	11.6	—	—	5.3	2.0	0.76	1.61	2,330	238	—	—	—	—	—	—	—	—	0.85
I		Vanguard Energy ETF (VDE)	(4.2)	(9.9)	25.8	3.5	2.8	21.1	(24.2)	(24.2)	5.2	9.9	104.1	(46.6)	2.1	0.6	0.79	1.67	4,262	304	100	0	0	0	0.8	4	157	62	0.12
		Financial Sector Category Average	3.4	6.3	39.8	23.2	(13.6)	14.8	7.0	7.1	19.6	13.7	236.5	(68.9)	2.5	0.9	1.00	1.40	1,151	1,478	98	0	2	1	11.6	21	118	41	0.91
I		Financial Select Sector SPDR ETF (XLF)	(0.4)	15.0	35.4	28.5	(17.2)	12.0	9.2	9.1	20.6	13.9	258.9	(76.3)	1.7	0.7	0.84	1.18	18,835	35,115	100	0	0	0	1.1	5	89	49	0.15
I		First Trust Financials AlphaDEX ETF (FXO)	2.4	8.7	40.4	21.3	(7.3)	19.1	8.0	8.0	19.4	16.4	300.8	(61.2)	1.3	0.6	0.79	1.11	1,093	565	100	0	0	0	1.6	55	171	11	0.80
I		iShares MSCI Europe Financials (EUFN)	4.9	(7.9)	30.5	33.2	(26.5)	—	(4.7)	(4.5)	17.4	7.4	—	—	3.3	0.8	1.30	1.82	418	240	96	0	1	3	96.3	8	107	41	0.48
I		iShares US Financial Services (IYG)	3.0	10.9	42.8	33.0	(20.4)	7.7	12.7	12.8	23.4	14.9	243.9	(74.4)	1.2	0.4	1.02	1.43	705	171	100	0	0	0	0.2	4	115	59	0.45
I		iShares US Financials (IYF)	0.2	14.1	33.6	26.3	(13.2)	12.3	9.5	9.5	19.3	14.4	242.7	(72.0)	1.4	0.5	0.77	1.08	1,539	484	100	0	0	0	0.9	6	285	39	0.45
I		iShares US Regional Banks (IAT)	5.5	7.6	37.6	17.9	(12.8)	20.4	7.5	7.6	17.2	12.8	180.6	(64.7)	1.8	0.5	1.02	1.43	469	410	100	0	0	0	0.7	9	58	60	0.45
I		PowerShares Global Listed Private Eq ETF (PSP)	10.8	(3.6)	37.1	28.4	(19.8)	24.3	2.6	2.4	19.8	15.1	270.5	(79.5)	8.6	3.7	0.92	1.28	478	253	74	0	14	12	44.1	—	75	45	2.04
I		SPDR S&P Bank ETF (KBE)	8.9	2.7	41.5	22.7	(22.1)	22.9	10.3	10.3	20.1	11.4	233.0	(75.0)	1.5	0.7	1.13	1.59	3,023	1,983	100	0	0	0	1.3	29	65	16	0.35
I		SPDR S&P Regional Banking ETF (KRE)	9.3	2.0	47.3	16.9	(5.7)	20.0	11.4	11.4	19.4	15.9	173.0	(54.1)	1.6	0.7	1.23	1.74	2,775	5,094	100	0	0	0	2.8	28	93	13	0.35
I		Vanguard Financials ETF (VFH)	0.6	13.9	33.0	26.3	(14.4)	14.7	9.0	9.0	19.3	14.2	241.7	(71.4)	1.8	0.7	0.77	1.09	3,303	486	100	0	0	0	1.0	5	567	35	0.12
		Health Sector Category Average	17.1	26.2	45.6	20.6	7.6	14.6	29.9	29.9	30.3	26.7	365.5	(33.9)	0.7	0.3	1.00	1.53	1,984	452	100	0	0	0	9.3	41	86	41	0.46
I		Fidelity MSCI Health Care ETF (FHLC)	11.4	25.2	—	—	—	—	26.5	26.4	—	—	—	—	1.9	—	—	—	701	178	100	0	0	0	3.4	—	353	44	0.12
I		First Trust Health Care AlphaDEX ETF (FXH)	14.2	25.4	47.5	20.8	5.8	19.0	29.2	29.2	30.7	26.0	423.7	(35.5)	0.0	0.1	0.88	1.34	4,133	414	100	0	0	0	4.8	81	74	26	0.66
I		First Trust NYSE Arca Biotech ETF (FBT)	21.7	47.6	50.1	40.9	(16.4)	36.9	50.8	50.9	41.5	32.1	584.4	(29.7)	0.1	0.0	1.44	2.22	3,596	136	100	0	0	0	2.9	58	31	38	0.58
I		Guggenheim S&P 500 Eq Weight HC ETF (RYH)	12.2	29.8	40.8	20.5	6.4	10.8	29.8	29.7	29.9	25.4	347.6	(35.6)	0.4	0.2	0.70	1.08	798	43	100	0	0	0	1.8	23	56	20	0.40
I		Health Care Select Sector SPDR ETF (XLV)	9.6	25.2	41.2	17.6	12.4	2.9	24.1	23.9	27.1	23.6	265.1	(34.8)	1.3	0.7	0.69	1.05	15,322	7,332	100	0	0	0	4.4	3	56	53	0.15
I		iShares Global Healthcare (IXJ)	9.4	17.7	36.2	17.4	10.6	2.4	16.4	16.6	23.7	20.9	227.7	(35.1)	1.1	0.4	0.64	0.98	1,725	90	100	0	0	0	37.0	3	97	41	0.48
I		iShares Nasdaq Biotechnology (IBB)	21.6	34.1	65.5	32.0	11.9	14.9	43.8	43.6	41.9	37.0	494.1	(27.3)	0.0	0.0	1.37	2.09	9,044	1,677	100	0	0	0	2.8	33	146	58	0.48
I		iShares US Healthcare (IYH)	10.6	25.2	41.3	18.8	11.3	4.1	25.1	25.1	27.5	24.0	274.5	(34.0)	1.0	0.3	0.72	1.10	2,604	223	100	0	0	0	4.0	5	106	50	0.45
I		iShares US Healthcare Providers (IHF)	20.9	27.2	36.7	17.3	9.5	11.3	39.2	39.3	30.6	26.0	383.3	(49.3)	0.1	0.1	0.86	1.32	1,029	159	100	0	0	0	0.4	14	52	58	0.45
I		iShares US Medical Devices (IHI)	6.2	22.6	37.8	15.9	(0.0)	11.4	18.2	18.1	22.7	18.1	250.2	(42.2)	0.6	0.2	0.89	1.35	755	63	100	0	0	0	0.0	44	51	61	0.45
I		iShares US Pharmaceuticals (IHE)	15.9	29.8	40.5	13.4	21.2	12.6	30.3	30.6	28.1	27.9	398.1	(29.2)	0.8	0.4	0.90	1.36	1,161	52	100	0	0	0	6.9	31	40	59	0.45
I		Market Vectors Biotech ETF (BBH)	16.9	30.4	65.5	47.2	—	—	41.3	41.4	42.1	—	—	—	0.0	0.0	1.39	2.11	802	127	100	0	0	0	1.7	11	26	73	0.35
I		PowerShares Dynamic Biotech & Genome ETF (PBE)	16.6	36.4	61.7	14.0	(8.2)	31.1	33.6	33.9	36.2	27.8	373.4	(36.6)	0.3	0.1	1.45	2.22	560	49	100	0	0	0	0.0	95	31	47	0.59
I		PowerShares Dynamic Pharmaceuticals ETF (PJP)	18.1	28.1	55.6	24.7	19.8	27.8	32.1	32.0	35.4	35.5	525.2	(28.1)	2.5	0.7	0.96	1.47	2,021	140	100	0	0	0	4.9	47	24	48	0.58
I		SPDR S&P Biotech ETF (XBI)	35.8	44.7	48.5	32.9	5.3	17.6	65.3	65.3	42.7	37.8	454.3	(22.2)	0.7	0.3	1.99	3.05	2,713	1,196	100	0	0	0	1.1	86	104	12	0.35
I		SPDR S&P Pharmaceuticals ETF (XPH)	15.8	29.5	60.7	11.0	12.8	22.3	26.9	26.8	32.1	29.4	457.9	(24.5)	0.6	1.1	1.17	1.80	1,135	85	100	0	0	0	3.0	68	40	31	0.35
I		Vanguard Health Care ETF (VHT)	11.5	25.4	42.7	19.1	10.6	5.8	26.7	26.6	28.3	24.6	289.3	(34.7)	0.9	0.4	0.73	1.11	6,048	330	100	0	0	0	3.7	5	350	44	0.12
		Homebuilders Sector Category Average	6.7	3.9	21.6	68.2	(4.8)	13.9	11.7	11.7	19.2	21.0	301.4	(60.3)	0.4	0.1	1.00	2.14	1,006	1,443	100	0	0	0	1.5	27	39	47	0.51
I		iShares US Home Construction (ITB)	6.1	4.7	17.8	78.9	(8.9)	10.4	11.1	11.1	18.2	20.2	282.9	(63.4)	0.4	0.1	1.09	2.34	2,211	2,946	100	0	0	0	0.0	23	41	62	0.45
I		SPDR S&P Homebuilders ETF (XHB)	7.5	3.2	25.5	57.5	(0.9)	17.5	12.4	12.4	20.3	21.8	320.0	(57.2)	0.5	0.2	0.92	1.97	1,755	2,730	100	0	0	0	3.1	31	36	33	0.35
		Industrials Sector Category Average	0.2	5.2	34.4	17.4	(8.2)	20.4	(0.4)	(0.4)	15.9	12.9	203.8	(53.4)	1.5	0.6	1.00	1.35	562	346	99	0	0	0	28.7	27	97	39	0.51
I		First Trust Indtls/PrdcrDurbAlphaDEXETF (FXR)	(1.5)	8.1	46.5	15.4	(5.9)	25.6	(1.4)	(1.6)	20.1	16.9	277.7	(57.0)	0.7	0.4	0.97	1.32	415	184	100	0	0	0	2.3	95	104	18	0.67
I		Industrial Select Sector SPDR ETF (XLI)	(3.5)	10.4	40.4	14.9	(1.0)	27.6	2.1	2.0	17.3	16.9	262.3	(56.6)	2.1	0.9	0.86	1.15	7,212	7,959	100	0	0	0	0.3	3	66	47	0.15
I		iShares Global Infrastructure (IGF)	(3.0)	12.1	14.0	11.1	(1.0)	5.0	(5.8)	(5.8)	9.9	10.6	124.1	—	2.9	0.9	0.81	1.09	1,203	91	98	0	2	0	63.0	14	89	36	0.48
I		iShares Transportation Average (IYT)	(11.1)	25.3	41.2	6.6	(1.4)	26.7	(0.5)	(0.5)	17.0	16.2	252.0	(48.3)	1.0	0.3	1.00	1.34	841	470	100	0	0	0	0.0	12	21	68	0.45
I		iShares US Aerospace & Defense (ITA)	4.5	9.9	57.1	14.1	5.0	16.5	11.6	11.7	24.9	20.8	301.9	(53.8)	1.1	0.4	0.91	1.22	530	35	100	0	0	0	0.0	15	37	55	0.44
I		iShares US Industrials (IYJ)	(0.5)	6.9	39.9	17.4	(1.3)	25.4	3.1	3.2	17.4	17.3	262.1	(56.7)	1.5	0.4	0.87	1.16	711	62	100	0	0	0	0.4	6	214	36	0.45
I		Vanguard Industrials ETF (VIS)	(2.0)	8.5	41.9	17.1	(2.2)	27.1	2.0	2.0	18.1	17.4	268.7	(58.2)	1.6	0.5	0.90	1.20	2,096	81	100	0	0	0	0.3	5	355	38	0.12

the total to 461. The online version of this guide contains a comprehensive spreadsheet of all 1,752 ETFs. (Last year, there were 1,613 ETFs and ETNs in existence.)

The categories are unchanged from last year. There are no new developments to justify altering the 56 categories previously used.

How to Use This Guide

Exchange-traded funds have lowered the cost and increased the accessibility of investing in a wide variety of securities, including large-cap stocks, emerging market debt, precious metals, currencies and even agricultural commodities. However, more choice does not necessarily equate to higher returns. Therefore, investors should tread carefully.

Financial goals, diversification needs and risk tolerances should be the primary determinants when selecting an exchange-traded fund. Specifically, ask what asset classes and categories need to be included in your portfolio and then look for ETFs that match those requirements. Asset allocation ideas can be found in the Financial Planning section of AAII.com. Our Model Fund Portfolio provides an idea of how to build and manage a diversified portfolio using a mix of mutual funds and exchange-traded funds as well as an alternative all-ETF portfolio. (We believe investors should compare both types of funds and use the one that provides the best exposure to a specific asset class or investment strategy.) The Model Fund Portfolio is reviewed in the March, May, August and November *AAII Journal* issues; the latest commentary starts on page 33 of this issue. Monthly updates are available at AAII.com and via the free monthly AAII Model Portfolios Update email (sign-up at www.aaii.com/email).

