

SMCZ

Defiance Daily Target 2X Short SMCI ETF

Fund Description

SMCZ seeks to provide 200% inverse exposure to the daily share price movement of Super Micro Computer (SMCI), less fees and expenses. The fund uses swaps to provide exposure.

FactSet Analyst Report

SMCZ uses swap agreements to make bearish bets on Super Micro Computer (SMCI share price. Super Micro Computer is a leading provider of high-performance server and storage solutions, with a strong emphasis on enabling artificial intelligence technologies. The fund aims to maintain daily inverse exposure equivalent to 200% of the shares. As a geared product, the fund is intended as a short-term tactical tool, rather than as a long-term investment vehicle. As a result, returns may deviate from the expected -2x if held for longer than a single day due to compounding. This strategy is high-risk and does not include a defensive position as part of its overall process. Additionally, the fund could potentially lose money over time, even if shares of Super Micro Computer's performance strengthens. The fund is expected to invest in T-bills, money market funds, short-term bond ETFs, and corporate debts as collateral.