

# DMRI

## DeltaShares S&P International Managed Risk ETF

### Fund Description

DMRI tracks an index with three subcomponents: developed ex-US equity, fixed income, and cash. The fund uses an algorithm to limit volatility, allocating between the three subcomponents.

### FactSet Analyst Report

The security is being delisted. The last day of trading is April 7, 2022. DMRI is indistinguishable from a cap-weighted international equity fund during normal market conditions. However, the fund uses a complex algorithm to cap volatility at a pre-determined limit of 22%, annualized. If that threshold is exceeded, DMRI will move assets into US Treasuries, specifically, the most recent 5-year note to control risk. The fund can also take a position in 0-3 month T-bills should the 5-year note become too volatile, too correlated with equity, or too low-yielding (such as in a flat or inverted yield curve). On top of all this, the fund's index holds a synthetic protective put on itself in practice, this means DMRI shifts more assets into notes and bills after a significant decline, potentially staving off an even larger crash. The fund is rebalanced daily, and its three components (equity, notes, and bills) can be weighted from 0 to 100% in any combination. DMRI's exposure to Developed-Ex US exposure includes Europe and Asia excluding Korea.