Once asset class and category are determined, use this guide

Table 2. Exchange-Traded Funds (con't)

Index	Enhanced ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
		Natural Resources Sector Category Average	(2.0)	(7.0)	6.7	11.1	(18.2)	18.8	(13.6)	(13.7)	2.0	6.4	138.8	(56.4)	2.3	0.7	1.00	1.77	402	172	99	0	1	1	46.4	22	84	49	0.53
I		FlexShares Mstar Glbl Upstrm Nat Res ETF (GUNR)	3.6	(7.4)	(0.4)	8.5	—	—	(11.7)	(18.2)	1.0	—	—	—	2.7	0.7	0.79	1.41	2,646	187	98	0	1	1	62.0	11	154	39	0.48
I		iShares North American Natural Resources (IGE)	(4.3)	(10.2)	15.9	1.7	(7.8)	23.2	(26.0)	(26.0)	2.5	4.9	81.4	(50.1)	2.0	0.5	0.96	1.70	2,097	275	100	0	0	0	12.8	7	143	43	0.48
I		iShares US Basic Materials (IYM)	(1.6)	3.0	19.9	10.0	(15.1)	31.2	(6.3)	(6.3)	9.6	10.5	194.0	(59.8)	1.9	0.5	0.76	1.35	467	56	100	0	0	0	0.5	16	58	60	0.45
I		Market Vectors Agribusiness ETF (MOO)	4.9	(0.3)	4.8	14.2	(11.0)	23.0	3.3	3.4	6.0	10.4	127.5	(47.4)	3.0	0.9	0.65	1.15	1,418	147	100	0	0	0	46.8	14	63	57	0.57
I		Materials Select Sector SPDR ETF (XLB)	0.4	7.3	25.8	14.8	(11.0)	20.4	(0.7)	(0.6)	13.6	14.1	190.9	(54.2)	2.0	0.9	0.71	1.25	2,578	3,296	100	0	0	0	0.0	7	30	64	0.15
I		PowerShares Water Resources ETF (PHO)	(2.8)	(1.1)	27.0	24.1	(10.5)	13.3	(5.6)	(5.6)	11.8	11.4	133.8	(49.6)	0.6	0.2	0.81	1.42	838	74	100	0	0	0	0.0	25	36	61	0.61
I		SPDR S&P Global Natural Resources ETF (GNR)	(2.8)	(10.2)	1.0	6.4	(15.3)	—	(18.0)	(18.1)	(1.3)	—	—	—	3.1	1.1	0.84	1.48	672	86	97	0	1	2	64.7	18	104	37	0.40
I		Vanguard Materials ETF (VAW)	0.1	5.9	24.9	17.3	(9.4)	24.3	(2.1)	(2.0)	13.4	14.6	213.1	(56.0)	1.8	0.6	0.71	1.26	1,277	44	100	0	0	0	0.6	4	125	48	0.12
		Precious Metals Sector Category Average	(6.7)	(14.6)	(49.6)	(11.5)	(30.1)	44.8	(37.3)	(37.2)	(24.8)	(17.4)	(38.9)	(32.9)	0.8	0.4	1.00	4.17	732	3,389	99	0	0	0	89.6	32	37	61	0.58
I		Market Vectors Gold Miners ETF (GDX)	(3.6)	(12.3)	(53.9)	(9.1)	(15.9)	34.0	(32.3)	(32.4)	(25.9)	(18.8)	(44.5)	(32.9)	0.7	0.4	0.99	4.13	6,046	30,394	100	0	0	0	86.5	18	46	54	0.53
I		Market Vectors Junior Gold Miners ETF (GDXJ)	0.2	(21.6)	(61.0)	(16.0)	(34.6)	66.1	(42.4)	(42.4)	(30.9)	(23.4)	—	—	0.7	0.6	1.21	5.03	1,532	6,541	99	0	0	1	91.2	64	63	34	0.55
		Real Estate Sector Category Average	(5.4)	27.6	1.8	19.4	6.6	26.8	2.5	2.6	8.2	13.1	271.6	(63.2)	4.6	1.8	1.00	1.54	1,972	899	97	(296)	0	299	3.1	18	91	422	0.41
I		iShares Cohen & Steers REIT (ICF)	(6.1)	34.1	(1.8)	15.3	10.2	29.1	6.0	6.0	7.8	13.8	306.7	(68.6)	3.4	1.3	1.05	1.61	3,029	376	100	0	0	0	0.0	13	31	57	0.35
I		iShares Mortgage Real Estate Capped (REM)	(4.9)	16.7	(2.5)	21.9	(9.3)	16.6	(5.1)	(4.9)	3.5	6.8	89.3	(52.6)	14.3	5.1	1.06	1.64	1,076	1,265	100	0	0	0	0.0	35	39	67	0.48
I		iShares US Real Estate (IYR)	(5.4)	26.6	1.0	18.4	5.6	26.4	3.1	3.0	7.7	12.8	271.0	(65.0)	3.9	1.5	0.91	1.41	4,223	9,781	100	0	0	0	0.0	27	116	34	0.45
I		Schwab US REIT ETF (SCHH)	(5.8)	31.9	1.1	16.9	—	—	5.1	5.1	8.6	—	—	—	2.4	1.0	1.01	1.56	1,451	369	100	0	0	0	0.0	15	94	44	0.07
I		SPDR Dow Jones REIT ETF (RWR)	(5.9)	31.7	1.0	16.8	9.1	27.8	4.9	4.9	8.4	14.1	308.0	(66.5)	3.3	1.3	1.01	1.56	2,863	380	100	0	0	0	0.0	6	93	44	0.25
I		Vanguard REIT ETF (VNQ)	(6.2)	30.3	2.4	17.7	8.6	28.4	3.8	3.7	8.6	14.2	307.0	(64.4)	4.1	1.4	1.01	1.55	23,802	4,601	100	0	0	0	0.0	8	148	37	0.12
		Real Estate Global Sector Cat Average	1.0	8.8	4.4	34.5	(12.3)	17.6	(0.2)	(0.8)	9.7	11.3	190.5	(67.4)	3.4	1.7	1.00	1.42	900	92	98	0	2	1	80.6	13	224	33	0.50
I		iShares International Dev Rel Est (IFGL)	0.6	2.4	5.3	37.3	(16.0)	15.3	(3.7)	(4.2)	9.0	9.8	166.4	—	3.6	2.7	0.98	1.40	935	134	96	0	3	1	96.5	9	206	32	0.48
I		SPDR Dow Jones Global Real Estate ETF (RWO)	(2.9)	19.1	2.9	25.1	(2.7)	24.1	1.3	1.1	8.9	12.9	237.8	—	3.0	1.5	0.94	1.33	1,915	212	98	0	1	1	42.7	7	226	28	0.50
I		SPDR Dow Jones International RelEst ETF (RWX)	1.3	5.8	5.1	36.4	(14.1)	21.1	(2.7)	(2.5)	9.7	11.8	185.2	(66.5)	3.0	1.9	0.98	1.39	4,968	418	97	0	2	1	97.0	8	134	40	0.59
I		Vanguard Global ex-US Real Estate ETF (VNQI)	4.1	2.6	3.3	41.6	(16.6)	—	(0.3)	(0.5)	10.1	—	—	—	4.1	1.7	1.02	1.43	3,203	360	97	0	2	1	97.1	8	630	22	0.24
		Technology Sector Category Average	4.8	14.0	35.1	12.0	(7.3)	20.2	10.1	10.2	18.5	16.8	256.2	(52.1)	0.8	0.3	1.00	1.50	1,203	490	100	0	0	0	16.5	39	91	44	0.51
I		First Trust Dow Jones Internet ETF (FDN)	9.6	2.4	53.4	20.9	(5.7)	36.7	12.8	12.8	23.9	23.0	387.9	(50.6)	0.0	0.0	1.10	1.64	2,966	214	100	0	0	0	0.0	27	42	57	0.54
I		First Trust ISE Cloud Computing ETF (SKYY)	3.7	7.4	33.3	15.5	—	—	9.3	9.5	16.5	—	—	—	0.3	0.1	1.07	1.59	465	72	100	0	0	0	9.6	—	38	36	0.60
I		First Trust NASDAQ Technology Div ETF (TDIV)	(3.6)	15.5	30.4	—	—	—	2.1	2.1	—	—	—	—	2.5	—	—	—	669	115	99	0	0	1	14.8	—	111	55	0.50
I		First Trust Technology AlphaDEX ETF (FXL)	2.4	16.4	37.7	9.0	(11.6)	26.4	9.1	9.2	19.8	16.1	272.4	(57.6)	0.4	0.2	0.95	1.42	889	326	100	0	0	0	2.1	85	87	22	0.67
I		Guggenheim S&P 500 Eq Wt Technology ETF (RYT)	(0.1)	19.2	40.2	12.2	(6.9)	18.3	9.2	9.0	21.0	17.4	278.4	(54.5)	1.3	0.4	0.95	1.41	962	62	100	0	0	0	2.9	22	68	16	0.40
I		iShares Global Tech (IXN)	1.6	15.4	25.0	15.7	(3.3)	10.2	8.9	8.8	15.4	15.1	206.8	(51.9)	1.2	0.3	0.74	1.11	881	43	100	0	0	0	22.9	7	120	49	0.48
I		iShares North American Tech (IGM)	2.1	14.8	34.0	14.7	(1.3)	12.1	9.7	9.8	17.5	17.4	245.5	(50.7)	0.9	0.3	0.82	1.23	772	16	100	0	0	0	1.8	9	277	46	0.48
I		iShares North American Tech-Software (IGV)	7.2	13.4	30.6	16.9	(7.2)	24.5	15.8	16.0	17.3	18.5	248.3	(46.4)	0.2	0.1	0.97	1.45	1,202	147	100	0	0	0	1.1	13	65	55	0.48
I		iShares PHLX Semiconductor (SOXX)	(0.3)	29.9	41.3	6.7	(10.5)	14.2	8.4	8.3	22.5	17.5	264.9	(57.5)	1.6	0.4	1.14	1.72	484	470	100	0	0	0	18.6	34	31	57	0.47
I		iShares US Technology (IYW)	0.6	19.5	26.5	11.8	(0.1)	12.4	9.2	9.3	14.9	16.3	233.5	(50.4)	1.1	0.3	0.86	1.28	2,980	231	100	0	0	0	1.4	9	138	64	0.45
I		Market Vectors Semiconductor ETF (SMH)	0.1	30.0	33.7	8.3	—	—	11.5	11.5	21.2	—	—	—	1.2	0.6	1.07	1.59	424	3,080	100	0	0	0	34.9	9	27	73	0.35
I		PureFunds ISE Cyber Security ETF (HACK)	19.3	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,206	1,707	100	0	0	0	28.8	—	33	42	0.75
I		Technology Select Sector SPDR ETF (XLK)	1.1	17.8	26.0	15.5	2.7	11.6	9.9	9.9	15.0	17.2	225.8	(49.4)	1.8	0.8	0.78	1.16	13,093	8,036	100	0	0	0	1.2	10	73	59	0.15
I		Vanguard Information Technology ETF (VGT)	1.7	18.0	30.9	14.1	0.5	12.7	11.0	11.0	16.9	17.6	254.5	(50.6)	1.1	0.4	0.83	1.23	7,466	271	100	0	0	0	1.6	6	394	52	0.12
		Utilities Sector Category Average	(7.7)	18.7	15.7	5.4	4.6	3.7	(5.1)	(4.9)	8.5	9.6	93.1	(39.3)	3.4	1.2	1.00	1.44	646	1,007	100	0	0	0	23.9	24	61	45	0.41
I		iShares US Utilities (IDU)	(10.9)	27.4	14.7	1.3	18.6	7.3	(3.7)	(3.7)	8.3	12.4	118.0	(39.7)	3.6	1.0	1.09	1.57	544	167	100	0	0	0	0.0	8	61	50	0.45
I		Utilities Select Sector SPDR ETF (XLU)	(10.7)	28.6	13.0	1.1	19.6	5.2	(3.0)	(3.0)	7.9	12.3	111.7	(37.8)	3.7	1.6	1.10	1.58	5,537	12,612	100	0	0	0	0.0	5	30	59	0.15
I		Vanguard Utilities ETF (VPU)	(10.7)	26.9	14.9	2.0	18.9	6.9	(3.8)	(3.8)	8.5	12.5	118.2	(38.0)	3.7	1.3	1.09	1.57	1,673	107	100	0	0	0	0.0	7	82	48	0.12
		Commodities: Agriculture Category Average	(5.0)	(4.2)	(11.9)	(4.0)	(11.6)	33.4	(16.6)	(18.2)	(8.3)	(0.5)	5.2	(28.3)	0.0	0.0	1.00	2.20	55	37	12	0	85	3	11.1	0	16	88	1.01
I	N	ELEMENTS Rogers Intl Cmdty Agri TR ETN (RJA)	(1.2)	(7.6)	(11.9)	1.0	(16.0)	35.2	(11.5)	(11.8)	(6.5)	0.8	8.9	(33.6)	0.0	0.0	0.77	1.69	161	92	—	—	—	—	—	0	—	—	0.75
I		PowerShares DB Agriculture ETF (DBA)	(5.9)	2.3	(13.2)	(2.9)	(11.0)	22.5	(14.9)	(15.0)	(6.0)	(0.5)	(0.7)	(17.0)	0.0	0.0	0.63	1.39	963	492	0	0	102	(2)	0.0	—	28	92	0.85
		Commodities: Energy Category Average	(3.7)	(41.2)	4.1	(7.8)	(7.0)	(6.4)	(46.6)	(46.7)	(16.1)	(10.7)	(21.1)	(56.9)	0.0	0.0	1.00	3.46	287	6,838	0	0	61	39	0.0	5	16	60	0.89
I	N	iPath S&P GSCI Crude Oil TR ETN (OIL)	(1.9)	(46.7)	5.6	(12.9)	(2.2)	(0.8)	(52.8)	(52.9)	(16.5)	(11.5)	(31.7)	(67.4)	0.0	0.0	0.98	3.40	1,064	2,837	—	—	—	—	—	0	—	—	0.75
I		PowerShares DB Oil ETF (DBO)	(5.5)	(44.0)	6.6	(9.0)	1.3	2.5	(52.3)	(52.5)	(15.9)	(9.3)	(19.7)	(43.5)	0.0	0.0	0.79	2.75	581	233	0	0	107	(7)	0.0	—	14	107	0.75
I		United States Natural Gas ETF (UNG)	(7.1)	(29.0)	9.1	(27.1)	(46.0)	(40.4)	(44.7)	(44.9)	(11.0)	(26.2)	(90.1)	(59.6)	0.0	0.0	1.07	3.72	624	7,601	0	0	49	51	0.0	—	10	49	1.14
I		United States Oil ETF (USO)	(1.1)	(42.8)	5.4	(12.2)	(2.3)	(0.5)	(48.7)	(48.9)	(14.5)	(10.2)	(27.1)	(62.6)	0.0	0.0	0.87	3.01	2,284	15,153	0	0	50	50	0.0	0	30	50	0.72
I	N	VelocityShares 3x Long Crude Oil ETN (UWTI)	(30.8)	(84.6)	6.3	—	—	—	(91.7)	(91.8)	(50.8)	—	—	—	0.0	0.0	2.58	8.92	889	63,583	—	—	—	—	—	—	—	—	1.35
I	N	VelocityShares 3x Long Natural Gas ETN (UGAZ)	(43.5)	(81.8)	(3.3)	—	—	—	(90.7)	(90.8)	(57.9)	—	—	—	0.0	0.0	2.94	10.17	615	53,845	—	—	—	—	—	—	—	—	1.65
		Commodities: Precious Metals Cat Average	(3.6)	(9.7)	(27.9)	6.4	(5.9)	53.6	(18.1)	(18.2)	(13.2)	(4.7)	3.7	6.9	1.0	0.0	1.00	2.44	1,481	534	0	0	103	(3)	0.0	0	4	103	0.67
I		ETFS Physical Platinum (PPLT)	(11.2)	(11.4)	(11.4)	9.6	(20.7)	—	(27.6)	(28.0)	(9.5)	(7.4)	—	—	0.0	0.0	0.79	1.92	553	40	0	0	100	0	0.0	—	1	100	0.60
I		ETFS Physical Swiss Gold (SGOL)	(2.5)	(0.6)	(28.1)	5.3	11.2	27.2	(11.3)	(12.2)	(10.2)	(1.6)	—	—	0.0	0.0	0.77	1.89	893	21	0	0	100	0	0.0	—	1	100	0.39

