

ABNY

YieldMax ABNB Option Income Strategy ETF

Fund Description

ABNY seeks to provide current income and capped gains on the Airbnb stock (ABNB) through a synthetic covered call strategy, collateralized by cash and US Treasuries. The actively managed fund uses both standardized exchange-traded and FLEX options.

FactSet Analyst Report

ABNY aims to generate monthly income while providing exposure to the price returns of the Airbnb stock (ABNB), subject to a cap on potential investment gains. The fund utilizes a synthetic covered call strategy via standardized exchange-traded and FLEX options, which consists of three elements: i) synthetic long exposure, ii) covered call writing, and iii) US Treasuries. The synthetic long exposure seeks to replicate the price movements of ABNB by purchasing and selling at-the-money call and put options that have one- to six-month terms. To generate income, the fund writes call options with an expiration of one month or less and a strike price of approximately 0%-15% above ABNBs current share price. This limits the funds participation in potential gains if ABNB shares increase in value. The short put positions fully expose investors to the downside of the stock. Lastly, the fund holds cash and short-term Treasury securities as collateral. Note: the fund does not invest directly in Airbnb stocks. Thus, investors are not entitled to any ABNB dividends.

