

CMBO

Wayfinder Dynamic U.S. Interest Rate ETF

Fund Description

CMBO is actively managed and uses options box spreads to provide or exceed the price and yield performance of the rolling 012-month segment of the US Treasury Bill market.

FactSet Analyst Report

CMBO aims to provide a similar risk profile to the rolling 012-month segment of the US Treasury Bill market. The strategy uses exchange-listed or FLEX options to construct box spreads to provide exposure. A box spread involves constructing synthetic long and short positions on an equity index. The fund invests in a series of box spreads with various expiration dates. The difference between the strike prices on the long and short option positions represents the maximum value potential at expiration. The quantity and expiration dates will be based on several factors, including the asset size, the effective yield of various expiration dates available in the marketplace, and future interest rates. The Fund will only invest in a box spread when it expects a positive pre-tax return.