

CTEF

Castellan Targeted Equity ETF

Fund Description

CTEF invests in US-listed companies of any market capitalization, combined with a covered call overlay. The actively managed ETF uses a proprietary methodology that blends both quantitative and qualitative analysis.

FactSet Analyst Report

CTEF aims for capital appreciation through the GARP investment style, targeting growth at a reasonable price. The portfolio consists of an equity sleeve and an options sleeve. The equity sleeve utilizes a rules-based quantitative screening process that evaluates various factors (e.g., profitability, size, analyst coverage, and earnings estimates). The fund selects 20-25 companies after a qualitative review that screens value traps, which identify potential company or industry challenges (e.g., corporate actions, management changes, or regulatory issues). The options sleeve involves selling covered call options on up to 20% of the equity holdings, if considered advantageous. If options are written, the portfolio manager aims to write out-of-the-money, short-term contracts as a possible way to increase income. As an actively managed ETF, the fund has full discretion to adjust the portfolio at any time.