

HYLS

First Trust Tactical High Yield ETF

Fund Description

HYLS is an actively managed fund holding up to 130% in long positions in high yield bonds it expects to outperform, and up to 30% short positions in issues it expects to underperform.

FactSet Analyst Report

HYLS offers an actively-managed portfolio of high-yield debts with the added twist of shorting debt instruments it expects to underperform. While it goes long on high-yield securities, it can short (up to 30%) any debt instruments expected to underperform. The fund can also invest up to 15% of its assets in distressed debt and up to 10% in locally denominated foreign debts, giving the fund its global reach. The bulk of HYLS's debt is rated in the BB to CCC+ range and mostly concentrated in the media, healthcare, and hotels & leisure sector. Still, as an active fund, HYLS has the flexibility to change its long/short exposure quickly and it isn't limited to USD-denominated debt.