to find an appropriate exchange-traded fund. Most funds are named based on their underlying index (e.g., SPDR S&P 500 tracks the performance of the S&P 500 index). Understand that the construction of the underlying index will have a significant impact on the fund's performance. For example, Apple Inc. (AAPL) has a far larger weighting in iShares Core S&P 500 Index ETF (IVV) than it does in Guggenheim S&P 500 Equal Weight (RSP). The bigger the weighting, the greater the influence on an ETF's performance. The column in the guide labeled "percent of portfolio in top 10 holdings" shows how much weight is allotted to a fund's largest positions.

All ETF sponsors list current holdings and the weighting of those holdings on their websites. This information not only provides additional insight into how dependent a fund is on its top two or three holdings, but it can also help improve an investor's portfolio diversification. Pay particular attention to whether a specific company accounts for a large position in two or more funds you are interested in.

Expenses matter, and lower expenses are preferable. Expenses are influenced by the underlying securities; funds that use foreign securities, invest in commodities, or use aggressive long or short strategies carry higher expenses. Some brokers waive commissions on select ETFs, but the savings on the commissions need to be weighed against the annual expense ratio and the suitability of the ETF. In other words, selecting an exchange-traded fund solely because commissions are waived may actually turn out to be a more expensive decision.

Again, be sure to look at a list of the fund's current holdings and read through the prospectus before buying any exchange-traded fund. A listing of ETF sponsor websites is included with the online edition

Table 2. Exchange-Traded Funds (con't)

Index	Enhanced	ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Risk Index Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
I			iShares Gold Trust (IAU)	(2.5)	(0.4)	(27.9)	8.4	8.7	27.9	(11.2)	(12.0)	(10.1)	(1.5)	22.2	18.2	0.0	0.0	0.77	1.88	6,316	2,298	0	0	100	0	0.0	0	1	100	0.25
I			iShares Silver Trust (SLV)	(1.9)	(18.5)	(35.2)	5.8	(8.4)	79.4	(25.2)	(25.8)	(17.0)	(4.0)	15.2	(8.3)	0.0	0.0	1.29	3.15	5,106	6,466	0	0	100	0	0.0	—	1	100	0.50
I			SPDR Gold Shares (GLD)	(2.5)	(0.6)	(28.1)	5.3	11.2	27.3	(11.3)	(12.2)	(10.2)	(1.6)	19.9	19.9	0.0	0.0	0.77	1.89	26,774	5,012	0	0	100	0	0.0	0	1	100	0.40
			Commodities: Miscellaneous Cat Average	(6.2)	(13.9)	(10.9)	(0.8)	(17.4)	15.9	(23.6)	(23.0)	(9.9)	(6.4)	1.3	(48.7)	0.0	0.0	1.00	2.09	188	75	9	(1)	55	37	1.4	0	17	64	0.78
I		N	ELEMENTS Rogers Intl Cmdty TR ETN (RJI)	(1.3)	(22.8)	(5.3)	1.2	(7.5)	18.1	(27.5)	(27.6)	(8.2)	(2.4)	9.7	(45.7)	0.0	0.0	0.71	1.47	549	257	—	—	—	—	—	0	—	—	0.75
I		N	iPath Bloomberg Cmdty TR ETN (DJP)	(2.1)	(19.0)	(10.8)	(1.9)	(14.5)	16.6	(26.0)	(26.3)	(10.2)	(5.1)	(8.9)	(42.3)	0.0	0.0	0.70	1.45	1,368	430	—	—	—	—	—	0	—	—	0.75
I			iShares S&P GSCI Commodity-Indexed Trust (GSG)	(0.8)	(33.6)	(2.0)	(0.6)	(3.3)	7.8	(37.4)	(37.8)	(11.5)	(5.4)	(11.7)	(53.4)	0.0	0.0	0.97	2.02	851	167	51	0	0	49	0.0	0	12	51	0.73
I			PowerShares DB Commodity Tracking ETF (DBC)	(2.1)	(28.2)	(7.6)	3.3	(2.7)	11.9	(32.1)	(32.3)	(11.2)	(3.6)	(6.0)	(32.3)	0.0	0.0	0.77	1.60	3,156	1,362	0	0	102	(2)	0.0	0	30	85	0.85
I			United States Commodity ETF (USCI)	(2.3)	(13.9)	(4.1)	(0.0)	(9.1)	—	(22.1)	(22.2)	(6.4)	—	—	—	0.0	0.0	0.59	1.22	563	41	0	0	50	50	0.0	—	29	33	1.00
			Contra Commodities Category Average	(8.2)	45.0	20.7	(12.2)	(8.7)	(30.5)	58.8	61.4	5.7	(5.3)	(52.0)	—	0.0	0.0	1.93	3.59	41	704	0	0	(150)	250	0.0	0	5	150	1.05
I			ProShares UltraShort Bloomberg Crude Oil (SCO)	(27.1)	145.8	(21.3)	3.8	(23.7)	(25.7)	130.6	132.1	4.9	(5.5)	(72.0)	—	0.0	0.0	1.25	6.14	180	1,630	0	0	(200)	300	0.0	0	6	200	1.15
I		N	VelocityShares 3x Inv Natural Gas ETN (DGAZ)	(32.3)	(7.3)	(56.6)	—	—	—	84.0	85.7	(45.4)	—	—	—	0.0	0.0	2.68	13.10	60	9,877	—	—	—	—	—	—	—	—	1.65
			Balanced Category Average	0.1	5.2	9.1	9.7	0.9	9.5	(0.8)	(0.8)	6.2	7.4	101.7	—	3.8	1.3	1.00	0.60	254	51	43	34	2	20	17.6	21	69	69	0.86
I			Multi-Asset Diversified Income ETF (MDIV)	(3.2)	7.9	10.9	—	—	—	(5.5)	(5.4)	—	—	—	—	6.3	—	—	—	1,043	244	65	17	15	4	11.8	—	127	31	0.67
I			PowerShares CEF Income Composite ETF (PCEF)	0.7	5.1	4.2	15.8	0.6	—	(3.2)	(3.1)	5.5	7.3	—	—	8.4	3.2	1.28	0.76	664	154	28	71	4	(4)	29.5	—	147	24	1.88
			Balanced: Global Category Average	(1.4)	1.8	5.3	6.9	(2.3)	5.8	(5.3)	(5.3)	4.1	4.7	112.1	—	2.3	0.9	1.00	0.73	118	22	50	33	5	11	31.6	53	52	69	0.92
I			IQ Hedge Multi-Strategy Tracker ETF (QAI)	0.8	2.8	5.2	4.1	0.3	2.4	0.1	(0.1)	3.8	3.6	—	—	1.3	0.5	0.60	0.43	1,037	149	27	65	(2)	10	42.2	—	72	113	0.91
I			iShares Core Growth Allocation (AOR)	1.6	6.2	15.9	11.4	1.2	11.1	2.5	2.3	9.8	10.1	112.1	—	2.1	0.6	0.89	0.66	465	81	60	34	1	5	34.3	12	10	100	0.24
			Global Stock Category Average	1.0	3.6	20.4	13.7	(5.5)	8.8	(3.4)	(3.6)	11.1	10.2	150.0	(56.5)	2.7	1.2	1.00	1.11	556	65	97	0	1	1	51.6	13	611	24	0.56
I		N	Barclays ETN+ FI Enhanced Glb Hi Yld (FIGY)	(1.2)	4.4	—	—	—	—	(10.2)	(10.5)	—	—	—	—	0.0	—	—	—	1,374	9	—	—	—	—	—	—	—	—	0.64
I			First Trust Dow Jones Global Sel Div ETF (FGD)	(1.4)	(0.7)	18.0	15.6	(2.2)	12.2	(11.4)	(11.8)	8.3	10.4	207.4	—	5.0	2.0	1.16	1.28	511	72	100	0	0	0	83.8	—	113	17	0.60
I			Global X SuperDividend ETF (SDIV)	(1.9)	5.8	14.7	15.3	—	—	(9.2)	(9.6)	9.0	—	—	—	6.2	2.5	1.22	1.35	1,028	214	100	0	0	0	67.9	34	112	12	0.58
I			iShares Global 100 (IOO)	0.2	2.5	24.6	12.6	(3.7)	5.3	(1.8)	(1.9)	11.7	11.2	132.1	(51.7)	2.7	0.8	0.97	1.07	1,730	61	99	0	1	0	42.0	12	111	33	0.40
I			iShares MSCI ACWI (ACWI)	2.5	4.6	22.9	16.0	(7.6)	12.3	0.8	0.7	13.2	12.0	160.7	—	2.0	0.6	0.89	0.99	6,465	1,070	100	0	0	0	48.3	5	1,259	9	0.33
I			iShares MSCI All Country World Mini Vol (ACWV)	2.4	11.1	17.3	10.3	—	—	6.8	6.6	11.5	—	—	—	2.1	0.7	0.78	0.85	2,182	142	98	0	0	1	44.4	24	374	12	0.20
I			Vanguard Total World Stock ETF (VT)	3.6	4.0	23.0	17.3	(7.7)	13.1	1.1	1.2	13.6	12.4	166.9	—	2.3	0.9	0.91	1.00	4,361	439	99	0	0	0	48.0	7	7,139	7	0.17
			Foreign Stock Category Average	4.7	(4.2)	18.7	15.3	(12.5)	11.9	(5.3)	(5.7)	10.1	8.5	133.6	(57.1)	2.9	1.1	1.00	1.29	1,950	479	97	0	2	1	95.9	27	671	21	0.47
I			Deutsche X-trackers MSCI EAFE Hedged Eq (DBEF)	8.1	5.3	25.9	18.1	—	—	10.6	10.3	17.3	—	—	—	6.2	2.1	0.74	0.95	12,154	3,035	100	0	0	0	99.6	10	924	12	0.35
I			First Trust Dorsey Wright Intl Foc 5 (IFV)	7.4	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	892	750	99	0	0	0	99.1	—	5	101	1.10
I			FlexShares Mstar DevMks exUS FctTilt ETF (TLTD)	8.1	(4.6)	22.0	—	—	—	(2.7)	(5.6)	—	—	—	—	2.9	—	—	—	562	24	99	0	1	1	98.6	16	2,715	8	0.42
I			iShares Core MSCI EAFE (IEFA)	6.2	(4.8)	23.7	—	—	—	(3.7)	(3.8)	—	—	—	—	2.7	—	—	—	5,791	847	96	0	2	2	96.0	3	2,509	10	0.12
I			iShares Core MSCI Total Intl Stk (IXUS)	4.5	(4.0)	15.9	—	—	—	(5.1)	(5.2)	—	—	—	—	2.6	—	—	—	1,644	149	95	0	3	2	95.3	4	3,401	7	0.14
I			iShares Currency Hedged MSCI EAFE (HEFA)	8.8	—	—	—	—	—	10.3	9.9	—	—	—	—	2.9	—	—	—	2,688	1,468	97	0	1	2	97.0	4	2	100	0.35
I			iShares International Select Dividend (IDV)	(2.6)	(4.9)	20.0	17.7	(6.7)	10.3	(14.9)	(15.4)	7.9	9.4	170.0	(65.7)	4.3	1.4	1.14	1.48	4,135	719	99	0	1	0	98.6	55	113	31	0.50
I			iShares MSCI ACWI ex US (ACWX)	4.0	(4.0)	15.2	16.3	(14.0)	9.6	(5.3)	(5.6)	9.3	7.5	117.2	—	2.6	0.8	0.90	1.17	1,975	491	95	0	4	2	94.5	8	1,162	9	0.33
I			iShares MSCI Canada (EWC)	(7.0)	1.4	5.4	8.8	(12.9)	20.1	(15.5)	(15.4)	3.3	3.6	99.9	(56.2)	2.2	0.6	1.11	1.44	2,443	1,687	95	0	5	0	92.1	6	97	43	0.48
I			iShares MSCI EAFE (EFA)	5.5	(5.0)	22.6	17.2	(12.2)	7.5	(4.4)	(4.7)	11.8	9.4	121.0	(56.5)	2.7	0.9	0.92	1.19	60,941	18,943	97	0	1	2	97.0	5	937	12	0.33
I			iShares MSCI EAFE Growth (EFG)	6.8	(4.7)	22.1	16.5	(12.3)	11.9	(1.6)	(1.6)	11.8	9.8	121.6	(54.2)	2.0	0.6	0.85	1.10	1,982	92	96	0	3	2	95.3	27	572	17	0.40
I			iShares MSCI EAFE Minimum Volatility (EFAV)	6.9	4.6	16.5	11.5	—	—	2.8	2.6	11.8	—	—	—	2.7	0.9	0.77	1.00	2,604	366	96	0	2	2	95.9	20	216	14	0.20
I			iShares MSCI EAFE Small-Cap (SCZ)	9.9	(5.0)	29.2	19.9	(14.9)	22.3	(0.9)	(1.1)	15.5	12.5	192.8	—	2.4	0.9	0.94	1.20	4,875	751	98	0	1	2	97.5	17	1,542	3	0.40
I			iShares MSCI EAFE Value (EFV)	4.1	(5.7)	22.6	17.5	(12.2)	3.2	(7.3)	(7.5)	11.5	8.7	117.3	(58.7)	3.6	1.1	1.01	1.31	2,863	206	96	0	2	2	95.9	29	504	17	0.40
I			PowerShares DWA Developed Mkts Mom ETF (PIZ)	0.1	(6.7)	36.1	16.1	(18.0)	19.1	(7.9)	(8.1)	13.4	10.4	144.3	—	1.5	0.8	1.11	1.42	402	119	100	0	1	0	99.7	—	116	25	0.80
I			PowerShares FTSE RAFI Dev Mkts ex-US ETF (PXF)	4.7	(9.6)	23.5	15.6	(15.3)	6.3	(8.8)	(9.2)	10.6	7.6	117.5	(58.2)	1.7	0.7	1.04	1.33	854	124	100	0	0	0	99.8	—	1,017	12	0.45
I			PowerShares Intl Div Achiev ETF (PID)	(0.9)	(4.8)	18.7	12.3	(2.5)	13.6	(10.1)	(10.1)	7.1	8.6	147.3	(61.7)	1.7	0.7	0.94	1.22	1,450	325	98	0	3	0	73.6	66	87	26	0.54
I			Schwab International Equity ETF (SCHF)	4.7	(4.4)	20.0	17.1	(12.3)	8.6	(4.9)	(5.0)	11.0	8.9	—	—	2.8	1.0	0.90	1.16	4,043	1,008	95	0	5	0	94.6	7	1,224	10	0.08
I			SPDR MSCI ACWI ex-US ETF (CWI)	4.2	(2.7)	14.9	15.9	(13.5)	10.5	(4.7)	(5.1)	9.6	7.8	122.0	(56.6)	2.3	1.2	0.91	1.18	916	95	93	0	5	1	93.3	3	848	10	0.30
I			SPDR S&P International Dividend ETF (DWX)	0.1	(5.4)	7.7	8.6	(11.3)	7.0	(15.0)	(15.3)	3.5	4.0	123.5	—	4.9	2.3	1.22	1.58	1,384	181	94	0	4	2	94.2	62	119	28	0.45
I			SPDR S&P International Small Cap ETF (GWX)	10.9	(6.1)	21.8	15.8	(15.6)	24.5	(2.0)	(2.1)	12.5	10.0	162.3	(59.1)	1.5	1.9	0.93	1.20	756	126	89	0	10	1	88.2	51	2,302	3	0.40
I			SPDR S&P World ex-US ETF (GWL)	5.4	(4.1)	19.5	16.9	(12.2)	10.4	(4.4)	(4.6)	11.2	9.1	123.7	(56.1)	2.7	1.1	0.89	1.14	782	148	94	0	5	2	93.4	17	1,301	10	0.34
I			Vanguard FTSE All-World ex-US ETF (VEU)	5.2	(4.1)	14.5	18.5	(14.3)	11.9	(4.4)	(4.6)	9.8	8.2	128.5	(58.3)	2.8	1.2	0.93	1.19	14,231	1,669	95	0	5	0	94.3	4	2,464	8	0.14
I			Vanguard FTSE All-World ex-US Sm-Cp ETF (VSS)	7.4	(4.7)	17.7	19.1	(18.9)	25.3	(5.7)	(5.9)	11.2	9.3	—	—	2.5	1.1	0.98	1.26	2,695	129	99	0	1	0	98.3	13	3,341	3	0.19
I			Vanguard FTSE Developed Markets ETF (VEA)	6.6	(5.7)	22.1	18.6	(12.6)	8.5	(4.0)	(4.2)	12.0	9.8	126.8	(57.0)	2.9	1.2	0.94	1.20	27,825	4,489	99	0	1	0	98.2	4	1,397	11	0.09
I			Vanguard Total International Stock ETF (VXUS)	5.4	(4.2)	15.2	18.2	—	—	(4.6)	(4.8)	9.9	—	—	—	2.7	1.2	0.92	1.19	4,532	422	94	0	6	1	93.6	3	5,823	8	0.14
I			Vident International Equity (VIDI)	0.4	(2.2)	—	—	—	—	(7.6)	(8.0)	—	—	—	—	1.9	—	—	—	743	30	99	0	0	0	98.8	—	549	6	0.68
I			WisdomTree DEFA ETF (DWM)	4.2	(3.5)	21.7	16.4	(9.3)	4.2	(5.8)	(5.8)	11.6	9.6	118.4	(56.8)	3.4	1.6	0.96	1.24	694	47	99	0	1	0	98.5	—	846	14	0.48
I			WisdomTree International SmallCp Div ETF (DLS)	9.0	(7.1)	27.4	21.5	(12.1)	18.2	(4.0)	(4.2)	14.8	11.9	176.8	(59.5)	2.8	1.5	0.99	1.27	1,082	143	98	0	2	0	97.8	—	916	4	0.58

