

MJO

MicroSectors Cannabis 2X Leveraged ETN

Fund Description

MJO offers 2x leveraged exposure to North American Cannabis companies that are selected and weighted by market cap.

FactSet Analyst Report

MJO is one of the first two ETNs that track an index of US and Canadian companies that provide products or services related to the medical or industrial use of cannabis or cannabis related products. The initial index constituents must meet minimum market capitalization and liquidity requirements. The initial universe is screened based on their percentage of revenue that is derived from five cannabis sub-themes (Cultivator, Pharmaceuticals, Testing & Analytics, Industrial Hemp, and Ancillary). The index is market-cap weighted, liquidity adjusted, with 9.9% cap to single security. Given the narrow industry and leveraged nature, investors should anticipate higher volatility in MJO. As a levered product with 2x factor that resets daily, MJO is not a buy-and-hold investment, and should not be expected to provide index leverage return greater than one day period.