

HJEN

Direxion Hydrogen ETF

Fund Description

HJEN tracks a modified market-cap-weighted index of global companies involved in businesses related to the hydrogen industry.

FactSet Analyst Report

HJEN is one of the few ETFs that target the global hydrogen industry. The fund includes emerging and developed market companies (ex. India and Vietnam) that are engaged in: fuel cell and hydrogen batteries, hydrogen production and generation, membrane and catalyst, hydrogen systems and solutions, and hydrogen storage and supply. Eligible companies are then categorized into three, based on the percentage of revenue generated from hydrogen-related businesses: 1) pure-play with 50% or more, 2) quasi-play having 20-49%, and 3) marginal-play with less than 20%. The fund typically holds a concentrated portfolio of 30 market-cap-selected and -weighted pure-play companies, each capped at 8% weight. If fewer than 30 pure-play companies qualify for inclusion, quasi and marginal companies may be selected. In this case, an aggregate weight cap will be assigned based on the combined number of quasi and marginal companies included. The index reconstitutes annually and rebalances quarterly. Prior to Dec 20, 2021 the fund tracked the Indexx Global Hydrogen Index which provided similar exposure and strategy.