

CEFS

Saba Closed End Funds ETF

Fund Description

CEFS is an actively managed fund-of-funds that seeks to generate high income by investing in closed-end funds trading at a discount to net asset value and hedging for duration risk.

FactSet Analyst Report

CEFS offers closed-end funds in an ETF wrapper: An actively managed manager-of-managers strategy for income and capital appreciation. The fund manager uses a proprietary process to select a diverse group of closed-end funds trading at a discount with additional fundamental and quantitative analyses. The fund also hedges for interest rate risk. Underlying funds primarily focus on high yield securities supplemented by other non-fixed income high-income funds. Since most underlying funds are actively managed, CEFS's composition and return pattern will be unpredictable. Investing in the fund, in essence, is betting on CEFS manager's ability to pick other active managers. CEFS's headline fee includes the fees of the underlying CEFs. Investors of CEFS should look through to net asset values of underlying closed-end funds to determine the CEFS's true premium/discount, the premium/discount for the ETF itself only reflects the outer wrapper.