

BTCI

NEOS Bitcoin High Income ETF

Fund Description

BTCI is a fund-of-funds that seeks high monthly income with the potential for appreciation by investing in ETPs with exposure to bitcoin while also utilizing call option strategies.

FactSet Analyst Report

BTCI invests in ETPs with exposure to bitcoin and bitcoin futures while employing call option strategies that provide high monthly income. The actively managed fund utilizes a proprietary, rules-based, systematic model to manage options positions. The fund utilizes a synthetic covered call strategy via exchange-traded and FLEX options. This, however, limits participation in potential gains if the ETF shares increase in value. The fund may employ a bear call spread to generate a net credit when the adviser believes a futures ETFs price will decrease, remain unchanged, or only increase slightly. This happens when the premium earned from the option sold is greater than what is paid to purchase a call option further out-of-the-money or from the strike price. The fund will hold US Treasurys as collateral. Investments may be held in a wholly owned Cayman Island subsidiary. The fund may take advantage of tax loss harvesting to capture losses in order to offset gains.