

ALTS

ProShares Morningstar Alternatives Solution ETF

Fund Description

ALTS tracks an index of 7 alternative ETFs, issued by ProShares. The index allocates to the ETFs with an optimizer that aims to maximize risk-adjusted returns. The optimizer assumes investors have existing positions in stocks and bonds.

FactSet Analyst Report

The security is being delisted. The last day of trading is May 2, 2022. ALTS offers a novel all-in-one solution to alternatives allocationthe latest in a series of funds competing with multistrategy giant QAI. QAI uses a fund-of-funds approach, allocating to vanilla ETFs based on its hedge-fund-replication math. In contrast, ALTS is a fund-of-alternative-funds, a structure that's unusual in ETFs but common in the hedge fund space. ALTS allocates to 7 ETFsall from ProSharescovering the alternatives space as they define it. This includes hedge fund strategies like managed futures, but also an infrastructure ETF and a bet on inflation expectations. The fund uses an optimizer fed by 36-month price returns, with a momentum overlay. ALTS positions itself as a completion portfolio.