

ARKB

ARK 21Shares Bitcoin ETF

Fund Description

ARKB is passively managed, seeking to track the daily USD spot price of Bitcoin (BTC) through a buy-and-hold strategy focused on long-term BTC holdings. An investment in the fund is not a direct investment in Bitcoin.

FactSet Analyst Report

ARKB was the first to apply as a spot Bitcoin ETF. The fund enhances accessibility to BTC and resolves custody-related challenges by providing direct exposure. The custodian holds all BTC in cold wallet storage. Daily, at 4:00 pm ET, holdings are valued based on the benchmark index, with adjustments made for incurred expenses and other liabilities. While the fund recognizes the index as a reliable indicator of BTC's average spot price, its main focus remains on ensuring integrity. Achieving this involves dividing the observation period, calculating volume-weighted medians, and determining values through the equally weighted arithmetic mean of these medians. This ensures a fair representation of BTC's average spot price, preventing outliers and large trades from heavily impacting the overall result. Investors should compare fees, such as expense ratio, tracking, and overall cost when selecting specific investments in this space. ETF units cannot be redeemed for BTC.