

## Turning O'Neil's Research Into Modern ETFs: Inside the Capital-FORCE and Investor's Business Daily® Collaboration

How a shared, rules-based investing discipline and investor education mission powers a connection built for serious individuals and data-aware advisors.

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### Highlights

- **Origins of IBD and its edge:** How William J. O'Neil built Investor's Business Daily (IBD) to close a data and education gap, using historical studies and early computing to create a rules-based methodology for identifying market-leading stocks.
  - **The IBD 50 as a growth engine:** Why the IBD 50 list, grounded in over a century of research on winning stocks, has become a flagship tool for capturing dynamic market leadership and has already been successfully translated into ETF form.
  - **A natural fit with Capital-FORCE:** How shared beliefs in earnings-driven leadership, disciplined risk management, and investor education make IBD an ideal research partner for Capital-FORCE's "Investing Greatness" mission.
  - **From research to real-world portfolios:** How Capital-FORCE aims to turn IBD's rankings and leadership screens into ETF building blocks, communication frameworks, and behavioral coaching that help both individual investors and advisors stay committed through full market cycles.
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When two firms are partnered well, it is usually because they share the same problem to solve. IBD, founded by William J. O'Neil in 1984, was created to close a data and education gap for serious investors, and Capital-FORCE exists to turn historically-proven investing disciplines into accessible, ETF-based solutions built for investors and their advisors. Our collaboration is anchored in that shared mission: to translate decades of research on winning stocks into practical portfolios and tools that help all investors pursue what we call Investing Greatness.

In this paper we explain why Capital-FORCE and IBD are a natural collaboration, how IBD's research ecosystem (especially the IBD 50) works, and how that research is being translated into ETF solutions and education.

### William J. O'Neil and the Birth of IBD

William J. O'Neil began as a stockbroker in the 1950s and quickly became known for using detailed historical studies and early computer analysis to understand what separated great stocks from everything else. His work led to the development of the IBD Methodology and to the realization that most mainstream financial newspapers simply did not provide the depth and structure of data that disciplined investors needed.

In response, O'Neil launched Investor's Daily in 1984 as a national business newspaper designed explicitly for investors rather than general business readers. The publication, later renamed Investor's Business Daily in 1991, used his massive historical database to fill what he saw as a daily information gap facing individual investors.



Unlike traditional financial media that focused on narratives and broad economic commentary, IBD emphasized actionable tools: detailed stock tables, price and volume charts, proprietary ratings, and education on how to apply a rules-based approach.

Over time, IBD expanded far beyond print. It launched Investors.com in 2000, developed digital research platforms, and introduced offerings such as MarketSurge and IBD Live to give investors real-time access to charts, rankings, and expert discussions. In 2021, News Corp acquired IBD, adding scale while keeping its core mission of delivering data-driven, O'Neil-style research and education at the center of the brand. Across all these developments, one thread remained constant: IBD exists to help investors use evidence, not emotion, to make better decisions in the stock market.

### **The IBD Audience: Serious Individuals and Data-Aware Advisors**

From its first issue, IBD targeted investors who wanted more than headlines. Its readership has always included active individual investors, swing and position traders, and long-term growth investors who appreciate structured rules. These readers rely on IBD to identify leading stocks, interpret price and volume action, and learn when to be aggressive and when to step aside.

But IBD also serves a significant professional audience. Financial advisors, independent broker-dealer reps, registered investment advisors (RIAs), and institutional analysts use its lists, ratings, and market commentary as inputs into their own processes. As of 2023, IBD's website attracted more than 5.2 million unique visitors a month, including both self-directed individuals and financial professionals seeking high-quality growth stock research. This dual audience is important for a collaboration with Capital-FORCE, because our mission is likewise two-sided: empower individual investors directly and equip professional advisors with strategies and research they can confidently bring to their clients.

The broader independent advisor landscape underscores the importance of that professional segment. Independent broker-dealers and RIAs have been gaining share of assets and advisor headcount, with the independent channel alone now accounting for nearly one fifth of all advisor headcount and roughly 16 percent of industry assets. These advisors value autonomy, differentiated research, and portfolio solutions that align with a clear philosophy. A Capital-FORCE and IBD collaboration speaks directly to that need by marrying a well-known research framework with ETF implementations tailored to advisor workflows.

### **The History and Role of the IBD 50**

At the center of IBD's product ecosystem stands the IBD 50, its flagship list of leading growth stocks. The IBD 50 is a rules-based, computer-generated list that highlights 50 growth stocks listed on U.S. exchanges with strong fundamentals and significant relative price strength. The list is updated weekly and published every Monday, reflecting current data on earnings, sales, price action, and other O'Neil-derived factors.

