

SMDY

Syntax Stratified MidCap ETF

Fund Description

SMDY tracks an index that holds all constituents of the S&P 400 Index, reweighted to diversify related business risk.

FactSet Analyst Report

SMDY is passively managed to hold the same constituents as the S&P mid-cap 400 but is a stratified-weight version. Using this Syntax's patented weighting methodology, the fund controls exposure to related business risks (RBRs) by hierarchically grouping and distributing the weight of the Index constituent companies that share RBRs. RBRs occurs when two or more companies earnings are affected by the same fundamental drivers. The index is rebalanced quarterly and will typically include 400 components allocated across eight industry sectors: consumer, energy, financials, food, healthcare, industrials, information, and information tools. Prior to the inception date the strategy was available as a privately held fund.