



1 Top ETF to Consider Buying Right Now

Description

ETFs ([exchange-traded funds](#)) have come quite a long way since SPDRs launched way back in 1993. ETFs have emerged from their early beginnings as equity-index trackers to encompass a massive range of investment choices. However, potential investors must note that all these funds are not equal in quality. Indeed, finding a top ETF for one's portfolio sounds simple but is more difficult in practice.

For investors, purchasing ETFs can be a low-cost and smart strategy to create a diversified portfolio at a relatively low cost. However, there are numerous ETFs out there, which may make it overwhelming for individuals to choose the one that matches their goals and strategy.

Having said that, I believe **Vanguard Global Value Factor ETF** ([TSX:VVL](#)) is worth a grab at this moment.

Let's dive into why.

Diversification the key for this top ETF

The Vanguard Global Value Factor ETF offers exposure to a widely diversified collection of global equities. These companies are ones that have attractive valuations — hence this ETF's name.

Using various factors, the VLL ETF is aimed at value investors. Some of the key metrics used are price-to-cash flow, price-to-book, and price-to-earnings ratios.

Last year, this ETF surpassed its benchmark world equity index by [more than 10%](#). That's not surprising, seeing the rotation out of growth into value. However, for those who believe value stocks have more room to run, this ETF is an excellent choice right now.

An overview of the exchange-traded fund

Vanguard Global Value Factor exchange-traded fund aims at capturing potential excess return to offer

long-term capital appreciation. Accordingly, this ETF focuses on developed market securities.

Additionally, this ETF takes an actively managed approach. Using a proprietary quantitative model, active managers look across large-, mid- and small-cap equities to provide investors with a broadly diversified portfolio of value stocks. Most of these stocks held come from the Russell 3000 Index as well as the FTSE Developed All Cap Index.

This rules-based approach is one many conservative long-term investors may like. Indeed, for those seeking a “sleep-at-night” strategy, the VVL ETF is one to consider.

Bottom line

As far as total market index ETFs go, this Vanguard ETF is one of the ones I like the most. This ETF claims a number of large Canadian institutional investors as its clients. The ability for retail investors to get this kind of actively managed exposure is worthwhile.

Thus, for those looking for a passive-investing option, this is an ETF worth diving into.

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