

ACLO

TCW AAA CLO ETF

Fund Description

ACLO seeks to preserve capital and provide current income by actively investing in AAA-rated USD-denominated CLOs of any maturity.

FactSet Analyst Report

ACLO is actively managed to invest primarily in AAA-rated USD-denominated collateralized loan obligations (CLOs). These CLOs are backed by diverse loan obligations and issued by trusts or SPEs. The fund has no restrictions on investment maturity and may invest in floating- and fixed-rate CLOs. It may hold up to 20% of its assets in AA or A-rated CLOs and those denominated in other currencies. The fund uses a bottom-up analysis to select CLOs, considering factors such as the managers assessment and the CLO's underlying collateral, expected performance under stress tests, documentation, and structural terms. The fund may use derivatives such as options, futures, swap agreements, and interest rate or foreign currency derivatives, for hedging, risk management, or to enhance gains.