

BAGY

Amplify Bitcoin Max Income Covered Call ETF

Fund Description

BAGY seeks to maximize current income through a synthetic covered call strategy tied to the price return of Bitcoin. The actively managed ETF targets 30-60% annualized option premium, using both standardized exchange-traded and FLEX options.

FactSet Analyst Report

BAGY does not invest directly in Bitcoin but employs a covered call strategy on the price return of Bitcoin. The actively managed fund-of-funds targets 30-60% annualized option premium. A portion of the funds long exposure comprises of holding ETP shares, as well as buying call options and selling put options with maturities of less than one year. The synthetic covered call strategy via standardized exchange-traded and FLEX options consists of synthetic long exposure, covered call writing, and US Treasuries and cash. To maximize income and provide weekly upside potential, the fund writes about 5% out-of-the-money call options with maturities of one week or less that could result in compounding premiums. However, this limits participation in potential gains if shares increase in value. The fund indirectly invests in shares of ETPs through a wholly owned Cayman subsidiary. There is no guarantee the fund will achieve its target.