

UPAR

UPAR Ultra Risk Parity ETF

Fund Description

UPAR is actively managed to provide leveraged exposure to an index that allocates to four major asset classes: global equities, US Treasuries, commodities and TIPS based on risk parity.

FactSet Analyst Report

UPAR uses leverage in an effort to balance portfolio risk across four asset classes: TIPS, US treasuries, global equities and commodities. It targets an allocation that is 160-180% of the funds net asset value at each quarterly rebalance. The funds asset allocation uses risk-parity approach to target similar risk contributions from each asset class based on their long-term historic volatility. This means that roughly half of UPARs portfolio is made up of relative low-risk assets, TIPS and US treasuries, and half allocated to high risk, equities and commodities. The fund will also use US treasury futures, ADRs/GDRs, repurchase agreements, ETFs tracking broad-based equity index, and other exchange-traded vehicles in achieving its desired exposure. With such investments, UPAR aims to generate returns during economic growth, preserve capital during economic contraction, and preserve rates of return during heightened inflation.

