

TMET

iShares Transition-Enabling Metals ETF

Fund Description

TMET tracks an index that measures the performance of a basket of exchange-traded metals futures contracts. The metals selected are those considered essential to clean energy technologies in supporting the transition to a low-carbon economy.

FactSet Analyst Report

TMET invests in clean energy transition metals that support clean energy transition through exchange-traded futures contracts. The passively managed fund invests in metals futures contracts, such as copper, aluminum, silver, nickel, zinc, platinum, and cobalt that are used in clean energy technologies. A committee selects commodity futures using private and public data and reports relating to the use of such metals within the clean energy transition while considering availability, listing exchange, and liquidity. The commodity futures are reviewed at least annually and rebalanced quarterly, assigning weights based on liquidity and global production. The fund can manage up to 25% of its commodity exposure through a wholly owned Cayman Islands subsidiary that qualifies it as a regulated investment company as opposed to a commodities pool. Thus, the fund avoids Schedule K-1 payments and instead receives a Form 1099. The fund may invest in short-term fixed income securities as collateral.