

DUBS

Aptus Large Cap Enhanced Yield ETF

Fund Description

DUBS is an actively managed portfolio, providing exposure to US large-cap equities combined with an equity-linked note strategy. The objective of the fund is to provide enhanced yield.

FactSet Analyst Report

DUBS uses fundamental analysis to actively select US large-cap stocks considered to be attractive opportunities for future price appreciation. The funds adviser also employs an income strategy using equity-linked notes (ELNs). ELNs are individually negotiated, highly customizable, bilateral agreements that typically have between one week and six months to maturity. However, they do expose shareholders to counterparty risk. As a result, the funds adviser aims to limit single counterparty risk to 5% of ELN exposure. The purpose of the ELN strategy is to potentially enhance the yield of the fund. The instruments are constructed to provide the risk and return characteristics of selling uncovered index call options, out-of-the-money equity call options, or option spread positions. A portion of the ELN position is rolled each week in efforts to maintain a consistent maturity schedule and limit timing risk. The level of market volatility will have an impact on the amount of distribution.