

Harvesting Strategy

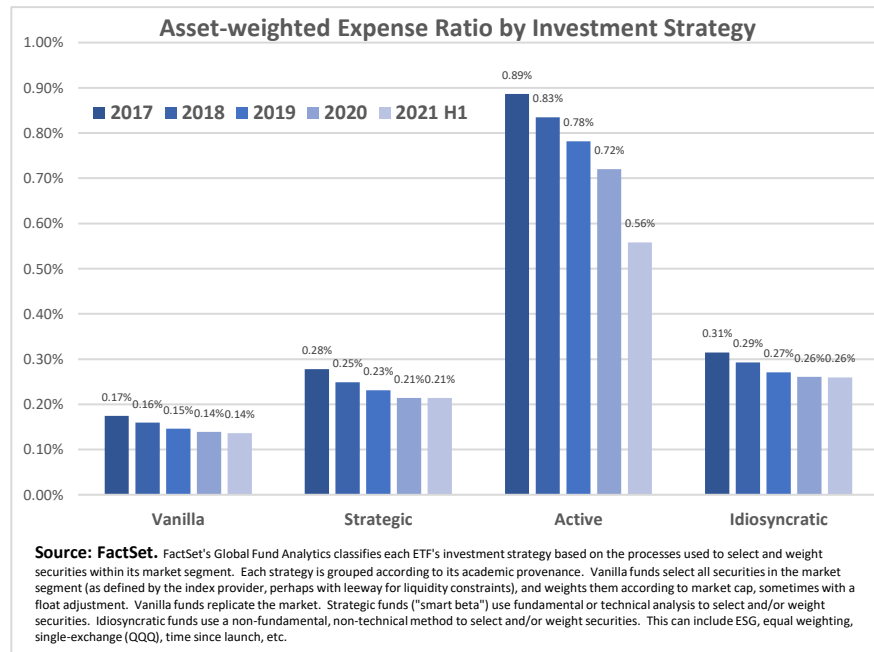
ETF Ownership Keeps Getting Better

For the past few years, ETF [management fees](#) have been on the decline. My friend [Elisabeth Kashner](#) at Factset [recently showed](#) that ETF holding costs across all major strategies, including actively managed, have been steadily falling – see chart.

For instance, fees on Strategic ETFs, also known as "[smart beta](#)", fell 25% from an asset weighted average of 0.28% to 0.21%. These declines are good news for ETF investors as falling ownership costs along with ETFs' [tax efficiency](#) only improve the attractiveness of using ETFs as building blocks for [improving after-tax returns](#).

After all, what matters is not just what you make but what you keep.

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