

FMET

Fidelity Metaverse ETF

Fund Description

FMET tracks a market cap-weighted index of equities that provides global exposure to the future state of the internet: the metaverse.

FactSet Analyst Report

FMET holds stocks and depositary receipts of globally listed companies that develop, manufacture, distribute, or sell products related to the metaverse. Eligible companies must derive at least 50% of their revenue from (i) computing hardware, (ii) digital infrastructure, (iii) design & engineering software, (iv) gaming technology & software, (v) web development & content services, and (vi) smart phone & wearable technology. The index uses quality screens based on trailing or next 12-month revenues, operating cash flow, sales growth, and analyst coverage to filter out companies that pose significant risks. Then securities are ranked for thematic relevance, which is a composite of total significant revenue, percent of significant revenue, and a natural language processing (NLP) score. Approximately 50 stocks are selected and the portfolio is weighted according to market capitalization, subject to liquidity constraints and a 4.5% single weight capping. The index is rebalanced quarterly.

