

DRNL

Defiance 2X Daily Long Pure Drone & Aerial Automation ETF

Fund Description

DRNL seeks to deliver 2x the daily performance of the BITA Pure Drone and Aerial Automation Index. The fund provides leveraged exposure to companies involved in drone technology and aerial automation.

FactSet Analyst Report

DRNL seeks to deliver two times the daily performance of an index focused on companies involved in drone and aerial automation technologies. This includes firms deriving significant revenue from activities such as drone and UAV manufacturing, flight software and avionics, drone-based services, autonomous aerial systems, and electric vertical takeoff and landing aircraft development. Constituents must meet minimum market capitalization, liquidity, and free float requirements and are listed on major US exchanges. The index typically holds a relatively small group of companies and weighs them equally. To obtain leveraged exposure, the fund primarily uses derivatives such as swap agreements and listed options rather than holding the underlying securities directly. The strategy targets 2X the index's daily performance and resets exposure each trading day, meaning returns over longer periods may differ significantly from two times the index's cumulative return.

