

FIXP

FolioBeyond Enhanced Fixed Income Premium ETF

Fund Description

FIXP is an actively managed fund-of-funds, aiming to provide income and, secondarily, long-term capital appreciation. The fund employs a proprietary model to invest in a diversified portfolio of fixed-income sector ETFs across varying maturities and credit qualities, with an options overlay strategy to enhance income.

FactSet Analyst Report

FIXP employs a proprietary model to curate a diversified portfolio of 5-8 sector-specific fixed-income ETFs with an options overlay to enhance income and potentially increase long-term capital appreciation. Investment exposure spans US Treasuries, investment-grade and high-yield corporate bonds, mortgage-backed securities (MBS), municipal bonds, and sovereign bonds. The fund uses the FolioBeyond Fixed Income Model (FB Model), a factor-based strategy that analyzes various metrics such as price volatility, default risk, interest rate sensitivity, and yield to maturity to determine optimal ETF allocations. The objective is to allocate across these sectors to capture optimal risk-return opportunities dynamically. To enhance income, FIXP writes covered and naked call and put options, as well as option spreads, particularly in low-volatility markets. The fund uses stop-loss limits and collateral for uncovered options.

