DEFI
Hashdex Bitcoin Futures ETF

Fund Description

DEFI tracks an index that provides the average of the closing settlement prices for the front month bitcoin futures contracts listed on the Chicago Mercantile Exchange Inc. (CME).

FactSet Analyst Report

DEFI is the first US-listed bitcoin futures ETF registered solely under the Securities Act of 1933 (33 Act). The tax treatment for gains and losses is different than the 40 Act funds. The fund follows an index that provides the average closing settlement prices for the front month bitcoin futures contracts listed on CME. CME’s bitcoin futures contracts are USD cash-settled contracts based on the CME CF Bitcoin Reference Rate (BRR), which serves as a once-a-day reference rate of the USD price of bitcoin. The BRR aggregates the bitcoin trading activity across major bitcoin spot trading venues during a one-hour calculation window into the USD price of one bitcoin as of 4 p.m. London Time. The ETF is investing in futures contracts rather than bitcoin, price changes will vary from the spot price of bitcoin. Investors should note that under the 33 Act, the fund will have direct exposure to the bitcoin futures market instead of delivering the exposure through a subsidiary (e.g., Cayman Islands subsidiary).