of this guide.

Which Funds Were Included

The funds listed in the print version largely have at least $400 million in total assets. The rule was relaxed for funds held within the Model Fund Portfolio, which is why you will see Guggenheim S&P MidCap 400 Pure Value (RFV) and Guggenheim S&P SmallCap 600 Pure Value (RZV) in the print guide. We also relaxed the rule for categories of general interest whose funds are not large enough to have qualified for the AUM rule.

Funds included in the guide must be in existence for at least six months. The time requirement is used to limit the number of funds listed in the print version of this guide for space reasons, while still allowing newer funds with sizeable amounts of total assets to be included.

A comprehensive listing of ETFs and ETNs with performance data and additional information is available on AAII.com at www.aaii.com/etf-guide. The expanded downloadable spreadsheet includes funds of all sizes and covers all 1,752 ETFs and ETNs.

Ultra and Contra ETFs

For members following aggressive trading strategies, ultra market (long) and contra stock market are two of the categories included in this guide. The ultra category includes funds that are designed to move in the same direction as their underlying index but to experience two to three times the price movement. The contra categories (stock, bond and commodity) contain funds that are designed to move in the opposite direction as the underlying index. Some of these funds may experience inverse price movements that are two to three times greater than those of the underlying index.

Table 2. Exchange-Traded Funds (con't)

