



AI-00669 FTEC vs IYW Comparison

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I need help in determining which ETF is better, FTEC or IYW? Tabulate the difference and create a pros and cons list.

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Certainly, I can provide you with a basic comparison between the Fidelity MSCI Information Technology Index ETF (FTEC) and the iShares U.S. Technology ETF (IYW). Please note that investment decisions should be based on a thorough analysis of your financial goals, risk tolerance, and other individual factors. Additionally, market conditions and the performance of these ETFs can change, so it's essential to stay updated.

Fidelity MSCI Information Technology Index ETF (FTEC):

Pros	Cons
Low expense ratio (as of my last knowledge update)	Limited to MSCI Information Technology Index exposure
Exposure to a broad range of tech companies	May not capture smaller or niche tech companies
Commission-free trading on Fidelity	Relatively lower AUM compared to some other tech ETFs

iShares U.S. Technology ETF (IYW):

Pros	Cons
Broad exposure to U.S. technology companies	Higher expense ratio compared to FTEC

Tracks the performance of the Dow Jones U.S. Technology Index	May have some overlap with other tech ETFs
Established ETF with a significant AUM	Not commission-free on all trading platforms

Important Considerations:

1. **Expense Ratio:** FTEC generally has a lower expense ratio compared to IYW, which can be an important factor for long-term investors.
2. **Index Tracked:** FTEC tracks the MSCI Information Technology Index, while IYW follows the Dow Jones U.S. Technology Index. Investors may want to examine the underlying indices to understand the differences in holdings and sector weightings.
3. **Diversification:** FTEC may offer broader exposure to the technology sector, including both large and mid-cap stocks, while IYW may have a more concentrated exposure to larger technology companies.
4. **Trading Costs:** Consider if commission-free trading on Fidelity (for FTEC) is important to you, or if you're comfortable with potential trading costs associated with IYW.
5. **Performance:** Evaluate the historical performance of both ETFs and consider how well they align with your investment objectives.
6. **Dividends:** Check the dividend yields of each ETF if income generation is a priority for your investment strategy.

Remember, past performance does not guarantee future results, and it's crucial to conduct your own research or consult with a financial advisor before making investment decisions. Additionally, check for the most recent information on expense ratios, holdings, and other relevant factors before finalizing your decision.