

# 3 New ETFs Worth a Spot on Your 2022 Buy List

These three new ETFs could generate lucrative returns in 2022

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Exchange-traded funds have grown in popularity over the past few years, so it's only natural to seek out the new ETFs that could generate lucrative returns in 2022.

ETFs provide investors with an opportunity to diversify their portfolios and gain exposure to a wide variety of investment styles in a relatively cost-effective way. By the end of [September](#), there were almost 2,700 ETFs listed on U.S. exchanges with \$6.67 trillion under management.

While ETFs represent an economical and pragmatic way to invest, some investors also use them as a vehicle to speculate based on their market convictions. For instance, recent [research led by Itzhak Ben-David of the National Bureau of Economic Research](#), highlights: "... the ETF industry has evolved along two separate paths. Broad-based ETFs offer investors an opportunity to achieve diversification at a low cost. Other, more expensive, specialized ETFs appear to cater to investor demand for popular, yet overvalued, investment themes."

However, keep in mind that new ETFs are small funds without meaningful track records. Therefore, interested investors should do their share of due diligence before hitting the buy button.

- **Defiance Digital Revolution ETF** (NYSEARCA:[NFTZ](#))
- **Goldman Sachs Future Real Estate and Infrastructure Equity ETF** (NYSEARCA:[GREI](#))
- **VanEck Future of Food ETF** (NYSEARCA:[YUMY](#))

## New ETFs: Defiance Digital Revolution ETF (NFTZ)

**Expense ratio:** 0.65%, or \$65 annually per \$10,000 invested

The Defiance Digital Revolution ETF invests in companies that have thematic exposure to the NFT (non-fungible-token) space. The ETF primarily focuses on companies involved in NFTs, cryptocurrency ecosystems, and blockchain-powered NFT marketplaces. For some readers, NFTZ could offer simple and convenient access to the booming NFT market.

NFTZ tracks the composition of the BITA NFT and Blockchain Select Index. The fund, which has 34 holdings, started trading on Dec. 1. In terms of the sub-sectoral breakdown, NFT related equities account for 32.4% of the portfolio, followed by crypto mining (25.8%) and crypto asset management and trading (21.9%).

The top 10 names account for around half of net assets of \$9.76 million. Leading stocks on the roster include financial infrastructure solutions provider **Silvergate Capital** (NYSE:[SI](#)); cybersecurity name **Cloudflare** (NYSE:[NET](#)); leisure lifestyle group **Plby** (NASDAQ:[PLBY](#)); and cryptocurrency miners **Bitfarms** (NASDAQ:[BITF](#)) and **Marathon Digital** (NASDAQ:[MARA](#)).

NFTs have soared in popularity this year. [Recent metrics from Chainalysis](#) suggests that the NFT market has become a \$27 billion market in 2021. Wall Street expects NFT cryptos to grow exponentially as more assets get digitized in the coming years.

However, cryptocurrencies and stocks that have exposure to these digital assets have come under significant pressure over the past several months. Therefore, NFTZ has declined about 20% since its inception. Readers interested in the NFT space could consider using NFTZ as a proxy for investing in such assets and buying the dips.

## Goldman Sachs Future Real Estate and Infrastructure Equity ETF (GREI)

**Expense ratio:** 0.75%

The Goldman Sachs Future Real Estate and Infrastructure Equity ETF provides investors with exposure to real estate and infrastructure stocks. Analysts highlight that such companies generally offer solid growth potential and attractive dividend yields. They also have low correlations to traditional asset classes, as well as inflation-hedging benefits.

GREI, which has 46 holdings, started trading in November. In terms of sector breakdown, real estate accounts for 57.3% of the fund, followed by utilities (26.3%) and industrials (10.3%).

The top 10 names comprise about 40% of net assets of \$10.11 million. The leading names in the roster include energy transmission and distribution company **National Grid Transco** (NYSE:[NNG](#)); communications real estate

investment trust **American Tower** (NYSE:[AMT](#)); French concessions and construction company **Vinci** (OTCMKTS:[VCISY](#)); wireless communications infrastructure operator **SBA Communications** (NASDAQ:[SBAC](#)); and [electric power and energy infrastructure company](#) **NextEra Energy** (NYSE:[NEE](#)).

The U.S. government has recently passed a comprehensive infrastructure bill. Therefore, it's not surprising that this ETF hit a record high on Dec. 22. GREI currently trades at its peak value, up over 2% since inception. Buy-and-hold investors may consider waiting for a dip to invest in the fund. The fund is trading at 30.7x earnings and 2.9x book value.

## New ETFs: VanEck Future of Food ETF (YUMY)

**Expense ratio:** 0.69%

The VanEck Future of Food ETF could appeal to readers interested in how emerging technologies would affect agriculture as well as the food chain.

YUMY is an actively managed fund that invests in businesses at the center of global agri-food technology. It typically focuses on agricultural productivity, sustainable agriculture, or food innovation.

The fund, which has 50 stocks, began trading in early December. The leading 10 names make up about 38% of net assets of \$2.5 million.

In terms of sectors, we see consumer staples (42.5%), followed by materials (34.1%), industrials (14.5%), information technology (3.2%), and healthcare (2.6%). Close to 58% of the firms are based stateside. Others from Switzerland (8.43%), Denmark (6.36%), Sweden (5.06%), Canada (3.52%) and Mexico (3.15%).

Top holdings include **Corteva** (NYSE:[CTVA](#)), a prominent company in seed and crop protection; **Oatly** (NASDAQ:[OATLY](#)), which manufactures oat-based food that act as alternatives to dairy products; Swiss flavor and fragrance name **Givaudan** (OTCMKTS:[GVDNY](#)); and producer of food ingredients **Ingredion** (NYSE:[INGR](#)).

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