Index Enhanced ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Risk Index Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
	Foreign Stock: Europe Category Average	**4.9**	**(7.0)**	**27.6**	**20.7**	**(14.0)**	**4.1**	**(7.4)**	**(7.2)**	**13.5**	**9.8**	**127.4**	**(60.9)**	**3.0**	**0.9**	**1.00**	**1.67**	**1,281**	**798**	**98**	**0**	**1**	**1**	**98.0**	**18**	**148**	**45**	**0.47**
I	Deutsche X-trackers MSCI Europe Hedgd Eq (DBEU)	6.7	4.4	—	—	—	—	6.3	6.1	—	—	—	—	7.8	—	—	—	2,477	1,036	100	0	0	0	99.5	—	451	18	0.45
I	iShares Core MSCI Europe (IEUR)	4.7	—	—	—	—	—	(6.7)	(6.4)	—	—	—	—	2.6	—	—	—	546	53	95	0	3	2	94.4	0	989	15	0.14
I	iShares Currency Hedged MSCI Eurozone (HEZU)	13.1	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	1,514	906	98	0	0	2	97.5	0	2	100	0.50
I	iShares Currency Hedged MSCI Germany (HEWG)	11.0	—	—	—	—	—	10.1	9.9	—	—	—	—	1.8	—	—	—	1,948	1,625	97	0	1	2	96.4	4	2	100	0.53
I	iShares Europe (IEV)	3.8	(6.1)	25.2	18.6	(11.1)	2.7	(7.7)	(7.6)	12.3	9.8	123.7	(58.8)	2.7	0.8	0.84	1.39	2,884	755	99	0	0	0	99.1	4	361	19	0.60
I	iShares MSCI Eurozone (EZU)	3.9	(8.5)	28.8	21.2	(17.7)	(4.4)	(9.5)	(9.1)	13.8	8.3	102.3	(61.4)	2.5	0.7	0.97	1.60	9,922	7,866	98	0	0	2	97.6	7	248	23	0.48
I	iShares MSCI Germany (EWG)	2.3	(10.5)	31.2	30.7	(18.1)	8.5	(9.7)	(9.3)	14.0	10.4	139.3	(60.3)	1.8	0.5	0.95	1.57	7,212	7,499	98	0	0	2	97.3	6	57	56	0.48
I	iShares MSCI Italy Capped (EWI)	10.8	(9.8)	20.9	12.6	(24.0)	(14.7)	(12.2)	(12.2)	12.4	3.9	49.0	(63.1)	2.5	0.7	1.41	2.36	1,040	2,341	98	0	0	2	94.3	24	28	63	0.48
I	iShares MSCI Spain Capped (EWP)	(3.1)	(4.7)	34.3	3.1	(10.1)	(19.8)	(18.2)	(18.0)	14.9	6.0	67.0	(54.9)	4.9	1.1	1.39	2.33	1,754	1,506	98	0	0	2	98.0	15	31	71	0.48
I	iShares MSCI Sweden (EWD)	3.4	(7.4)	24.7	22.1	(15.9)	33.6	(6.1)	(6.1)	11.4	10.3	213.8	(61.5)	4.4	1.2	0.94	1.57	406	279	97	0	0	3	96.5	7	34	61	0.48
I	iShares MSCI Switzerland Capped (EWL)	5.8	(0.8)	26.5	20.2	(7.3)	13.7	(2.0)	(2.3)	15.4	12.8	167.2	(46.4)	2.4	0.7	0.73	1.22	1,205	703	100	0	0	0	99.8	5	41	72	0.48
I	iShares MSCI United Kingdom (EWU)	1.8	(5.9)	20.0	14.6	(3.0)	8.0	(8.7)	(9.2)	8.5	10.1	127.8	(59.1)	3.8	1.2	0.83	1.38	3,424	3,080	97	0	1	2	96.7	10	115	37	0.48
I	SPDR EURO STOXX 50 ETF (FEZ)	2.4	(8.4)	27.4	20.5	(16.4)	(8.9)	(11.2)	(10.7)	13.3	7.6	92.5	(59.6)	3.2	1.4	1.03	1.73	4,651	2,810	98	0	0	2	97.7	6	54	37	0.29
I	Vanguard FTSE Europe ETF (VGK)	5.0	(6.6)	24.9	21.0	(11.5)	5.0	(7.1)	(7.1)	12.8	10.6	135.9	(59.6)	3.3	1.4	0.82	1.36	14,243	5,034	99	0	1	0	98.8	7	533	18	0.12
I	WisdomTree Europe Hedged Equity ETF (HEDJ)	11.1	6.6	21.5	17.2	(9.3)	3.1	11.4	11.8	17.6	11.3	—	—	2.3	1.3	0.75	1.25	19,765	5,221	100	0	0	0	99.3	—	133	45	0.58
I	WisdomTree Europe SmallCap Dividend ETF (DFE)	12.0	(6.3)	47.2	28.0	(19.4)	18.6	(2.2)	(2.9)	23.3	16.2	237.4	(64.9)	2.6	1.2	0.95	1.59	986	173	98	0	2	0	97.9	—	363	11	0.58
	Foreign Stock: Latin America Cat Average	**(8.7)**	**(14.9)**	**(14.8)**	**12.9**	**(19.5)**	**28.5**	**(26.0)**	**(26.0)**	**(10.4)**	**(5.4)**	**72.4**	**(56.6)**	**5.2**	**1.3**	**1.00**	**2.45**	**261**	**728**	**98**	**0**	**1**	**1**	**96.5**	**42**	**59**	**51**	**0.62**
I	iShares Latin America 40 (ILF)	(5.8)	(11.5)	(12.5)	5.3	(18.4)	15.2	(20.5)	(20.4)	(8.0)	(3.9)	50.4	(53.9)	2.3	0.8	0.91	2.22	671	375	100	0	0	0	98.2	11	43	58	0.49
I	iShares MSCI Brazil Capped (EWZ)	(9.1)	(14.5)	(17.0)	(0.6)	(22.3)	6.0	(29.3)	(29.3)	(11.5)	(9.0)	18.4	(57.0)	3.1	1.3	1.23	3.00	2,795	12,023	97	0	1	2	96.9	54	69	51	0.62
I	iShares MSCI Mexico Capped (EWW)	(3.3)	(10.1)	(1.5)	31.3	(12.3)	27.5	(14.1)	(14.4)	(0.7)	5.0	162.5	(59.3)	1.6	0.4	0.66	1.61	1,508	1,861	99	0	0	1	98.7	19	61	59	0.48
	Foreign Stock: Pacific/Asia Cat Average	**8.7**	**7.2**	**6.8**	**18.9**	**(20.1)**	**15.8**	**10.9**	**10.4**	**10.4**	**6.4**	**151.6**	**(55.7)**	**2.0**	**0.8**	**1.00**	**1.92**	**822**	**753**	**98**	**0**	**1**	**1**	**97.6**	**30**	**189**	**40**	**0.59**
I	Deutsche X-trackers Harvest CSI300 CHN A (ASHR)	26.7	49.7	—	—	—	—	107.4	105.3	—	—	—	—	0.2	—	—	—	1,010	3,480	98	0	2	0	98.2	—	393	20	0.80
I	Deutsche X-trackers MSCI Japan Hedged Eq (DBJP)	15.6	7.8	51.7	19.6	—	—	28.7	28.0	28.7	—	—	—	11.5	2.3	0.88	1.68	1,321	457	100	0	0	0	100.0	13	316	22	0.45
I	iShares Asia 50 (AIA)	8.2	1.1	2.6	22.7	(13.1)	18.4	5.9	5.9	9.3	8.6	156.7	—	1.6	0.7	0.71	1.36	425	26	100	0	0	0	99.9	12	53	53	0.50
I	iShares China Large-Cap (FXI)	12.5	12.0	(1.2)	17.0	(17.7)	2.1	26.7	26.7	14.2	5.3	114.0	(63.8)	1.6	0.6	1.09	2.08	8,075	19,854	100	0	0	0	99.6	17	53	57	0.74
I	iShares Core MSCI Pacific (IPAC)	8.8	—	—	—	—	—	2.5	2.3	—	—	—	—	2.1	—	—	—	411	24	98	0	1	2	97.7	0	864	16	0.14
I	iShares Currency Hedged MSCI Japan (HEWJ)	16.8	—	—	—	—	—	29.3	29.2	—	—	—	—	1.0	—	—	—	779	464	99	0	0	1	99.2	1	2	100	0.48
I	iShares India 50 (INDY)	0.7	28.8	(4.7)	25.7	(36.3)	23.1	4.2	3.6	12.5	3.5	—	—	0.5	0.2	1.25	2.40	961	378	100	0	0	0	100.0	5	53	52	0.94
I	iShares MSCI All Country Asia ex Japan (AAXJ)	4.9	3.9	2.5	21.4	(20.0)	15.5	2.9	2.1	8.8	5.8	147.5	—	1.6	0.6	0.64	1.24	4,262	941	99	0	0	1	98.8	14	621	23	0.68
I	iShares MSCI Australia (EWA)	(3.5)	(3.8)	3.7	21.6	(11.2)	13.9	(14.6)	(14.9)	4.3	7.1	148.3	(62.7)	5.8	1.6	1.02	1.94	1,542	1,798	100	0	0	0	99.6	6	73	57	0.48
I	iShares MSCI China (MCHI)	14.3	7.5	3.1	21.9	—	—	23.9	23.2	14.3	—	—	—	1.9	0.6	0.99	1.89	2,221	910	99	0	0	1	98.8	7	148	50	0.62
I	iShares MSCI Hong Kong (EWH)	11.3	4.6	10.4	27.6	(16.3)	22.4	11.3	10.5	15.1	11.8	179.6	(55.2)	2.2	1.2	0.80	1.52	3,659	2,378	98	0	0	2	98.0	6	43	65	0.48
I	iShares MSCI India (INDA)	1.4	23.3	(4.2)	—	—	—	2.9	2.6	11.4	—	—	—	0.8	0.2	1.15	2.19	3,842	2,643	99	0	0	1	99.4	22	73	51	0.68
I	iShares MSCI Indonesia (EIDO)	(13.3)	24.0	(24.8)	4.1	3.2	—	(10.5)	(10.8)	(4.7)	0.8	—	—	1.6	0.5	1.21	2.32	410	635	96	0	3	2	95.9	8	103	60	0.62
I	iShares MSCI Japan (EWJ)	13.5	(4.4)	26.5	7.6	(14.9)	14.9	7.9	7.6	12.8	8.3	86.7	(45.7)	1.0	0.4	0.67	1.28	19,598	23,721	99	0	0	1	99.2	2	316	22	0.48
I	iShares MSCI Pacific ex Japan (EPP)	0.3	(0.9)	5.0	24.0	(13.0)	16.4	(7.2)	(7.6)	7.0	8.2	161.2	(60.6)	4.8	1.4	0.85	1.61	2,445	432	98	0	0	2	97.5	8	151	39	0.49
I	iShares MSCI Philippines (EPHE)	1.9	25.2	(7.9)	45.5	(3.3)	—	6.6	5.4	10.6	—	—	—	0.8	0.3	0.98	1.86	422	245	99	0	1	0	99.3	24	47	61	0.62
I	iShares MSCI Singapore (EWS)	(2.2)	2.9	1.0	30.0	(17.9)	22.3	(3.8)	(3.9)	4.9	6.1	173.9	(59.0)	3.4	1.5	0.73	1.41	793	682	98	0	0	2	97.7	4	32	69	0.48
I	iShares MSCI South Korea Capped (EWY)	0.5	(11.9)	3.5	19.9	(11.7)	26.2	(14.0)	(14.2)	1.8	5.1	164.4	(68.7)	1.2	0.3	0.83	1.59	4,104	2,247	100	0	0	0	99.8	13	109	45	0.62
I	iShares MSCI Taiwan (EWT)	4.7	8.7	8.6	16.4	(21.0)	21.1	2.4	1.9	11.6	9.6	160.8	(56.3)	1.8	0.8	0.66	1.25	4,239	5,785	100	0	0	0	99.8	11	101	51	0.62
I	Market Vectors Vietnam ETF (VNM)	(3.9)	3.9	12.7	18.2	(41.1)	2.3	(10.0)	(7.9)	2.7	(4.1)	—	—	2.8	1.1	1.30	2.49	507	375	99	0	0	1	99.5	67	34	59	0.70
I	PowerShares India ETF (PIN)	3.1	21.9	(4.2)	13.5	(35.5)	15.2	1.4	0.8	9.3	(0.0)	111.1	—	0.8	0.4	1.14	2.19	616	1,361	99	0	0	1	99.5	49	52	58	0.85
I	SPDR S&P China ETF (GXC)	13.7	5.0	9.3	19.4	(17.2)	6.7	21.1	20.0	14.8	7.9	158.4	(63.5)	1.4	0.8	0.95	1.83	1,283	167	98	0	1	0	98.3	10	365	40	0.59
I	SPDR S&P Emerging Asia Pacific ETF (GMF)	6.6	10.6	2.8	17.6	(18.8)	19.3	8.5	8.2	11.2	7.5	168.2	(60.0)	1.4	0.7	0.64	1.24	905	91	97	0	2	1	97.1	15	714	21	0.49
I	Vanguard FTSE Pacific ETF (VPL)	9.2	(4.6)	17.5	15.6	(13.9)	15.9	1.0	0.5	10.4	8.7	114.5	(51.7)	2.5	1.1	0.66	1.26	3,239	395	99	0	0	0	99.3	5	844	17	0.12
I	WisdomTree India Earnings ETF (EPI)	(1.9)	29.8	(8.8)	23.8	(40.6)	19.4	(2.7)	(2.8)	9.7	(0.3)	130.8	—	0.8	0.4	1.31	2.52	2,540	5,639	100	0	0	0	100.0	—	234	45	0.83
I	WisdomTree Japan Hedged Equity ETF (DXJ)	16.0	10.5	41.9	17.1	(15.2)	(1.4)	29.2	28.5	26.5	14.0	121.8	(40.2)	1.2	1.6	0.85	1.64	18,154	4,872	100	0	0	0	100.0	—	329	34	0.48
	Foreign Stock: Emerging Mkts Cat Average	**1.9**	**(7.5)**	**(0.9)**	**17.6**	**(22.0)**	**20.9**	**(10.6)**	**(10.8)**	**1.1**	**1.5**	**103.9**	**(59.4)**	**2.7**	**1.0**	**1.00**	**1.82**	**1,401**	**1,044**	**98**	**0**	**1**	**0**	**98.0**	**33**	**286**	**35**	**0.60**
I	EGShares Emerging Markets Consumer ETF (ECON)	2.6	(2.8)	1.7	20.6	(5.0)	—	(4.7)	(4.9)	5.3	—	—	—	1.2	0.3	0.79	1.44	992	569	100	0	0	0	100.0	12	30	53	0.84
I	iShares Core MSCI Emerging Markets (IEMG)	3.4	(2.0)	(2.2)	—	—	—	(4.6)	(4.9)	—	—	—	—	2.3	—	—	—	7,669	1,954	99	0	0	1	98.4	8	1,813	16	0.18
I	iShares MSCI Emerging Markets (EEM)	2.6	(2.8)	(3.1)	17.3	(18.9)	15.9	(5.8)	(6.4)	3.1	3.1	110.6	(59.5)	2.1	0.6	0.78	1.41	29,584	46,583	99	0	0	1	98.7	22	861	18	0.68
I	iShares MSCI Emerging Markets Mini Vol (EEMV)	2.6	0.9	(0.3)	22.0	—	—	(1.6)	(1.5)	4.9	—	—	—	2.5	0.8	0.62	1.13	2,671	411	98	0	1	1	97.8	34	269	13	0.25
I	iShares MSCI Frontier 100 (FM)	(3.5)	4.0	25.6	—	—	—	(10.7)	(8.4)	—	—	—	—	2.4	—	—	—	577	167	98	0	0	2	97.7	61	108	33	0.79
I	iShares MSCI South Africa (EZA)	2.1	4.6	(6.8)	17.9	(14.8)	33.3	(2.1)	(2.7)	3.9	7.2	155.2	(55.7)	2.1	0.7	1.04	1.91	429	382	98	0	2	0	98.2	4	56	62	0.62
I	iShares MSCI Turkey (TUR)	(14.6)	16.7	(26.8)	63.2	(36.2)	23.4	(16.3)	(16.8)	(2.7)	(1.2)	139.2	—	2.4	0.6	1.66	3.03	452	332	97	0	0	2	97.4	8	77	58	0.62
I	Market Vectors Russia ETF (RSX)	18.8	(44.9)	(0.6)	15.4	(28.3)	21.3	(29.0)	(27.7)	(8.9)	(6.4)	75.4	(76.0)	3.7	1.2	1.68	3.08	2,054	10,226	92	0	8	0	92.3	23	50	60	0.61

Funds that move with a greater magnitude than the index they track use leverage. For every dollar invested, an investor has the potential to earn double or triple the return he or she would otherwise earn. At the same time, the magnitude of potential losses is two to three times greater. In other words, these are very risky investments.

In addition to the considerably higher level of volatility, these funds have a much greater potential for tracking error. Tracking error is the extent to which a fund's net asset value (NAV) return differs from the underlying index's return. (Tracking error can also occur if an ETF's market return is different than its NAV return. All index funds face tracking error to some extent.) Tracking error can result in actual returns being significantly different from what an investor anticipated based on the performance of an index. ProShares, one of the providers of ultra and contra funds, clearly warns investors not to hold such funds for longer than one day. Specifically, ProShares states, "Due to the compounding of daily returns, ProShares' returns over periods other than one day will likely differ in amount and possibly direction from the target return for the same period."

This warning applies to both ultra and contra funds. These ETFs are suitable only for speculative trading for the time period listed in the prospectus (typically a single day); they should not be used for a longer-term holding.

Investors concerned about market risk will be better served by maintaining proper diversification across asset classes, staying focused on long-term financial goals and conducting a thorough analysis of all investments.

A Key to Terms and Statistics

Most of the information

Table 2. Exchange-Traded Funds (con't)

