

BITQ

Bitwise Crypto Industry Innovators ETF

Fund Description

BITQ is passively managed to track a modified market-cap-weighted index of global companies supporting a crypto-asset-enabled decentralized economy.

FactSet Analyst Report

BITQ does not hold crypto currencies. The fund does offer a pick-and-shovel type approach to crypto investing by tracking an index of 30 crypto companies from around the world, including emerging markets. A group of individuals associated with the fund issuer determines which companies meet the necessary criteria for respective classification in the index. Companies are sorted into two tiers. Tier 1 stocks are considered the Crypto Innovators or pure-play companies that derive more than 75% of their revenue directly in crypto assets. Tier 2 stocks are large-cap firms with diversified business interests that include at least one significant business focused on the crypto economy. The fund selects the 20 largest Tier 1 and 10 largest Tier 2 companies. Tier 1 companies are market-cap-weighted, while Tier 2 firms are weighted equally. The index is reconstituted and rebalanced quarterly.