

QUARTERLY COMMENTARY

American Century®

U.S. QUALITY GROWTH ETF

Seeks to provide more consistent exposure to U.S. growth companies by emphasizing both stable growers as well as high quality, high-growth companies.

Allocations are adjusted to stable and high growth names based on analysis of risk-adjusted returns rather than pure price momentum, in an effort to allow the portfolio to respond – but not overreact – to changing markets. Monthly rebalancing in 10 percent increments also helps keep risk in check.

Strategy Highlights

Emphasis on what we believe is quality growth. The portfolio seeks to deliver investment results that closely correspond, before fees and expenses, to the performance of the American Century U.S. Quality Growth Index (the underlying index). The underlying index is designed to dynamically allocate to companies that exhibit what we believe are higher-growth and quality characteristics relative to their peers.

We seek to achieve consistent exposure to U.S. growth companies. QGRO offers what we believe is a systematic, rules-based approach to growth investing that focuses on the company’s key financial metrics. The portfolio aims to provide consistent exposure to U.S. growth companies by distinguishing between what we think are high-growth and stable-growth companies and dynamically allocating to each category depending on our assessment of the market environment.

Risk management. The team limits the size of individual positions in the portfolio as it seeks to mitigate concentration risk, which we believe can result in distorted allocations.

Portfolio Review

Stocks posted strong gains. U.S. stocks registered a strong start to the year. Markets were buoyed by optimism that a recession had been avoided and that the Federal Reserve would cut short-term interest rates as expected this year despite lingering inflation.

Growth stocks outperformed. Growth stocks outpaced value stocks across the board. All capitalization ranges posted strong gains with large-cap stocks outperforming their mid- and small-cap peers.

Semiconductor stocks hampered performance. An underweight allocation relative to the benchmark and stock selection in the semiconductors and semiconductor equipment industry detracted from results in the information technology sector. We did not own or underweighted some top performers as the industry outperformed due to what we believed was increased demand for chips, especially advanced chips used in artificial intelligence applications.

Health care weighed on performance. Stock selection in the biotechnology industry detracted. An underweight allocation to pharmaceuticals relative to the benchmark was also detrimental. We did not own Eli Lilly & Co., which we believe outperformed, benefiting from demand for its obesity drug.

Consumer discretionary helped buoy relative results. Lack of exposure in the automobiles industry, specifically Tesla, helped performance in the sector. We believe the stock underperformed on concerns about slowing vehicle delivery and revenue growth and the negative impact of price cuts on margins.

Dynamic allocation. The strategy began the quarter with a neutral allocation of 50% stable growth/50% high growth and shifted to the maximum allocation of 65% stable growth/35% high growth.

GOAL & STRATEGY:

Tracks the American Century U.S. Quality Growth Index.

PORTFOLIO MANAGEMENT TEAM

Name	Start Date	
	Industry	Company
Rene Casis	1997	2018
William Enderle	2017	2019

TOP HOLDINGS (%)

Booking Holdings Inc	3.17
Microsoft Corp	3.05
ServiceNow Inc	2.90
NVIDIA Corp	2.80
TJX Cos Inc/The	2.78
Meta Platforms Inc	2.44
Autodesk Inc	2.26
General Electric Co	1.98
Manhattan Associates Inc	1.97
Chipotle Mexican Grill Inc	1.88

Top Ten Holdings Total 25.23

The holdings listed should not be considered recommendations to purchase or sell a particular security. Equity holdings are grouped to include common shares, depository receipts, rights and warrants issued by the same company. Fund holdings subject to change.

