



KDEF

PLUS Korea Defense Industry Index ETF

Fund Description

KDEF is passively managed to track an index which provides concentrated exposure to Korea's leading defense companies. The fund uses an AI program to identify, score and select companies for industry relevance. The objective of the fund is to provide long-term growth.

FactSet Analyst Report

KDEF aims to benefit from a general increase in defense spending globally and heightened demand for South Korean produced weapons. The fund seeks to track an index of 20 leading companies driving Korea's defense innovations. Such companies are firms engaged in defense manufacturing, technology, and services critical to national security and global competitiveness. The index uses an AI model to review public filings, quarterly reports, and news sources to identify and score companies based on relevance to the defense industry. Stocks must meet minimum market-cap, revenue tied to theme, trading, and liquidity requirements to be selected. The index applies a weighting methodology in which 70% of the index is weighted by market-cap and 30% is determined by the relevance score. The index is rebalanced and reconstituted on a quarterly basis.