HIYY
YieldMax HIMS Option Income Strategy ETF

Fund Description

HIYY seeks to provide current income and capped gains on the Hims & Hers Health, Inc. stock (HIMS) through a synthetic covered call strategy, collateralized by cash and US Treasurys. The actively managed fund uses both standardized exchange-traded and FLEX options.

FactSet Analyst Report

HIYY aims to generate monthly income while providing exposure to the price returns of the Hims & Hers Health, Inc. stock (HIMS), subject to a cap on potential gains. The fund utilizes a synthetic covered call strategy via standardized exchange-traded and FLEX options, which consists of three elements: i) synthetic long exposure, ii) covered call writing, and iii) US Treasurys for collateral. The synthetic long exposure seeks to replicate the price movements of HIMS by purchasing and selling at-the-money calls and puts that have one- to six-month terms. To generate income, the fund writes call options with an expiration of one month or less and a strike price of approximately 0%-15% above HIMS current share price. This limits participation in potential gains if HIMS shares increase in value. The short put positions fully expose investors to the downside of the stock. Note: the fund does not invest directly in Hims & Hers Health, Inc. stock. Thus, investors are not entitled to any HIMS dividends.