

SPXD

Xtrackers S&P 500 Diversified Sector Weight ETF

Fund Description

SPXD tracks an equally weighted version of the S&P 500 index. Investments consist of large-cap US stocks. Security selection and weighting are based on Syntax functional information system (FIS) framework.

FactSet Analyst Report

SPXD is a passively managed ETF that reweights the traditional S&P 500 constituents using a revenue-based approach. Unlike the index that weighs stocks purely by market capitalization, the fund employs the Syntax functional information system (FIS) framework to reweight stocks based on revenue breakdowns by business activity. The framework classifies each company's revenue across the GICS sector hierarchy, primary sector, subsector, industry, sub-industry, and business activity. The index equal weights each primary sector, then successively reweights each level of the sector hierarchy to assign stock weights proportional to the revenue generated within each business activity. Index rebalancing is done quarterly in March, June, September, and December. The fund may also hold derivatives such as futures, options, and swaps for hedging and efficient tracking. Up to one-third of the portfolio may be lending.