

VBX

Corgi U.S. Small-Cap 2x Daily ETF

Fund Description

VBX uses swap agreements and other financial instruments to pursue 2x leveraged exposure to the daily performance of the Vanguard Small-Cap ETF (VB), before fees and expenses. The fund does not aim to achieve 2x of the underlying ETF for any period other than a single day.

FactSet Analyst Report

As a levered product, XVB is not a buy-and-hold ETF, it's a short-term tactical instrument. The use of swap agreements opens investors to counterparty risk as well. Like many levered funds, it aims to deliver its 2x exposure only over a one-day holding period. Over longer periods, returns can vary significantly from their headline 2x target returns. Knowledge of the benefits, risks and pitfalls of levered products is paramount when investing in this fund.