

XXV

Simplify Ancorato Target 25 Distribution ETF

Analyst Report

This ETN offers a way to establish inverse exposure to an index comprised of volatility futures, potentially profiting from some of the structural issues that result in poor long-term performance among many of the products in the Volatility ETFdb Category. This ETP may be appealing to some as part of a long-term portfolio given the potential for capital appreciation and some diversification benefits as well. But it should be noted that because the VIX often experiences big swings, this product can also exhibit significant short-term volatility.

XXV is an ETN, meaning that investors are exposed to the credit risk of the issuing bank but don't have to worry about the impact of tracking error on returns. Also note that XXV is linked to an index comprised of VIX futures, and as such this product won't necessarily reflect movements in the spot VIX. Because significant contango often exists in VIX futures markets, there can be significant gaps between changes in the spot price and returns available through a futures based strategy (such as the one implemented by the index underlying this product). XXV is actually constructed to exploit the contango in VIX futures markets, delivering short exposure to an index that often sees significant return erosion as a result of the monthly roll process. Volatility is a complex asset class, and XXV is a somewhat complicated product. Those who don't fully grasp the investment thesis behind this product should likely stay away.

There are several products that offer inverse exposure to VIX indexes, but these ETPs are far from identical. XIV resets exposure on a daily basis, while both XXV and IVO seek to offer inverse exposure over the life of the notes. But these periods are different, and as such the participation between these two products can vary significantly. Be sure to consider the participation metric of both XXV and IVO before establishing a position (and this number means

ESG Themes and Scores

5.01/10

ESG Rate

16.05%

Global Percentile

5.33%

Peer Percentile

Performance Data

	XXV	ETF Database Category Average	Factset Segment Average
1 Month	-0.30%	4.56%	-0.36%
3 Month	10.85%	22.05%	3.73%
YTD Return	6.06%	2.89%	2.61%
1 Year Return	N/A	22.12%	5.61%
3 Year Return	N/A	3.66%	4.76%
5 Year Return	N/A	4.37%	1.15%

Top 5 Holdings

No Holdings Data Available

Vitals

Issuer	Simplify
Brand	Simplify
Structure	ETN
Expense Ratio	0.85%
Inception	Nov 17, 2025
Index Tracked	S&P 500 VIX Short-Term Futures Index Excess Return (-100%)

ETF Database Themes

Category	Inverse Volatility
Asset Class	Volatility
Asset Class Size	N/A
Asset Class Style	N/A
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Asset Allocation: U.S. Target Outcome
Category	Asset Allocation
Focus	Target Outcome
Niche	Income
Strategy	Active
Weighting	Proprietary

