Key things to know about short & leveraged ETPs/ETFs

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- Short & leveraged (S&L) ETPs/ETFs have been in existence since 2005 and have attracted approximately $63bn (1) of AUM globally
- S&L ETPs/ETFs allow an investor to magnify the daily returns of an unleveraged investment. For example, if the FTSE 100 rises by 1% in a day, the Boost FTSE 100 3x Leverage Daily ETP (3UKL) will rise by 3%.
- Leverage factors include x2, x3, -1x, -2x and -3x
- S&L ETPs/ETFs rebalance daily and therefore generate compounded returns. Compounding can outperform benchmarks in trending markets and underperform in more volatile markets
- S&L ETPs/ETFs provide exposure to the main asset classes including equities, bonds, commodities and alternatives
- S&L ETPs/ETFs trade and settle on recognised Exchanges and settlement systems with the same order types as equities. Investors cannot lose more than their original investment
- S&L ETPs/ETFs trading strategies include: less money same exposure; same money higher exposure; long / short strategies & relative value trades; investment and portfolio hedging; & shorting an asset in one simple trade
- Eight Things To Know About Short and Leveraged ETFs / ETPs
- Short and Leveraged ETF/ETP Simulator
- View the Boost ETP product list

Important Risks Related to this Article

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