Index Enhanced ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Risk Index Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
I	Schwab Emerging Markets Equity ETF (SCHE)	3.2	1.1	(3.8)	17.0	(19.3)	—	(2.5)	(2.9)	4.5	3.8	—	—	2.8	1.0	0.81	1.48	1,499	385	94	0	6	0	93.9	—	725	18	0.14
I	SPDR S&P Emerging Markets Small Cap ETF (EWX)	2.0	(1.5)	2.5	24.3	(29.2)	22.7	(8.0)	(8.1)	5.5	3.0	145.1	—	2.6	1.0	0.73	1.33	473	67	97	0	2	1	96.6	23	827	4	0.65
I	Vanguard FTSE Emerging Markets ETF (VWO)	3.8	0.6	(5.0)	18.8	(18.7)	19.0	(2.4)	(2.8)	4.1	4.1	133.1	(62.6)	2.6	1.1	0.81	1.49	47,664	11,904	98	0	2	0	97.1	9	1,012	17	0.15
I	WisdomTree Emerging Markets Eq Inc ETF (DEM)	2.8	(11.6)	(5.6)	14.0	(9.8)	23.4	(12.6)	(12.5)	(1.5)	2.9	98.1	(46.7)	4.7	1.6	0.90	1.64	2,241	220	100	0	0	0	99.7	—	298	32	0.63
I	WisdomTree Emerging Markets SmCp Div ETF (DGS)	1.4	(2.0)	(2.6)	22.3	(20.6)	28.9	(6.2)	(7.1)	3.7	4.7	143.0	(54.8)	2.8	1.3	0.75	1.36	1,349	147	97	0	3	0	97.0	—	595	8	0.63
	Foreign Stock: Contra Mkt Cat Average	**(17.8)**	**6.3**	**(17.9)**	**(36.1)**	**5.8**	**(36.6)**	**(7.4)**	**(9.9)**	**(21.8)**	**(23.4)**	**(87.4)**	**70.6**	**0.0**	**0.0**	**1.00**	**3.65**	**61**	**189**	**(60)**	**0**	**(100)**	**261**	**(23.2)**	**10**	**7**	**211**	**0.93**
I	ProShares Short MSCI EAFE (EFZ)	(7.3)	3.9	(20.1)	(19.2)	2.9	(14.2)	1.9	1.9	(13.0)	(13.2)	(69.6)	85.4	0.0	0.0	0.33	1.20	33	41	0	0	(100)	200	0.0	—	6	100	0.95
I	ProShares Short MSCI Emerging Markets (EUM)	(3.6)	(0.1)	(1.2)	(20.2)	9.0	(20.8)	2.5	2.5	(6.5)	(9.0)	(71.0)	41.9	0.0	0.0	0.41	1.49	354	414	0	0	(68)	168	0.0	0	8	132	0.95
	General Bond: Short-Term Category Average	**0.8**	**0.9**	**1.5**	**4.5**	**1.8**	**3.0**	**0.7**	**0.7**	**1.6**	**1.9**	**14.5**	**4.7**	**1.4**	**0.5**	**1.00**	**0.09**	**1,732**	**218**	**0**	**73**	**1**	**26**	**16.0**	**214**	**392**	**18**	**0.31**
I	Guggenheim BulletShrs 2015 Corp Bd ETF (BSCF)	0.2	0.6	1.6	6.6	3.5	—	0.3	(0.3)	1.7	3.1	—	—	0.8	0.5	1.13	0.09	433	109	0	2	0	98	0.5	—	127	2	0.25
	Guggenheim Enhanced Short Dur ETF (GSY)	0.8	0.8	1.4	1.5	0.0	0.0	0.9	0.9	1.3	0.9	4.8	—	1.4	0.5	0.38	0.02	471	116	0	33	0	66	12.6	—	148	11	0.30
I	iShares 1-3 Year Credit Bond (CSJ)	0.7	0.7	1.0	3.3	1.3	3.7	0.7	0.7	1.3	1.8	21.9	1.9	1.0	0.5	1.00	0.08	10,951	435	0	98	0	2	37.2	17	920	5	0.20
I	iShares Floating Rate Bond (FLOT)	0.3	0.3	1.1	4.1	—	—	0.2	0.1	1.1	—	—	—	0.5	0.2	0.50	0.05	3,078	487	0	72	0	28	33.8	13	436	8	0.20
	iShares Short Maturity Bond (NEAR)	0.4	0.8	—	—	—	—	0.5	0.6	—	—	—	—	0.8	—	—	—	992	306	0	63	0	37	11.0	35	359	10	0.25
	PIMCO Enhanced Short Maturity Active ETF (MINT)	0.5	0.5	0.7	2.5	0.4	1.7	0.5	0.6	0.9	1.1	—	—	0.7	0.4	0.38	0.02	3,543	371	0	76	1	22	32.0	188	532	15	0.35
I	PowerShares Senior Loan ETF (BKLN)	1.2	0.7	4.3	10.2	—	—	(0.4)	(0.6)	3.7	—	—	—	3.9	1.7	2.88	0.26	5,413	2,126	0	88	0	12	0.0	—	173	15	0.65
I	SPDR Barclays Short Term Corp Bd ETF (SCPB)	0.7	0.9	1.4	3.7	1.4	3.6	0.7	0.6	1.6	2.0	—	—	1.3	0.6	1.00	0.09	3,990	970	0	98	0	2	20.4	43	1,038	5	0.12
	SPDR Blackstone / GSO Senior Loan ETF (SRLN)	2.5	0.9	—	—	—	—	2.0	2.5	—	—	—	—	4.0	—	—	—	672	83	1	93	3	3	11.4	77	184	16	0.70
I	Vanguard Short-Term Bond ETF (BSV)	0.9	1.3	0.2	2.0	3.0	4.0	1.2	1.2	1.1	1.7	16.9	7.5	1.2	0.6	1.50	0.13	16,348	988	0	97	0	3	12.3	45	2,095	14	0.10
I	Vanguard Short-Term Corporate Bond ETF (VCSH)	1.0	2.0	1.4	5.7	2.9	5.5	1.2	1.0	2.4	3.1	—	—	1.9	0.8	2.00	0.18	10,347	608	0	99	0	1	20.3	56	1,834	3	0.12
	General Bond: Interm-Term Cat Average	**0.2**	**5.6**	**(1.2)**	**7.9**	**6.9**	**7.8**	**1.3**	**1.3**	**2.8**	**4.0**	**41.4**	**3.4**	**2.4**	**1.0**	**1.00**	**0.40**	**1,956**	**184**	**0**	**87**	**0**	**13**	**33.7**	**92**	**1,066**	**234**	**0.23**
I	Guggenheim BulletShrs 2016 Corp Bd ETF (BSCG)	0.6	0.9	2.0	7.8	4.3	—	0.5	0.5	2.3	3.9	—	—	1.1	0.6	0.36	0.15	722	322	0	45	0	55	10.4	—	275	9	0.25
I	Guggenheim BulletShrs 2017 Corp Bd ETF (BSCH)	1.0	2.0	1.0	10.7	4.5	—	1.0	0.9	3.0	4.6	—	—	1.5	0.8	0.64	0.26	876	362	0	100	0	0	21.3	—	321	10	0.25
I	Guggenheim BulletShrs 2018 Corp Bd ETF (BSCI)	1.4	2.8	0.6	—	—	—	1.6	1.7	3.4	—	—	—	1.7	0.7	0.75	0.31	654	321	0	100	0	0	19.6	—	289	13	0.25
I	iShares Core US Aggregate Bond (AGG)	(0.1)	6.0	(2.2)	4.0	7.6	6.3	1.9	1.8	1.8	3.2	31.6	6.3	2.3	1.0	0.83	0.33	24,966	1,890	0	83	0	17	7.9	318	4,035	11	0.08
I	iShares Core US Credit Bond (CRED)	(0.9)	7.4	(2.3)	9.1	8.1	8.4	0.7	0.6	2.8	4.7	55.1	(3.3)	3.3	1.4	1.22	0.50	891	119	0	98	0	2	30.3	10	2,497	3	0.15
I	iShares Intermediate Credit Bond (CIU)	0.7	3.9	(0.4)	7.8	5.2	7.5	1.2	1.2	2.6	4.0	45.9	(1.0)	2.4	1.1	0.75	0.31	6,233	471	0	97	0	3	32.8	7	3,036	2	0.20
	PIMCO Total Return Active ETF (BOND)	0.5	6.9	(1.2)	—	—	—	3.0	3.2	3.7	—	—	—	5.1	1.4	1.00	0.40	2,478	194	(8)	28	0	80	5.0	577	400	24	0.55
I	Schwab US Aggregate Bond ETF (SCHZ)	(0.1)	6.0	(2.2)	3.9	—	—	1.9	1.7	1.8	—	—	—	2.1	0.8	0.83	0.33	1,624	166	0	92	0	8	8.6	74	2,419	8	0.05
I	SPDR Barclays Aggregate Bond ETF (LAG)	(0.1)	5.8	(2.1)	3.9	7.6	6.7	1.8	1.5	1.7	3.2	31.5	7.4	2.5	1.0	0.81	0.33	989	60	0	93	0	7	8.9	91	2,282	8	0.08
I	SPDR Barclays Interm Term Corp Bd ETF (ITR)	0.8	4.1	(0.2)	8.6	5.2	7.3	1.3	1.2	3.0	4.2	46.5	—	2.7	1.2	0.81	0.33	753	147	0	100	0	0	18.2	13	2,598	3	0.12
I	Vanguard Intermediate-Term Bond ETF (BIV)	0.5	7.0	(3.4)	7.0	10.6	9.6	2.4	2.3	2.2	4.6	47.5	5.0	2.7	1.4	1.22	0.49	5,993	319	0	99	0	1	13.7	60	1,746	19	0.10
I	Vanguard Intermediate-Term Corp Bd ETF (VCIT)	0.4	7.5	(1.8)	11.4	7.9	10.6	1.8	1.9	3.8	5.7	—	—	3.2	1.4	1.25	0.51	5,342	466	0	99	0	1	15.2	65	1,633	4	0.12
I	Vanguard Total Bond Market ETF (BND)	(0.2)	6.0	(2.1)	4.0	7.7	6.5	1.7	1.6	1.7	3.2	32.3	6.2	2.5	1.1	0.86	0.34	26,989	2,103	0	95	0	5	9.8	72	16,817	5	0.07
I	Vident Core US Bond Strategy ETF (VBND)	0.2	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	420	10	0	83	0	17	0.8	—	312	16	0.45
	General Bond: Long-Term Category Average	**(2.1)**	**10.9**	**(4.5)**	**10.9**	**15.4**	**10.2**	**0.5**	**0.2**	**2.8**	**6.4**	**65.1**	**(1.0)**	**3.4**	**1.5**	**1.00**	**0.75**	**2,240**	**357**	**0**	**98**	**0**	**2**	**15.7**	**26**	**924**	**10**	**0.16**
I	iShares 10+ Year Credit Bond (CLY)	(4.6)	15.5	(7.1)	12.9	15.3	10.5	(1.0)	(1.7)	3.1	6.6	—	—	4.4	1.8	1.32	0.98	744	88	0	99	0	1	20.9	23	1,330	5	0.20
I	iShares iBoxx $ Invst Grade Crp Bond (LQD)	(1.4)	8.6	(2.5)	11.7	8.9	9.1	0.5	0.3	3.3	5.5	62.1	(4.3)	3.4	1.5	0.82	0.60	20,906	3,365	0	99	0	1	18.5	9	1,384	3	0.15
I	Vanguard Long-Term Bond ETF (BLV)	(4.6)	19.9	(9.0)	8.5	22.2	10.4	2.0	1.4	2.4	6.6	68.2	2.3	4.1	1.8	1.39	1.03	1,187	134	0	100	0	0	13.4	39	1,979	17	0.10
I	Vanguard Long-Term Corporate Bond ETF (VCLT)	(4.7)	16.7	(5.9)	12.3	15.9	11.2	(0.4)	(1.3)	3.7	7.0	—	—	4.6	1.8	1.33	0.99	945	245	0	100	0	0	13.1	54	1,572	5	0.12
	Convertible Category Average	**2.2**	**7.5**	**20.8**	**15.2**	**(6.6)**	**14.0**	**1.2**	**1.0**	**13.3**	**10.8**	**—**	**—**	**4.4**	**1.9**	**1.00**	**0.78**	**1,023**	**202**	**5**	**5**	**90**	**0**	**3.9**	**40**	**102**	**26**	**0.32**
I	SPDR Barclays Convertible Secs ETF (CWB)	2.6	7.5	20.8	15.2	(6.6)	14.0	1.2	1.0	13.3	10.8	—	—	4.4	1.9	1.00	0.78	3,045	601	5	5	90	0	3.9	40	102	26	0.40
	Corporate Bond: High-Yield Category Average	**1.7**	**0.8**	**6.5**	**14.5**	**4.6**	**11.9**	**(1.6)**	**(1.8)**	**5.5**	**7.3**	**108.4**	**(24.1)**	**4.8**	**2.0**	**1.00**	**0.52**	**1,278**	**703**	**0**	**83**	**3**	**14**	**27.2**	**26**	**305**	**162**	**0.50**
	First Trust Tactical High Yield ETF (HYLS)	3.2	2.4	—	—	—	—	0.9	0.6	—	—	—	—	5.7	—	—	—	470	44	0	82	8	9	15.2	54	303	22	1.29
I	Guggenheim BulletShrs 2015 HY CorpBd ETF (BSJF)	1.4	1.6	6.2	11.7	—	—	0.9	0.4	5.1	—	—	—	3.4	1.8	0.57	0.30	726	116	0	70	0	30	12.7	—	72	31	0.44
I	Guggenheim BulletShrs 2016 HY CorpBd ETF (BSJG)	2.4	0.6	7.6	—	—	—	(0.1)	(0.4)	5.8	—	—	—	3.8	1.7	0.74	0.38	793	116	0	76	0	24	6.3	30	96	34	0.44
I	Guggenheim BulletShrs 2017 HY CorpBd ETF (BSJH)	2.7	0.6	7.3	—	—	—	(0.2)	(0.2)	5.9	—	—	—	4.1	1.8	0.76	0.40	535	115	0	100	0	0	12.9	—	126	24	0.43
I	Guggenheim BulletShrs 2018 HY CorpBd ETF (BSJI)	2.1	0.6	8.3	—	—	—	(0.8)	(0.9)	6.2	—	—	—	4.5	2.0	0.85	0.43	421	104	0	100	0	0	19.3	—	147	22	0.44
I	iShares 0-5 Year High Yield Corp Bd (SHYG)	2.0	0.5	—	—	—	—	(0.2)	(0.1)	—	—	—	—	4.5	—	—	—	557	128	0	92	0	8	18.2	22	509	7	0.30
I	iShares iBoxx $ High Yield Corporate Bd (HYG)	1.3	2.0	5.9	13.8	5.9	12.1	(1.6)	(1.7)	5.5	7.6	106.0	(24.1)	5.5	2.4	1.00	0.52	13,666	7,201	0	99	0	1	19.3	11	1,029	4	0.50
I	PIMCO 0-5 Year High Yield Corp Bd ETF (HYS)	1.3	0.5	8.3	12.2	—	—	(0.8)	(1.4)	5.4	—	—	—	4.5	2.0	0.70	0.36	2,805	367	0	85	0	15	22.1	28	381	30	0.55
I	PowerShares Fundamental HiYld CorpBd ETF (PHB)	1.7	1.8	4.3	12.0	5.9	9.7	(0.7)	(0.6)	4.6	6.8	89.6	—	4.4	1.9	0.89	0.45	647	378	0	98	0	2	1.5	—	271	10	0.50
I	SPDR Barclays High Yield Bond ETF (JNK)	1.7	1.1	5.9	14.3	4.7	14.1	(2.5)	(2.5)	5.5	7.7	129.7	—	5.9	2.5	1.09	0.56	9,721	9,112	0	99	0	1	21.8	30	802	5	0.40
I	SPDR Barclays Short Term Hi Yld Bd ETF (SJNK)	1.7	(0.7)	6.8	—	—	—	(1.7)	(1.8)	4.5	—	—	—	5.2	2.3	0.70	0.35	4,266	1,766	0	93	0	7	21.7	44	552	6	0.40
	Inflation-Protected Bond: High-Yield Category Avg	**0.2**	**1.3**	**(6.9)**	**5.7**	**12.6**	**6.0**	**(2.7)**	**(2.7)**	**(1.2)**	**3.1**	**36.0**	**0.9**	**0.7**	**0.3**	**1.00**	**0.57**	**1,648**	**80**	**0**	**94**	**0**	**6**	**0.0**	**49**	**20**	**95**	**0.20**
I	FlexShares iBoxx 3Yr Target Dur TIPS ETF (TDTT)	1.1	(1.6)	(2.0)	2.8	—	—	(2.1)	(2.1)	(0.3)	—	—	—	0.6	0.2	0.39	0.22	2,144	99	0	100	0	0	0.0	179	13	95	0.20

shown in the listing is provided by Morningstar Inc. or is calculated from the data the company provided. Any data source has the potential for error, however. Before investing in any exchange-traded fund or exchange-traded note, you should read the prospectus, annual report and quarterly reports.

