

WTIU

MicroSectors Energy 3X Leveraged ETNs

Fund Description

WTIU is an exchange-traded note that tracks 3x the daily price movements of an index of US-listed energy and oil companies, selected and weighted by liquidity.

FactSet Analyst Report

WTIU provides daily 3x exposure to an index of large-cap companies in the oil and energy sector exhibiting high liquidity. The portfolio contains some of the largest integrated oil and gas firms, fossil fuel exploration and production companies, and petroleum refineries. The selection process begins with the index universe ranked in descending order according to each security's liquidity with the top 12 selected as the final index constituents. Each constituent is then assigned a weighting based on the same manner, with individual capping at 15% and the top 5 constituents total weight capped at 60%. The index is rebalanced monthly. As a leveraged product with 3x factor that resets daily, WTIU is not a buy-and-hold investment and should not be expected to provide index leverage return greater than a one day period. In addition, since this is structured as an ETN, investors assume the credit risk of the Bank of Montreal.

