EHCC
Global X Ethereum Covered Call ETF

Fund Description

EHCC is actively managed, offering Ether (ETH) price exposure while prioritizing high-income potential and periodic distributions. The fund uses a synthetic covered call strategy built on US-listed spot and futures-based Ether ETPs. The fund does not hold ETH directly.

FactSet Analyst Report

EHCC aims for a consistent income stream while providing capped upside participation in ETH-linked price returns. The fund focuses on a synthetic covered call strategy utilizing derivatives on ETH-related ETFs rather than holding ETH directly. It gains indirect exposure through options on US-listed spot and futures-based Ether ETFs, as well as indices tracking baskets of Spot Ether ETFs. To create the synthetic long exposure, the fund buys call options and simultaneously sells puts on the same Ether ETP at the same strike price. It then writes additional call options, typically at- or out-of-the-money, to generate income via premiums. Note that this caps the funds upside participation beyond the strike prices of the written calls. The fund may use both exchange-traded and FLEX options. Investments may include short-term US Treasuries and the Global X 1-3 Month T-Bill ETF (CLIP). The fund may also gain exposure through a subsidiary in the Cayman Islands.