

SMCX

Defiance Daily Target 2X Long SMCI ETF

Fund Description

SMCX seeks to deliver 2x leveraged exposure to the daily share price movement of Super Micro Computer, Inc. (SMCI), less fees and expenses, through derivatives like swap agreements.

FactSet Analyst Report

SMCX uses swap agreements to make bullish bets on Super Micro Computer, Inc. (SMCI) share price. SMCI designs and manufactures high-performance computer server solutions for data centers and cloud providers. The fund seeks to maintain daily leveraged exposure equivalent to 200% of the daily percentage change in SMCI's share price through daily rebalancing. As a leveraged product, it is designed for short-term tactical use, not as a long-term investment vehicle. Returns may deviate from the expected 2x if held longer than a single day due to factors like volatility and compounding effects. This strategy is high-risk and does not incorporate a defensive position. SMCX fund could potentially lose value over time, even if SMCI's performance is strong. It is expected to invest in US Government securities, money market funds, short-term bond ETFs, and corporate debt as collateral.