

ADPV

Adaptiv Select ETF

Fund Description

ADPV is an actively managed fund that toggles between US large-cap equities and short-term US Treasuries, based on momentum. The fund's strategy aims to limit drawdowns during market downtrends.

FactSet Analyst Report

ADPV attempts to capture more upside in the US equity market by taming the downside. The fund uses a proprietary, multi-factor rules-based model that switches exposure between large-cap equities during market uptrends and short-term US Treasuries during downtrends based on whether the 5-day moving average of the US equity market closes above or below its 200-day moving average. During an uptrend, the fund uses technical momentum indicators, including relative strength and volatility, to rank 1,000 of the largest US-listed equities. The 25 highest-ranked equities are selected and equally weighted in the portfolio. After the last trading day of each week, the adviser assesses US market trends, re-ranks equities, and adjusts the portfolio accordingly. In case of a downtrend, the fund sells its entire equity portfolio and buys short-term US Treasuries, such as 1- to 3-month US T-bills and cash. As a result of the strategy, the fund engages in active and frequent trading.

