

KPRO

KraneShares 100% KWEB Defined Outcome January 2027 ETF

Fund Description

KPRO seeks to track the total return of the KraneShares CSI China Internet ETF (KWEB) up to a cap, with a 100% downside hedge over a two-year outcome period. The actively managed fund holds shares of the underlying ETF and options to obtain exposure.

FactSet Analyst Report

KPRO utilizes a defined outcome strategy on the KraneShares CSI China Internet ETF (KWEB). It aims to provide long exposure to China internet stocks, up to a cap, while fully hedging downside risk over a two-year period. The fund primarily invests in KWEB and options, including FLEX options, that reference the underlying ETF. In exchange for preventing the realization of 100% of KWEB's losses, investors forego upside participation above a certain threshold. The upside cap and downside buffer reset every other year, in January. The specific defined outcome pursued may only be possible if an investor were to hold the shares for the entire outcome period. However, there is no guarantee the defined outcome of the strategy pursued will be realized by investors. The issuer publishes effective interim levels daily on its website. The targeted buffers and caps do not include the fund's expense ratio. For comparative purposes, KPRO investors need to double the stated expense ratio of the fund. Following January 24, 2025, KPRO has reset its outcome period and extended it to 2027.