When a dash appears in an ETF listing, it indicates that the number was not available or does not apply in that particular instance. For example, the three-year annual return figure would not be available for funds that have been operating for less than three years. We did not compile bull and bear ratings for ETFs not operating during the entire bull or bear market period.

Return numbers that are in the top 25% of all funds within the investment category are shown in boldface. When the risk is in the lowest 25% for the category, this number is also bolded.

Figures given for the category averages are calculated based on the entire universe of ETFs. The averages may be skewed by ETFs only included in the online version of this guide.

The following provides an explanation of the terms we use in the ETF listings. The explanations are listed in the order in which the data and information appear in the listing.

Index Fund: The letter "I" before a fund's name indicates that the fund is designed to mimic the performance of an index, such as the S&P 500; the amounts invested in each security are proportional to its representation in the index that the fund tracks. (Some funds may hold fewer securities than the actual index if they believe the same return characteristics can still be achieved.) The online version of this guide reports on the indexes tracked by these funds. In some cases, an index has been specifically created for the fund and may have different return

Table 2. Exchange-Traded Funds (con't)

Index / Enhanced / ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Risk Index Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
I	FlexShares iBoxx 5Yr Target Dur TIPS ETF (TDTF)	2.1	(0.5)	(5.0)	5.3	—	—	(1.7)	(2.1)	(0.4)	—	—	—	0.7	0.3	0.76	0.43	434	27	0	100	0	0	0.0	150	14	93	0.20
I	iShares 0-5 Year TIPS Bond (STIP)	0.9	(1.3)	(1.7)	2.2	4.3	—	(2.0)	(2.0)	(0.3)	—	—	—	0.6	0.2	0.35	0.19	559	16	0	77	0	23	0.0	25	16	77	0.10
I	iShares TIPS Bond (TIP)	0.3	3.5	(8.6)	6.8	13.4	6.1	(1.9)	(2.1)	(0.9)	3.2	35.8	1.0	0.9	0.5	1.02	0.59	13,747	496	0	94	1	5	0.0	47	41	58	0.20
I	PIMCO 1-5 Year US TIPS ETF (STPZ)	0.9	(1.3)	(2.1)	2.4	4.8	3.5	(2.3)	(2.2)	(0.4)	1.2	—	—	0.4	0.2	0.41	0.24	1,188	66	0	99	0	1	0.0	33	14	89	0.20
I	Schwab US TIPS ETF (SCHP)	0.3	3.6	(8.7)	6.8	13.4	—	(1.8)	(1.9)	(0.8)	—	—	—	0.8	0.4	1.02	0.59	725	61	0	100	0	0	0.0	20	37	46	0.07
I	SPDR Barclays TIPS ETF (IPE)	0.0	4.3	(9.4)	7.1	13.8	6.1	(1.8)	(2.1)	(1.0)	3.2	36.3	0.9	0.8	0.5	1.08	0.63	654	28	0	100	0	0	0.0	20	37	41	0.15
I	Vanguard Short-Term Infl-Prot Secs ETF (VTIP)	0.9	(1.2)	(1.5)	—	—	—	(2.0)	(2.1)	—	—	—	—	0.8	—	—	—	1,758	188	0	79	0	21	0.0	18	17	71	0.10
	Gov't Bond: Short-Term Category Average	0.8	0.8	0.1	0.3	2.8	1.3	1.2	1.1	0.8	0.4	2.2	4.7	0.4	0.1	1.00	0.11	1,181	303	0	67	7	25	0.1	125	63	39	0.22
I	iShares 1-3 Year Treasury Bond (SHY)	0.6	0.5	0.2	0.3	1.4	2.2	0.8	0.8	0.5	0.7	6.4	8.2	0.4	0.1	0.50	0.06	8,917	1,547	0	96	0	4	0.0	122	101	51	0.15
I	iShares Short Treasury Bond (SHV)	0.1	0.0	0.0	0.0	0.1	0.1	0.0	0.0	0.0	0.0	0.5	3.5	0.0	0.0	0.00	0.00	2,139	437	0	4	0	96	0.0	1	28	4	0.15
I	Schwab Short-Term US Treasury ETF (SCHO)	0.6	0.6	0.3	0.3	1.4	—	0.8	0.8	0.6	—	—	—	0.6	0.2	0.50	0.06	847	208	0	99	0	1	0.0	109	70	26	0.08
I	SPDR Barclays 1-3 Month T-Bill ETF (BIL)	(0.1)	(0.1)	(0.1)	(0.0)	(0.1)	0.0	(0.1)	(0.1)	(0.1)	(0.1)	(0.2)	2.4	0.0	0.0	0.00	0.00	1,403	897	0	0	0	100	0.0	577	10	0	0.14
I	Vanguard Short-Term Government Bond ETF (VGSH)	0.6	0.5	0.3	0.4	1.5	2.2	0.8	0.9	0.6	0.7	—	—	0.5	0.2	0.60	0.06	611	132	0	99	0	2	0.0	64	147	19	0.12
	Gov't Bond: Interm-Term Cat Average	0.8	7.9	(5.4)	4.0	16.1	9.1	3.7	3.6	1.1	4.2	17.7	13.6	1.3	0.4	1.00	0.63	702	91	0	85	42	(28)	0.1	47	93	76	0.34
I	iShares 3-7 Year Treasury Bond (IEI)	1.1	3.1	(2.0)	2.1	8.1	6.5	2.3	2.3	1.0	2.6	20.5	14.7	1.3	0.4	0.50	0.31	4,932	349	0	99	0	1	0.0	58	72	53	0.15
I	iShares Agency Bond (AGZ)	0.6	3.5	(1.3)	2.0	4.6	3.9	1.9	1.8	1.2	2.0	16.5	—	1.3	0.5	0.34	0.20	470	42	0	98	0	2	0.9	68	107	62	0.20
I	iShares Core US Treasury Bond (GOVT)	(0.0)	5.0	(2.8)	—	—	—	2.2	2.1	0.8	—	—	—	1.2	0.4	0.54	0.33	1,285	427	0	98	0	2	0.0	38	110	41	0.15
	Gov't Bond: Long-Term Category Average	(6.6)	36.0	(17.1)	3.8	46.5	10.1	6.8	6.6	0.1	7.1	41.8	17.0	1.7	0.7	1.00	1.68	902	920	0	91	36	(26)	0.0	40	34	90	0.41
I	iShares 10-20 Year Treasury Bond (TLH)	(0.8)	14.4	(8.5)	4.1	21.6	9.6	5.3	5.1	1.4	5.3	42.3	15.6	2.2	0.9	0.45	0.75	400	69	0	100	0	0	0.0	9	19	84	0.15
I	iShares 20+ Year Treasury Bond (TLT)	(5.3)	27.4	(13.9)	3.3	33.6	9.3	6.6	6.3	1.0	6.4	43.5	19.8	2.8	1.2	0.78	1.32	4,555	10,863	0	99	0	1	0.0	32	31	63	0.15
I	iShares 7-10 Year Treasury Bond (IEF)	(0.0)	8.9	(6.1)	4.1	15.5	9.3	3.6	3.4	1.0	4.2	31.7	16.9	2.0	0.8	0.36	0.59	6,279	1,439	0	100	0	0	0.0	142	22	99	0.15
	Gov't Bond: Other Category Average	0.5	0.8	0.0	1.4	4.1	6.4	(0.1)	(0.5)	1.6	3.4	26.9	7.8	2.3	0.7	1.00	0.52	560	46	0	50	1	49	9.5	353	466	74	0.44
I	iShares Interm Government/Credit Bd (GVI)	0.7	2.9	(1.0)	3.6	5.6	5.6	1.5	1.4	1.4	2.6	25.0	7.2	1.7	0.7	0.46	0.24	1,829	101	0	96	0	4	12.4	22	1,830	18	0.20
I	iShares MBS (MBB)	0.3	6.2	(1.9)	2.2	5.9	5.4	2.2	2.1	1.7	2.6	24.6	10.1	1.7	0.6	0.54	0.27	7,008	468	0	66	0	34	0.0	936	833	27	0.29
I	Vanguard Mortgage-Backed Securities ETF (VMBS)	0.3	5.8	(1.3)	2.5	5.9	5.2	2.2	2.2	1.9	2.8	—	—	1.4	0.6	0.50	0.25	1,469	188	0	78	0	22	0.0	514	1,790	17	0.12
	Contra Bond Market Category Average	1.1	(14.8)	9.3	(7.5)	(25.8)	(15.2)	(4.9)	(4.8)	(4.2)	(10.4)	(18.8)	(10.4)	0.0	0.0	1.00	1.56	244	260	(9)	(28)	(77)	214	(0.1)	1	5	159	0.80
I	Direxion Daily 20+ Yr Trsy Bear 3X ETF (TMV)	7.6	(57.2)	37.5	(20.7)	(68.0)	(37.0)	(29.2)	(29.3)	(14.6)	(30.0)	—	—	0.0	0.0	2.53	3.95	657	948	0	(162)	(141)	403	0.0	—	7	303	0.93
I	ProShares Short 20+ Year Treasury (TBF)	3.7	(23.4)	12.8	(6.4)	(29.0)	(13.0)	(9.2)	(8.9)	(3.8)	(9.5)	—	—	0.0	0.0	0.83	1.30	1,119	922	0	(2)	(86)	188	0.0	0	6	113	0.93
I	ProShares UltraShort 20+ Year Treasury (TBT)	6.3	(41.4)	26.5	(13.3)	(50.9)	(26.3)	(18.4)	(18.0)	(8.1)	(19.1)	(74.4)	—	0.0	0.0	1.64	2.57	3,347	3,938	0	(1)	(200)	300	0.0	—	8	200	0.92
I	ProShares UltraShort Euro (EUO)	14.6	26.6	(10.3)	(6.5)	0.2	8.7	45.0	45.2	5.8	(0.2)	(0.8)	—	0.0	0.0	1.21	1.90	575	1,210	0	0	0	100	0.0	0	3	0	0.93
I	ProShares UltraShort Yen (YCS)	3.2	26.1	39.6	23.9	(12.9)	(26.8)	42.0	42.1	28.4	10.3	24.2	—	0.0	0.0	1.18	1.84	415	138	0	0	0	100	0.0	0	3	0	0.93
	Muni Nat'l Bond: Short-Term Cat Average	0.1	0.7	0.3	1.5	4.1	1.1	0.2	0.1	0.5	1.4	9.7	8.4	0.7	0.0	1.00	0.10	402	76	0	85	0	15	0.0	15	383	22	0.22
I	iShares ST National AMTFree Muni Bnd (SUB)	0.1	0.6	0.7	0.9	2.8	1.1	0.2	0.2	0.6	1.0	9.6	—	0.8	0.0	0.78	0.08	877	37	0	83	0	17	0.0	23	753	7	0.25
I	SPDR Nuveen Barclays ST Muni Bd ETF (SHM)	0.4	0.9	0.9	1.3	3.5	1.4	0.5	0.7	0.9	1.4	12.2	8.4	0.9	0.0	1.33	0.14	2,609	598	0	98	0	2	0.0	17	600	10	0.20
	Muni Nat'l Bond: Interm-Term Cat Average	0.1	7.2	(2.7)	5.4	10.3	2.5	2.3	2.2	2.1	3.8	34.8	3.6	2.3	0.0	1.00	0.43	915	85	0	95	0	5	0.0	14	747	18	0.32
I	iShares National AMT-Free Muni Bond (MUB)	(0.2)	8.6	(3.3)	6.1	10.9	1.4	2.4	2.2	2.4	4.0	33.7	3.6	2.7	0.0	1.05	0.44	4,978	284	0	96	0	4	0.0	5	2,748	2	0.25
I	Market Vectors Intermediate Muni ETF (ITM)	(0.6)	9.0	(3.5)	6.1	12.6	2.4	2.4	2.2	2.5	4.4	36.0	—	2.4	0.0	1.21	0.51	1,070	246	0	100	0	0	0.0	1	1,241	4	0.24
	Muni Nat'l Bond: Long-Term Cat Average	(1.2)	15.5	(7.2)	10.4	17.4	2.5	3.5	2.7	3.2	6.0	45.0	(1.1)	3.9	0.6	1.00	0.78	442	128	0	100	(1)	1	(0.0)	13	227	24	0.47
I	PowerShares Build America Bond ETF (BAB)	(1.7)	15.7	(5.1)	11.4	20.9	9.3	3.3	2.8	4.2	7.5	—	—	4.8	2.0	0.90	0.69	690	290	0	99	0	1	0.0	—	254	20	0.27
I	PowerShares National AMT-Free MuniBd ETF (PZA)	(0.0)	14.2	(6.4)	9.8	13.0	0.2	5.2	4.0	3.6	5.2	49.9	(6.9)	3.8	0.0	0.77	0.60	858	166	0	98	0	2	0.0	—	218	23	0.28
I	SPDR Nuveen Barclays Municipal Bond ETF (TFI)	(0.5)	9.3	(3.6)	6.3	11.9	1.4	2.6	2.6	2.6	4.2	35.1	4.6	2.4	0.1	0.65	0.50	1,304	377	0	97	0	3	0.0	28	595	11	0.23
	Muni Nat'l Bond: High Yield Category Average	0.1	15.1	(7.5)	16.7	9.4	2.6	4.2	2.8	4.2	5.6	70.7	—	4.2	0.0	1.00	0.69	692	130	0	99	0	1	0.0	21	609	11	0.38
I	Market Vectors High-Yield Municipal ETF (HYD)	0.8	13.8	(8.1)	16.7	9.4	2.6	5.7	4.1	3.6	5.6	70.7	—	4.9	0.0	0.97	0.67	1,577	311	0	100	0	0	0.0	21	1,051	8	0.35
I	SPDR Nuveen S&P High Yield Muni Bd ETF (HYMB)	(0.4)	16.5	(7.0)	16.8	—	—	4.5	3.0	5.0	—	—	—	4.6	0.0	1.05	0.73	394	55	0	99	0	0	0.0	21	449	12	0.45
	Municipal Bond: State-Specific Category Average	(0.1)	11.2	(3.7)	7.7	12.2	0.8	3.2	2.9	3.3	4.7	41.3	(0.2)	2.9	0.0	1.00	0.51	140	15	0	97	0	3	0.0	17	203	25	0.24
I	iShares Cali AMT-Free Muni Bond (CMF)	(0.1)	10.0	(1.9)	7.7	11.9	1.5	3.0	2.4	3.6	4.9	40.2	3.5	2.7	0.0	0.91	0.47	393	18	0	98	0	2	0.0	6	579	8	0.25
I	iShares New York AMT-Free Muni Bond (NYF)	0.0	8.6	(2.6)	6.5	10.3	1.5	2.9	2.4	2.9	4.2	35.2	3.3	2.7	0.0	0.84	0.43	181	7	0	94	0	6	0.0	8	357	11	0.25
	International Bond: General Cat Average	(2.9)	1.9	(1.0)	8.2	1.2	4.2	(6.6)	(6.5)	0.8	1.3	20.8	(3.6)	2.0	0.7	1.00	0.76	301	50	1	87	5	7	69.4	36	415	23	0.51
I	iShares International Treasury Bond (IGOV)	(6.4)	(2.4)	(1.6)	7.4	(0.3)	1.2	(13.9)	(14.1)	(1.7)	0.8	12.2	—	0.8	0.5	0.93	0.70	455	36	0	94	3	2	94.4	28	616	7	0.35
	RiverFront Strategic Income ETF (RIGS)	1.9	3.1	—	—	—	—	1.5	1.2	—	—	—	—	3.4	—	—	—	487	83	0	98	1	1	8.8	—	55	31	0.22
I	SPDR Barclays International Trs Bd ETF (BWX)	(5.6)	(2.5)	(3.7)	5.8	3.6	4.1	(13.0)	(13.4)	(2.6)	1.3	18.1	(3.6)	0.7	0.6	0.93	0.70	1,450	273	0	91	8	1	90.0	40	621	7	0.50
I	SPDR DB Intl Govt Inflation-Prot Bd ETF (WIP)	(4.5)	(0.4)	(4.8)	14.0	2.5	6.8	(11.3)	(10.4)	(0.3)	3.7	45.7	—	0.8	0.9	1.16	0.88	770	69	0	100	0	0	99.6	19	113	23	0.50
I	Vanguard Total International Bond ETF (BNDX)	(0.8)	8.8	—	—	—	—	3.5	3.4	—	—	—	—	1.5	—	—	—	3,266	504	0	93	3	4	91.0	16	3,761	4	0.19
	International Bond: Emerging Cat Average	0.6	0.0	(4.7)	13.8	2.8	11.6	(5.3)	(5.4)	1.3	6.1	86.6	(14.7)	4.3	1.7	1.00	0.80	564	111	1	88	2	9	87.3	37	183	25	0.50
I	iShares Emerg Mkts Local Currency Bond (LEMB)	(3.8)	(4.0)	(4.9)	13.8	—	—	(13.3)	(13.4)	(1.7)	—	—	—	2.3	1.0	1.15	0.92	612	35	0	74	7	19	74.4	43	231	16	0.50

