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# An AI-focused ETF from a hedge fund veteran is gaining attention by soaring 60% over the past year

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A screen tracks Nvidia as a trader works on the floor at the New York Stock Exchange on Oct. 23, 2023.

Brendan McDermid | Reuters

When Ivana Delevska launched her fund in August 2021, she had a sense that artificial intelligence would be huge.

A hedge fund veteran, having worked at Citadel, Millennium and Tiger Management, Delevska specializes in the industrial sector, communicating with more than 100 companies she covers. By



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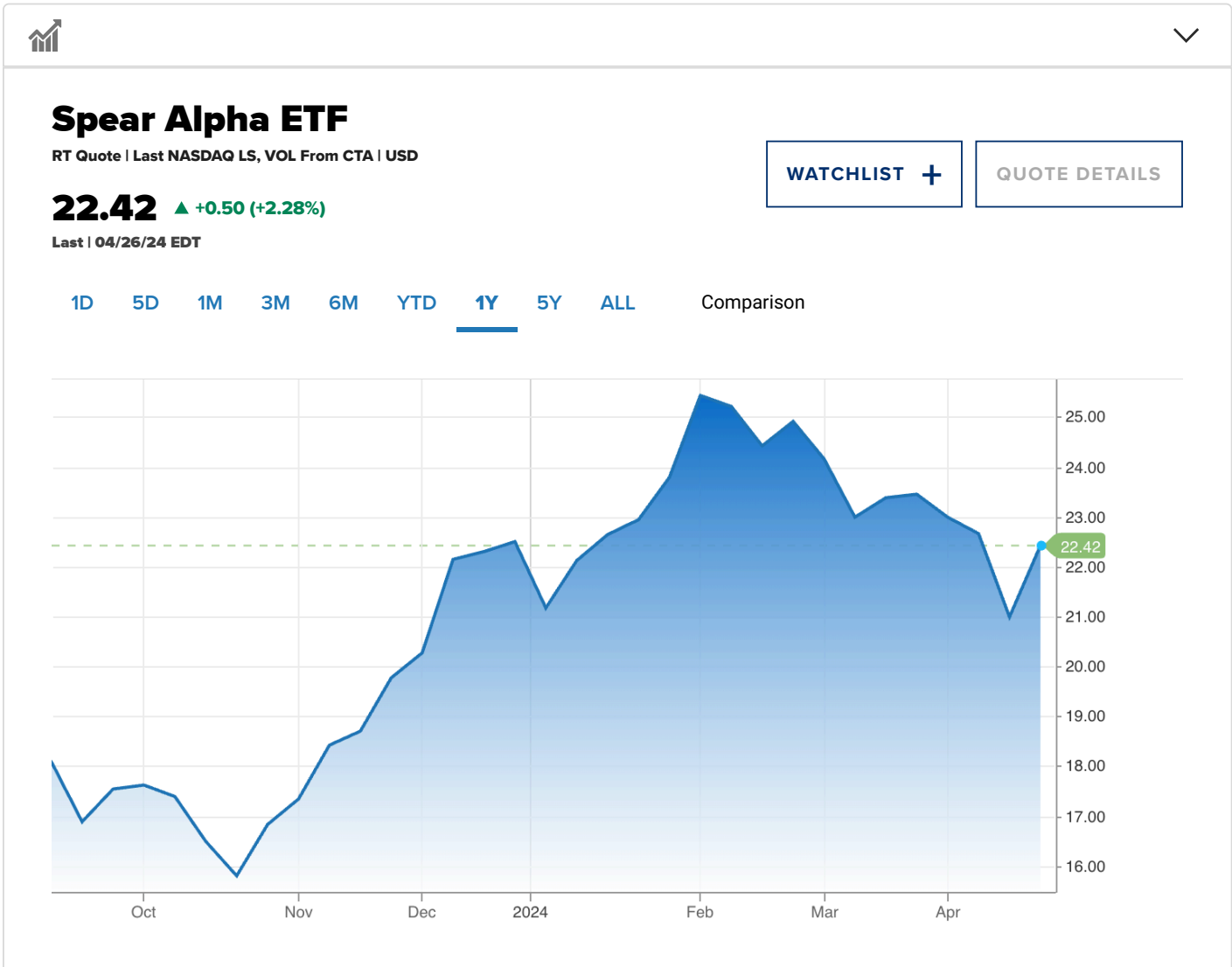
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“We were able to spot a trend way earlier than everybody else ... just because we talked to industrial companies that were investing in the GPUs for AI,” Delevska said in an interview, referring to [graphics processing units](#).

Delevska’s [Spear Alpha ETF \(SPRX\)](#) , with \$70 million in assets under management, has about 26 holdings and almost everything in her portfolio is expected to benefit in some way from AI.

“AI is obviously the biggest theme — there is no question — and it’s impacting basically 95% of our portfolio,” she said. “So pretty much everything we were invested [in] right now is going to benefit from AI in one way or another.



Spear Alpha ETF

## Almost 11% in Nvidia

The actively managed ETF is up more than 60% in the past 12 months, outpacing the better

than 21% in the same time.

One big driver for Spear's outperformance is an overweighting in [Nvidia](#) . First bought in 2023, the chip darling has become the biggest holding in SPRX with an almost 11% weighting.

“When we were going into 2023, Nvidia was completely out of favor. So it was really like a way to play offense,” Delevska said. “It was a high risk investment, but also a high return investment.”

Now that Nvidia has soared more than 220% in the past year, Delevska sees the stock playing a more defensive role in her portfolio, with 30% to 40% expected return over the next several years.



# Spear Alpha ETF top holdings

StockTicker	SecurityName	Weightings
NVDA	NVIDIA Corp	10.6%
ZS	Zscaler Inc	10.3%
S	SentinelOne Inc	8.6%
CFLT	Confluent Inc	8.4%
AMD	Advanced Micro Devices Inc	8.1%
SNOW	Snowflake Inc	7.0%
CRWD	Crowdstrike Holdings Inc	5.9%
MRVL	MARVELL TECHNOLOGY INC	5.3%
SHOP	Shopify Inc	4.4%
NET	Cloudflare Inc	4.0%



AI apart, Spear Alpha ETF invests in other themes, like enterprise digitalization, space exploration and decarbonization. However, Spear doesn't take a thematic approach, Delevska said



“We derive the themes from the companies that we cover,” she said. “It’s very similar to like the way you would run a long book at a fund like Citadel, for example. It’s all about like the individual stock picks, so that’s where you derive the alpha from.”

Spear Alpha ETF has taken in \$54 million in inflows so far in 2024, according to FactSet. Wood hasn’t fared as well, suffering \$1.36 billion in ARKK outflows in 2024 as investors grew disappointed at its performance.

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