

EMTY

ProShares Decline of the Retail Store ETF

Fund Description

EMTY provides inverse exposure to an equally weighted index of US stocks in the retail industry using swap agreements.

FactSet Analyst Report

EMTY is a geared product, and as such, is meant to act a short-term trading tool rather than a buy-and-hold investment. The fund aims to profit from declining consumer interest in brick-and-mortar retail stores by targeting daily -1x exposure to US retail companies that receive more than 75% of revenue from in-store sales. The index equally weights all securities and rebalances quarterly. Equal weighting means that smaller names will be overweight relative to a cap-weighted fund. EMTY does not short the underlying securities directly. Instead, the fund uses over-the-counter derivatives (such as swap agreements) and money market instruments to provide inverse exposure to the daily price fluctuations of the index. Holding the fund for longer than one day will result in returns that stray from the headline -1x exposure to the index due to compounding.