Index	Enhanced	ETN	ETF Name (Ticker)	NAV Total Return (%) YTD	2014	2013	2012	2011	2010	12-Month	12-Month Market Return (%)	NAV Total Return (%) 3-Year Ann'lzd	5-Year Ann'lzd	Bull Mkt	Bear Mkt	Yield (%)	Tax-Cost Ratio (%)	Risk Index Cat (X)	Risk Index Total (X)	Total Assets* ($ Mil)	Avg Daily Trading Volume (Thous)	Portfolio (%) Stock	Bond	Other	Cash	% of Port in Foreign Issues	Port Turnover Ratio (%)	Number of Hldgs	% of Port in Top 10 Hldgs	Exp Ratio (%)
I			iShares JPMorgan USD Emerg Markets Bond (EMB)	1.1	**6.7**	(7.4)	**17.6**	7.2	11.5	(0.6)	**(0.5)**	3.1	6.0	81.6	—	4.4	1.8	1.03	0.83	5,228	668	0	99	1	0	98.0	52	292	11	0.40
I			Market Vectors EM High Yield Bd ETF (HYEM)	**7.5**	(2.2)	**0.4**	—	—	—	(1.9)	(2.4)	**6.0**	—	—	—	6.8	2.6	1.00	0.80	412	141	0	98	2	1	95.4	16	363	9	0.40
I			Market Vectors EM Local Currency Bd ETF (EMLC)	(4.8)	(5.6)	(8.8)	16.2	(2.9)	—	(15.0)	(15.1)	(3.7)	—	—	—	6.0	2.1	1.34	1.08	1,309	438	0	98	0	2	97.0	16	249	15	0.47
I			PowerShares Emerging Markets Sov Dbt ETF (PCY)	0.7	**9.2**	(9.8)	**21.0**	**8.2**	**11.7**	**(0.3)**	**(0.3)**	3.5	**6.4**	**91.7**	**(14.7)**	4.9	1.9	1.23	0.99	2,511	753	0	100	0	0	99.9	—	83	16	0.50
			WisdomTree Emerging Markets Lcl Dbt ETF (ELD)	(4.2)	(5.4)	(10.4)	13.3	(1.3)	—	(14.0)	(14.3)	(4.3)	—	—	—	5.2	1.7	1.23	0.98	562	41	0	88	7	5	88.1	—	110	22	0.55
			Currency Category Average	**(2.8)**	**(5.9)**	**(2.8)**	**1.0**	**(1.8)**	**3.7**	**(9.1)**	**(8.9)**	**(4.3)**	**(1.8)**	**0.3**	**(10.8)**	**0.2**	**0.1**	**1.00**	**0.90**	**101**	**168**	**0**	**1**	**9**	**90**	**0.9**	**2**	**5**	**10**	**0.57**
I			CurrencyShares Australian Dollar ETF (FXA)	(5.4)	(6.8)	(12.2)	4.3	**4.0**	**18.0**	(17.2)	(16.8)	(7.4)	**0.8**	**42.2**	(26.0)	1.9	0.8	1.20	1.09	200	37	0	0	0	100	0.0	0	1	0	0.40
I			CurrencyShares Canadian Dollar ETF (FXC)	(7.3)	(8.1)	(6.1)	2.4	(2.3)	5.3	(14.6)	(14.5)	(6.4)	(3.0)	1.7	(23.0)	0.2	0.1	1.04	0.93	219	36	0	0	0	100	0.0	0	1	0	0.40
I			CurrencyShares Euro ETF (FXE)	(8.2)	(12.5)	**4.1**	1.2	(3.0)	(6.7)	(19.0)	(19.0)	(4.7)	(2.1)	(13.6)	(8.6)	0.0	0.0	1.05	0.94	405	951	0	0	0	100	0.0	0	1	0	0.40
I			CurrencyShares Swiss Franc ETF (FXF)	**5.8**	(10.9)	2.5	1.8	(0.7)	**10.5**	(5.7)	(5.8)	**(0.1)**	**2.4**	**21.2**	0.6	0.0	0.0	1.04	0.93	166	8	0	0	0	100	0.0	0	1	0	0.40
I			PowerShares DB US Dollar Bullish ETF (UUP)	**4.3**	**11.4**	(1.3)	(2.8)	(1.5)	(1.1)	**17.6**	**17.7**	**3.6**	(0.0)	(5.4)	**13.2**	0.0	0.0	0.84	0.76	1,216	3,145	0	0	0	100	0.0	—	12	0	0.75
			WisdomTree Emerging Currency Strat ETF (CEW)	(1.9)	(6.8)	(5.0)	**6.5**	(7.4)	6.6	(11.3)	(11.6)	(3.2)	(1.2)	—	—	0.0	0.0	**0.76**	0.68	71	9	0	0	0	100	0.0	—	3	0	0.55

** ETFs below $400 million in assets are included in the online version of this guide at AAII.com. Data is as of June 30, 2015.*

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characteristics than other indexes with similar names.

Enhanced: The letter "E" before a name indicates that the fund is designed to outperform its underlying index by improved security selection or following a strategy that reduces comparative volatility.

Exchange-Traded Note (ETN): The letter "N" before a fund's name indicates that the investment is an exchange-traded note. An ETN is a debt security designed to mimic the performance of an underlying index. The credit quality of the issuer needs to be considered when researching an ETN.

ETF Name: The exchange-traded funds are presented alphabetically by name within each category.

Ticker: The ticker symbol for each exchange-traded fund is given in parentheses for those investors who may want to access data online or through a touch-tone phone.

Total Return (%): Returns are based upon changes to a fund's net asset value (NAV) or, where designated, share price (market return), assuming the reinvestment of all income and capital gains distributions (on the actual reinvestment date used by the fund) during the period. The return calculation is net of expenses. The year-to-date, 12-month, three-year and five-year returns are calculated through June 30, 2015. The three- and five-year returns are presented on an annualized basis. Returns that are in the top 25% of all ETFs within the investment category are shown in boldface.

Bull Market Return: Reflects the ETF's net asset value total return in the most recent bull market, starting March 1, 2009, and continuing through June 30, 2015. Returns in the top 25% of all ETFs within the investment category are shown in boldface.

Bear Market Return: Reflects the ETF's net asset value total return in the most recent bear market, from November 1, 2007, through February 28, 2009. Returns in the top 25% of all ETFs within the investment category are shown in boldface.

Yield (%): The total annual income distributed by the ETF divided by the period-ending net asset value. Calculated on a per share basis, this ratio is similar to a dividend yield and would be higher for income-oriented funds and lower for growth-oriented funds. The figure only reflects income; it is not a total return.

Tax-Cost Ratio (%): Measures how much an ETF's annualized return is reduced by the taxes paid on distributions, assuming the maximum marginal tax rate. A tax-cost ratio of 0.0% indicates that the fund did not make any taxable distributions. If a fund had a 3.0% tax-cost ratio, it means that on average each year, investors lost 3.0% of their assets to taxes. The lower the ratio, the more tax-efficient the ETF. The ratio is calculated using the last three years of data.

Risk Index—Category and Total: The category risk index is the standard deviation of an ETF's return divided by the standard deviation of return for the average ETF in the category. The total risk index is the standard deviation of an ETF's return divided by the average standard deviation of return for all funds. Standard deviation is a measure of return volatility and is computed using monthly returns for the last three years. A risk index of 1.00 denotes average risk. Values above 1.00 indicate greater risk than average while values below 1.00 indicate less risk than average. Risk numbers that are in the lowest 25% of all funds within the investment category are shown in boldface.

Total Assets ($ Mil): Presented as millions of dollars, this is the amount of total assets an exchange-traded fund has under management (AUM). This is the total value of the fund's portfolio. Size can be affected by the age of the fund, the index it follows and the number of competitive funds.

Average Daily Trading Volume (Thousands): Average daily volume of shares traded for the last three-month period through June 30, 2015.

Portfolio (%)—Stocks: The percentage of assets held in common stocks, both domestic and foreign. Bonds: The percentage of assets held in debt securities that are not convertible into common stock. Other securities: The percentage of assets held in futures, options, preferred stock, trusts or other alternative securities. Cash: The percentage of assets held in cash or cash equivalents.

Percent of Portfolio in Foreign Issues: The percentage of the ETF's assets that are invested in foreign stocks and foreign bonds.

Portfolio Turnover Ratio (%): A measure of the trading activity of the ETF, which is computed by dividing the lesser of purchases or sales for the year by the monthly average value of the securities owned by the fund during the year. Securities with maturities of less than one year are excluded from the calculation. The result is expressed as a percentage, with 100% implying a complete turnover within one year.

Number of Holdings: The total number of individual securities held by the ETF. These can include stocks, bonds, currencies, futures contracts and option contracts. This figure is meant to be a measure of portfolio risk: The lower the number, the more concentrated the fund is in a few issues. Some ETFs may hold fewer shares than the index's name would suggest if the ETF's manager believes he can mimic the returns of the index without holding all of the securities in it.

Percent of Portfolio in Top 10 Holdings: Investments, expressed as a percentage of the total portfolio assets, in the ETF's top 10 portfolio holdings. The higher the percentage, the more concentrated the fund is in a few companies or issues, and the more the fund is susceptible to market fluctuations in those few holdings. Used in combination with the number of holdings, this figure can indicate how concentrated an ETF is.

Expense Ratio (%): The sum of administrative fees and adviser management fees divided by the average net asset value of the ETF, stated as a percentage. Brokerage costs incurred by the fund are not included in the expense ratio, neither are the commissions you may pay to buy and sell shares.

AAII staff who contributed to this guide include John Bajkowski, Jaclyn McClellan and Charles Rotblut.

Choosing an ETF: Pointers to Keep in Mind

Tom Lydon of ETFtrends.com offers these tips for investors when investigating an ETF for purchase:

- ***Understand what the underlying index represents:*** Most ETFs follow an index, and holdings and percentage of holdings are very transparent.
- ***Understand the ETF's structure:*** Some ETFs are securities-based, where others—such as commodities and currencies—represent futures or physically backed holdings.
- ***Know the costs:*** Some ETFs have expense ratios as low as eight basis points, while others can be 90 or 100 basis points. With more creative ETFs coming to market, don't assume all ETFs are cost-effective.
- ***Understand liquidity:*** ETFs trade like stocks and have bid/ask spreads. Tracking volume and the spread is easy, but requires monitoring.