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## Index ETFs -- Not Created Equal

Steven D. Dolvin  
sdolvin@butler.edu

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# JMDinvestments

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You might expect that all "Large Cap" ETFs are the same, as they would likely track the S&P500 index. However, in an effort to reduce costs, many ETF providers (such as Vanguard) are replacing the standard index with others that charge lower licensing fees. This allows the providers to either reduce the expenses they charge or increase operating margins. As providers make this switch, it could also impact the underlying holdings to the extent that differences occur across the indexes. [See article here, Wall Street Journal.](#)

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