

CRTC

Xtrackers US National Critical Technologies ETF

Fund Description

CRTC is passively managed to hold stocks from developed market countries associated with sectors determined vital to maintaining US national security. A committee selects the stocks based on a proprietary rating system and weights holdings based on market-cap.

FactSet Analyst Report

CRTC tracks an index of large- and mid-cap companies considered to support critical emerging technologies to the US and its allies. Companies must be associated with one of 14 critical technology sectors and pose a low geopolitical risk. The sectors are determined by a division of the US DoD and include biotechnology, quantum science, wireless tech, advanced materials, advanced computing or software, directed or renewable energy, human-machine interfaces, hypersonics, integration of systems, integrated sensing and cyber, microelectronics, space technology, AI and autonomy. A model developed by J.H. Whitney aims to quantify the level of entanglement that companies share with nation-states defined as adversarial to the US. Companies with a lower geostrategic risk rating are considered. A selection party determines the index holdings on the last Thursday of January, April, July, and October. Holdings are market cap weighted. Rebalance occurs ten days after the selection date.

