

CXRN

Teucrium 2x Daily Corn ETF

Fund Description

CXRN is an actively managed fund that seeks 200% the daily price performance of corn futures. The fund invests via a subsidiary that holds the contracts.

FactSet Analyst Report

CXRN is an actively managed ETF aiming for 200% daily leveraged exposure to corn's price through Corn Futures contracts and collateral. Corn is one of the most widely produced grain in the US. The two largest uses for corn are livestock feed and ethanol production. To tap into this demand, the fund uses corn contracts on CFTC-regulated exchanges and avoids physical corn delivery, potentially profiting from daily price increases. A Cayman Islands subsidiary is used for tax efficiency, limiting direct commodity futures exposure due to regulatory constraints. With a RIC tax status, it issues Form 1099 for simpler tax reporting. The Fund adjusts daily to align with corn price movements, with strategies to manage position limits potentially affecting its objectives. As such, the use of swaps, reverse purchase agreements and corn-linked ETPs. Daily compounding affects returns beyond a single day, posing loss risks despite corn's performance due to volatility and rebalancing effects.