

CAM

AB California Intermediate Municipal ETF

Fund Description

CAM is an actively managed ETF, investing in California municipal bonds. The fund strategy tactically manages duration to balance income with interest-rate risk, maintaining an intermediate stance. Up to 20% of fund holdings may be rated below investment grade.

FactSet Analyst Report

CAMs investment objective is to provide safety of principal and maximize total return, after accounting for federal and state taxes for California residents. The fund invests in municipal securities exempt from California state income tax. Most holdings are rated A or better, though up to 20% of assets may be in junk bonds. The fund uses derivatives and seeks to maintain an effective duration between 3.5 and 7 years, adjusting based on interest rate forecasts. Security selection considers credit quality, interest rate sensitivity, and risk/return impact. The active oversight allows underlying holdings to be adjusted along the yield curve and credit spectrum. The fund aims to manage risk and capitalize on opportunities in the market. As a non-diversified fund, it may concentrate assets in fewer issuers. Interest from its holdings is generally exempt from federal and California state personal income tax, though some may be subject to the alternative minimum tax. The ETF was launched through the conversion of the AB Intermediate California Municipal Portfolio Mutual Fund, bringing \$1.09 billion to the ETF.