

ARVR

First Trust Indxx Metaverse ETF

Fund Description

ARVR tracks a modified equal-weighted index of stocks, spanning a broad range of industries globally, that are involved in business activities associated with the Metaverse.

FactSet Analyst Report

ARVR targets companies that are associated with the Metaverse, which is predicted to be important to business economic viability in the future. The fund selects common stocks or depositary receipts involved in developing the virtual-reality space, such as AI and 3D technologies, where users can interconnect with computer-simulated environments. The fund considers companies with at least 50% of revenues engaged in business activities linked to five sub-themes: IP & Contents, Platforms, Payment, Optics & Display, and Semiconductor, Hardware & 5G. The final 50 companies are selected by market-cap. The portfolio is weighted using three revenue thresholds, tilting toward those with higher revenue tied to the theme. Companies with a market-cap less than \$10 billion have their weightings cut in half. Securities at each level are weighted equally and capped at 2%. The index committee has full discretion to edit the portfolio. The index is rebalanced quarterly and reconstituted semi-annually.