

LMNX

Defiance Daily Target 2x Long LMND ETF

Fund Description

LMNX seeks to deliver 2x leveraged exposure to the daily share price movement of Lemonade, Inc. (LMND), net fees and expenses, through derivatives like swap agreements.

FactSet Analyst Report

LMNX uses swap agreements and short-dated listed call options to make bullish bets on the share price of Lemonade, Inc. (NYSE: LMND). LMND is a fully digital insurance company. Its offerings include renters, homeowners, car, pet, and life insurance through its own licensed carriers in the U.S. and Europe. The company relies on reinsurance agreements and a fixed-fee model to manage underwriting risk and reduce variability in financial results. The fund seeks to maintain daily leveraged exposure equivalent to 200% of the daily percentage change in LMND price through daily rebalancing. Returns may deviate from the expected 2x if held for longer than a single day due to factors such as volatility and compounding effects. LMND expects to invest in US Government securities, money market funds, short-term bond ETFs, and corporate debt as collateral.

