

DJIA

Global X Dow 30 Covered Call ETF

Fund Description

DJIA tracks an index that uses a covered-call strategy to provide long exposure to the stocks in the Dow Jones Industrial Average and sell at-the-money index call options on each position.

FactSet Analyst Report

DJIA writes covered calls on its portfolio of Dow Jones Industrial Average (The Dow) stocks. Writing covered calls is an options strategy that potentially increases yield but also limits upside potential. The fund writes the near-term options generally each month, and each options exercise price is at or above the current price level of The Dow. By writing index call options, the fund adds income from call premiums at the expense of the upside potential. As a total return version, the underlying index reinvests all dividends paid on The Dow components and the premiums from writing the option.