PERFORMANCE (%)	1 Mo.	QTR	1 Year	3 Year	5 Year	Since	Inception	Gross
						Inception	Date	Expense
								Ratio %
NAV	2.98	11.76	32.79	10.24	16.73	14.88	9/10/18	0.29
Market Price	2.99	11.71	32.75	10.21	16.72	14.87	9/10/18	-
Spliced U.S. Quality Growth	3.07	11.94	33.31	10.59	17.16	15.28	-	-
Russell 1000 Growth Index	1.76	11.41	39.00	12.50	18.52	16.42	-	-

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. NAV prices are used to calculate market price performance prior to the date when the Fund first traded on the New York Stock Exchange. Market performance is determined using the bid/ask midpoint at 4:00 p.m. Eastern time, when the NAV is typically calculated. Market performance does not represent the returns you would receive if you traded shares at other times. To obtain performance data current to the most recent month end, please visit <https://ipro.americancentury.com/etf-performance>. Index performance does not represent the fund's performance. It is not possible to invest directly in an index.

On May 31, 2023, QGRO began to track the American Century® U.S. Quality Growth Index. Historical index data prior to May 31, 2023, is for the iSTOXX® American Century® USA Quality Growth Index. Spliced index data on and after May 31, 2023, is for the Spliced U.S. Quality Growth Index.

A Note About Risk:

Investment return and principal value of security investments will fluctuate. The value at the time of redemption may be more or less than the original cost. Past performance is no guarantee of future results.

Historically, mid cap stocks have been more volatile than the stock of larger, more-established companies. Smaller companies may have limited resources, product lines and markets, and their securities may trade less frequently and in more limited volumes than the securities of larger companies.

This fund is not actively managed and the portfolio managers do not attempt to take defensive positions under any market conditions, including declining markets. The portfolio managers also do not generally add or remove a security from the fund until such security is similarly added or removed from the underlying index. Therefore, the fund may hold an underperforming security or not hold an outperforming security until the underlying index reacts. This may result in underperformance compared to the market generally.

In addition, there is no assurance that the underlying index will be determined, composed or calculated accurately. While the index provider provides descriptions of what the underlying index is designed to achieve, the index provider does not guarantee the quality, accuracy or completeness of data in respect of its indices, and does not guarantee that the underlying index will be in line with the described index methodology. Gains, losses or costs to the fund caused by errors in the underlying index may therefore be borne by the fund and its shareholders.

DUE TO MARKET VOLATILITY, CURRENT PERFORMANCE MAY BE DIFFERENT THAN THE FIGURES SHOWN.

Exchange Traded Funds (ETF) are bought and sold through exchange trading at market price (not NAV), and are not individually redeemed from the fund. Shares may trade at a premium or discount to their NAV in the secondary market. Brokerage commissions will reduce returns.

You should consider the fund's investment objectives, risks, and charges and expenses carefully before you invest. The fund's prospectus or summary prospectus, which can be obtained at americancentury.com, contains this and other information about the fund, and should be read carefully before investing.

The American Century® U.S. Quality Growth Index seeks to capture the performance of large- and mid-capitalization companies in the U.S. that possess attractive quality, growth and valuation fundamentals.

The iSTOXX® American Century® USA Quality Growth Index (underlying index) is a systematic, rules-based proprietary index that is owned and calculated by STOXX based on the STOXX 900 Index. The underlying index aims to dynamically allocate to both stable growth and high growth companies. The Stoxx 900 Index covers the 900 largest U.S. companies by market capitalization. It is not possible to invest directly in an index.

iSTOXX® American Century® USA Quality Growth Index is the intellectual property (including registered trademarks) of STOXX Limited, Zurich, Switzerland ("STOXX"), Deutsche Börse Group or their licensors, which is used under license. American Century® STOXX® U.S. Quality Value ETF is neither sponsored nor promoted, distributed or in any other manner supported by STOXX, Deutsche Börse Group or their licensors, research partners or data providers and STOXX, Deutsche Börse Group and their licensors, research partners or data providers do not give any warranty, and exclude any liability (whether in negligence or otherwise) with respect thereto generally or specifically in relation to any errors, omissions or interruptions in the iSTOXX® American Century® USA Quality Value Index or its data.

The Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000® Index (the 3,000 largest publicly traded U.S. companies based on total market capitalization). The Russell 1000® Growth Index measures the performance of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values. Created by Frank Russell Company, indices are not investment products available for purchase.

Fund Facts are provided by FactSet Research Systems, Inc.

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