The IBD 50's methodology flows directly from O'Neil's historical research on the biggest stock market winners over the last 100 plus years. By examining top performers across multiple cycles, IBD identified seven recurring characteristics of winning stocks and encoded them into objective, data-driven criteria. Stocks are evaluated on earnings and sales growth, return on equity, price strength versus the market, industry leadership, and signs of institutional accumulation or distribution, among other factors.

Because the IBD 50 is recomputed regularly, it tends to capture the dynamic leadership of the market rather than static "story" stocks. When new themes emerge—technology shifts, medical innovation, infrastructure cycles, or other secular trends—the list rotates toward companies that exhibit strong fundamentals and price momentum in



those areas. Over time, IBD has highlighted how the IBD 50 and related lists have, in many periods, outperformed broad benchmarks like the S&P 500 due to this systematic focus on leadership and growth.

The IBD 50's influence is evident in the ETF world as well. The IBD 50 Index, which tracks the list, has been used as the basis for ETFs such as the Innovator IBD 50 ETF (FFTY), whose portfolio matches the weekly IBD 50 index. That experience shows that O'Neil-style research can be successfully translated into index methodologies and fund products, giving investors a simple way to access a diversified slice of leading growth stocks identified by IBD's process.

### **Why Capital-FORCE Would Partner With IBD**

Capital-FORCE's core idea of Investing Greatness, however, is about more than performance; it is about building portfolios and habits that can endure real-world volatility while pursuing long-term growth. To do that, we look for partners whose tools are grounded in history, data, and discipline. IBD, with its IBD methodology, IBD 50 list, and decades of investor education, is an ideal collaborator for several reasons.

First, there is philosophical alignment. Both organizations believe that markets reward companies with robust earnings growth, innovation, and leadership, and that these traits can be systematically identified. Both emphasize risk management: cutting losses, respecting market direction, and avoiding complacency when the data changes. Both view investor education as essential, not optional. Those shared beliefs create a strong foundation for building strategies that feel coherent to both individual investors and their advisors.

Second, there is methodological compatibility. IBD already expresses its research through rules-based lists and indices; Capital-FORCE specializes in turning rules-based ideas into ETF solutions and communication frameworks that fit into modern portfolios. That means we can design ETFs that draw on IBD's ranking systems, factor definitions, and leadership screens, while layering in our own risk management, portfolio construction, and tax-aware implementation expertise.

Third, there is audience synergy. IBD's existing base of serious individual investors and data-aware advisors has been trained to think in terms of leadership, bases, breakouts, and relative strength. Capital-FORCE can meet that audience where it already is by offering ETF strategies that reflect the logic behind the IBD 50 and related lists, making it easier for them to implement what they are learning without building everything from scratch. For advisors, especially in the fast-growing independent channels, this collaboration offers strategies backed by a recognizable research brand and transparent rules.

### **ETFs as a Vehicle for "Investing Greatness"**

Translating IBD's research into Capital-FORCE ETFs is about turning insight into structure. In practice, that might involve:

- Selection rules that begin with IBD's growth and leadership criteria and then apply portfolio-level constraints on position sizes, sector exposures, and liquidity.
- Rebalancing schedules aligned with IBD's regular updates, balancing responsiveness to new leadership with controls on turnover and trading costs.
- Risk frameworks that incorporate both stock-level measures (volatility, gaps, earnings event risk) and market-level indicators that echo O'Neil's emphasis on overall market direction.

For individual investors, as Capital-Force continues to grow, the result is a set of ETFs that we aspire to embody O'Neil-inspired characteristics—strong earnings, sales growth, price strength, and leadership—without requiring



them to run their own screens or manage concentrated single-stock positions. For professional advisors, the ETFs become building blocks for model portfolios, offering a clearly articulated philosophy, transparent holdings, and a story they can explain to clients in language that many clients already recognize from IBD.

Because Capital-FORCE also emphasizes investor communication and behavioral coaching, the collaboration extends beyond the funds themselves. Educational content can link IBD's charts and lists to specific Capital-FORCE ETFs, explaining how leadership changes might influence allocations, why some names enter or exit the portfolio, and what investors should expect in various market regimes. Over time, that integration of research, product, and communication can help both individuals and advisors stay committed to a long-term strategy grounded in evidence rather than short-term noise.

### **A Shared Path Toward Investing Greatness**

William J. O'Neil created Investor's Business Daily to give investors a better way to see and act on market leadership, and the IBD 50 became a flagship expression of that mission, spotlighting the top growth stocks according to rules refined over decades. Capital-FORCE exists to turn that kind of historically tested insight into ETF strategies and narratives that real investors can hold through full cycles.

By uniting, we have connected a powerful research engine to a modern implementation and communication platform, which seeks to give both individual investors and professional advisors a clearer route to Investing Greatness: disciplined, evidence-based participation in market leadership, managed with humility about risk and respect for the human side of investing.

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