# **RAYJ**

# Rayliant SMDAM Japan Equity ETF

Data as of 31 Dec 2024

# **Investment Strategy**

The Rayliant SMDAM Japan Equity ETF is an active strategy for pursuing growth in Japan's stock market. The strategy applies research by Sumitomo-Mitsui DS Asset Management's (SMDAM) large analyst team, deep local insights from the firm's portfolio management team, along with input from Rayliant Asset Management's cutting-edge quantitative models. The result is a portfolio of Japanese stocks we expect to exhibit high-quality, sustainable growth.

## Performance (as of 31 Dec 2024)

		RAYJ	TOPIX	Excess Rtn
Last Month: Dec	Price	0.27%	-0.99%	+1.26%
1 Dec - 31 Dec	NAV	1.65%	-0.99%	+2.63%
Last Quarter: Q4 2024	Price	-0.76%	-4.02%	+3.26%
1 Oct - 31 Dec	NAV	-0.41%	-4.02%	+3.62%
Inception to Last Qtr. End	Price	11.42%	0.54%	+10.89%
As of 31 Dec 2024	NAV	12.38%	0.54%	+11.84%

The performance data quoted represents past performance. Past performance does not guarantee future results. Performance for periods greater than 1 year is annualized. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more of less than their original cost and current performance may be lower or higher than the performance quoted. For performance data current to the most recent month end, please call 866-898-1688 or visit https://funds.rayliant.com.

#### **Portfolio Characteristics**

	RAYJ	TOPIX
Number of Holdings	32	2,124
Wt. Avg. Market Cap (US\$ billions)*	41.3	53.5
P/E (Trailing 12 Months)*	20.0	14.7
P/B*	2.4	1.3

\*For complete definition of terms, please see Page 2.

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Trading Symbol RAYJ	CUSIP	00775Y355
Inception Date		04.04.2024
Assets (US\$ millions)		\$33.5
Net Expense Ratio <sup>1</sup> (after fee waiver)		0.72%
Gross Expense Ratio (before fee waiver)		1.33%

1Fee waivers are contractual and in effect until at least 1/31/26

# Top 10 Holdings vs Benchmark (as of 31 Dec 2024)

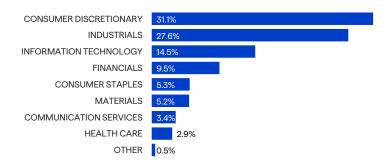
RAYJETF		Weight
Fujikura		6.26%
Mitsubishi UFJ Financial Group		5.75%
Maruwa		5.29%
Sanrio		4.76%
Fast Retailing		4.74%
Asics Corp		4.15%
Toyota Motor		3.98%
NEC Corp		3.94%
SIGMAXYZ Holdings		3.83%
Premium Group		3.75%
Note: Holdings are subject to change	TOTAL	46.45%

TOPIX	Weight
Toyota Motor	4.20%
Sony Group	2.96%
Mitsubishi UFJ Financial Group	2.93%
Hitachi	2.57%
Recruit Holdings	2.24%
Sumitomo Mitsui Financial Group	1.94%
Keyence	1.62%
Nintendo	1.47%
ITOCHU Corp	1.40%
Tokio Marine Holdings	1.38%
	22.72%

## Regions

# Japan 100.0%

#### **Sectors**





The TOPIX is designed to broadly measure the performance of the Japanese stock market. The free-float adjusted market capitalization-weighted index covers all stocks listed on the First Section of the Tokyo Stock Exchange. It is not possible to invest directly in an index. Index performance returns do not reflect any management fees, transaction costs, or expenses. Indices are unmanaged.



# Important Information

#### **Risk of Investing**

Investing involves risk, including the risk of total loss of principal. Please consider the following risks before investing in the ETF.

#### **Smaller Companies**

Investments in smaller companies typically exhibit higher volatility.

#### **International Markets**

International markets involve political, social, economic and currency risks.

# **Active Management Risk**

The Adviser's judgments about the attractiveness, value, or potential appreciation of the Fund's investments may prove to be incorrect.

#### **New Fund Risk**

Because the Fund is new, investors bear the risk that it may not be successful in implementing its investment strategy, employ a successful investment strategy, or may fail to attract sufficient assets under management. This could result in the Fund being liquidated at any time.

# Geographic Focus Risk

The Fund focuses its investments in a single country and as a result, it may be subject to greater price volatility and risk of loss.

## Reasonable Care

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## Rayliant SMDAM Philosophy & Process

In teaming up to provide investors with active exposure to Japanese growth stocks, SMDAM brings strong fundamental research grounded in deep local knowledge of Japan's market, while Rayliant adds quantitative insights based on big data, machine learning, and models to exploit human behavioral bias.

## **RAYJ Portfolio Managers**



Jason Hsu, PhD Chairman & ClO, Ravliant



Tomoko Yokoyama Lead Portfolio Manager, SMDAM



Mark Schlarbaum Managing Director, Capital Markets & Trading, Rayliant



**Takahiro Uemura**Portfolio Manager,
SMDAM



Phillip Wool, PhD Senior Managing Director, Chief Research Officer and Head of Portfolio Management, Rayliant





Before investing in any ETF, it is critical for investors to carefully consider the fund's investment objectives, risks, charges and expenses.

To obtain a full or summary Prospectus for the Fund, which contains this and other information, please visit https://funds.rayliant.com/RAYJ

## Please read the Prospectus carefully before investing.

The Rayliant SMDAM Japan Equity ETF is distributed by SEI Investments Distribution Co., which is not affiliated with Rayliant Asset Management, the Investment Adviser, or SMDAM, the sub-adviser.

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns.

## \*Definition of Terms

## Weighted Average Market Cap

The average market capitalization of all companies in a fund/index, with each company weighted according to its percent held in the fund/index.

#### Price/Earnings (P/E Trailing 12 Months)

P/E ratio is a ratio for valuing a company that measures its current share price relative to its per-share earnings (EPS) for the past 12 months. P/E ratios are used by investors and analysts to determine the relative value of a company's shares in an apples-to-apples comparison.

#### Price/Book (P/B)

P/B measures the market capitalization of a company relative to its book value of equity. Widely used among the value investing crowd, the P/B ratio can be used to identify undervalued stocks in the market.