

KRBN

KraneShares Global Carbon ETF

Fund Description

KRBN is an actively-managed ETF that aims to outperform a carbon credit futures index by selecting the most liquid contracts and managing debt instruments.

FactSet Analyst Report

KRBN is the first US-listed ETF to provide access to the carbon allowances futures market. The fund is benchmarked to the IHS Markits Global Carbon Index which provides exposure to cap-and-trade carbon allowances via futures. The index selects and weights contracts maturing in December of the next one to two years that meet minimum trading volume and dollar values, subject to limits. The index covers three major European and North American cap-and-trade programs: European Union Allowances (EUA), California Carbon Allowances (CCA), and the Regional Greenhouse Gas Initiative (RGGI). Should regulation for carbon emissions tighten and/or the cost of carbon emissions rise, KRBN investors may benefit. The fund invests through a Cayman Island subsidiary, thus avoids issuing a K-1. Euros are a sizeable portion of the underlying. Also worth noting, the Chairman of the funds sub-advisor is former US Secretary of State, John Kerry. Prior to March 19, 2021, KRBN was named KFA Global Carbon ETF.

