

IBIT

Defiance Daily Short Digitizing the Economy ETF

Fund Description

IBIT is an actively managed fund-of-funds that provides daily inverse (-1x) exposure to the Amplify Transformational Data Sharing ETF (BLOK).

FactSet Analyst Report

IBIT makes a bearish one-day bet against a global blockchain technology ETF. The fund aims to deliver -1x the daily performance of BLOK, which actively invests in 40 to 60 companies involved in transformational data sharing technologies, mostly focusing on blockchain technology. To gain inverse exposure, IBIT invests in swap agreements and short positions on the underlying fund. For cash management, the fund may also invest in US government securities, money market funds, and repurchase agreements. As an inverse leveraged product, IBIT is not a buy-and-hold ETF, it is a short-term tactical instrument. The fund rebalances daily. As a result, compounding and path dependency make its long-term returns difficult to predict when compared with BLOK. Over longer periods, returns can vary significantly from -1x exposure to its underlying fund.