

RTYD

Simplify US Small Cap PLUS Downside Convexity ETF

Fund Description

RTYD is an actively managed fund-of-funds that provides exposure to small-cap US stocks while applying a downside options overlay strategy.

FactSet Analyst Report

The security is being delisted. The last day of trading on an exchange is April 28, 2023. RTYD is actively managed and seeks capital appreciation by primarily investing in ETFs of small-cap US stocks. The fund selects investments based on factors such as price, liquidity, and track record. While it does not frequently trade equities, it aims to maintain its exposure while applying a downside convexity option overlay strategy, designed to hedge against market movements and add convexity to the fund. RTYD purchases exchange-traded and over-the-counter put options on the Russell 2000 index or a similar index ETF of up to 20%, in which selection is based on the Fund Advisers evaluation of relative value, strike price, and maturity. It is worth noting that the funds convexity reflects a non-linear relationship between its returns and that of the market. Moreover, while this strategy is intended to protect the fund from losses, it is not absolutely guaranteed.