

CMDY

iShares Bloomberg Roll Select Commodity Strategy ETF

Fund Description

CMDY tracks an index that holds futures contracts on a roll-cost optimized broad market commodity index.

FactSet Analyst Report

CMDY's underlying index tracks futures contracts on 20 different commodities, covering the agriculture, energy, and metals sectors. Index components are weighted by a combination of production and liquidity. In addition, the index selects contract tenors with the least amount of contango or the greatest degree of backwardation. This feature should aid CMDY's performance over longer holding periods, but also means that it may not be very sensitive to short-term changes in commodity prices. CMDY gets its exposure by holding futures contracts on the index via a Cayman Islands subsidiary. A common structure in the commodity space that allows investors to avoid the complex tax rules that apply to commodity pools. The Index is rebalanced annually each January. Prior to March 1, 2021, CMDY was an actively-managed fund but seeks maximum correlation to the index.