

LFDR

Stone Ridge Durable Income ETF

Fund Description

LFDR actively manages US Treasury exposure, aiming to provide reliable monthly income and principal distributions over a thirty-year time horizon.

FactSet Analyst Report

LFDR invests in US Treasury securities, targeting monthly distributions of income and principal over a thirty-year time horizon. In managing US Treasuries, a distribution rate is calculated based on the payout rate of a 30-year Treasury bond ladder and the funds unified management fee. Yearly in January, its per-share distribution rate is recalibrated based on current market interest rates, enabling operations and monthly distributions in perpetuity. Including a portion of principal in each monthly distribution allows for a higher level of cashflow than interest income alone. Returning capital and recalibrating on a yearly basis also leads to the decline of the per-share distribution rate over time. Distributions are typically on the 3rd business day of each month.