

EQLS

Simplify Market Neutral Equity Long/Short ETF

Fund Description

EQLS seeks to achieve absolute returns and income by investing in a long/short equity portfolio based on a proprietary machine-learning stock selection model. The fund invests in US and foreign companies of any capitalization and seeks to deliver market-neutral exposure.

FactSet Analyst Report

The security is being delisted. The last day of trading on an exchange is May 23, 2025. EQLS neutralizes equity exposure through long and short positions using total return swaps. Companies in the fund's swap basket are selected using a machine learning-powered quantitative ranking system. The system considers over 500 fundamental factors based on forward-looking return expectations. The fund typically includes 100 stocks with the best expected returns in the long basket and 100 stocks with the lowest expected returns in the short basket. The swaps provide the fund with approximately 200% equity exposure on both its long and short baskets. The 200% long and short positions are not direct hedges, and the adviser constructs the portfolio such that the fund will achieve a market-neutral result. The actively managed fund typically rebalances monthly based on the ranking system, although the adviser has the discretion to rebalance more frequently. The adviser may also tactically shift the fund's net long/short equity exposure.