

SHLD

Global X Defense Tech ETF

Fund Description

SHLD tracks a modified market-cap weighted index of the top 50 pure-play defense technology companies from around the world. These companies are considered best positioned to benefit from increased governmental defense spending.

FactSet Analyst Report

SHLD seeks defense technology companies worldwide that provide the products and services necessary for governmental organization's threat preparedness and response. The investment thesis is based on governments becoming increasingly reliant on advanced military systems requiring specialized hardware, sensors, and other networking solutions. The selection process begins by focusing on pure-play companies whose revenue comes from FactSet-identified defense tech sub-themes. This includes cybersecurity, artificial intelligence, big data, augmented reality, advanced military systems, as well as hardware like robotics, fuel systems, and aircraft. Companies tied to non-military firearms and commercial aircraft manufacturing are not considered. The top 50 securities are then selected and weighted by market-cap. Individual security weights are capped at 8%, and the combined weight of securities with weights greater than or equal to 5% must not exceed 40%. Index reconstitution and rebalancing is done on a semi-annual basis.

