

DVSP

WEBs Defined Volatility SPY ETF

Fund Description

DVSP tracks an index that primarily invests in the SPDR S&P 500 ETF (SPY), while alternately allocating between total return swaps and cash positions for a target annual volatility rate of 20%.

FactSet Analyst Report

DVSP follows an index that tracks the performance of the SPDR S&P 500 ETF (SPY) while seeking to maintain a defined annual volatility rate of 20%. On each trading day, the index measures SPY's 21-day volatility and adjusts its exposure to the underlying ETF accordingly. If the measured short-term volatility is below the defined volatility rate, the index increases exposure to the underlying ETF using total return swaps, thereby increasing volatility. Conversely, if the short-term volatility exceeds the defined volatility rate, the index decreases exposure to the underlying ETF and utilizes cash positions to reduce volatility. The exposure to the underlying ETF varies dynamically between 0-200%. The underlying ETF, SPY, seeks to track the S&P 500 Index, which includes 500 committee-selected, US large-cap companies of varying industries.