

MAGY

Roundhill Magnificent Seven Covered Call ETF

Fund Description

MAGY uses a fund-of-funds approach to provide current income and capped gains on MAGS ETF through a covered call strategy. The fund provides long exposure to Magnificent Seven tech companies, while using both standardized exchange-traded and FLEX options.

FactSet Analyst Report

MAGY targets weekly income and exposure to the return of MAGS, an ETF investing in the Magnificent Seven comprised of mega-cap technology companies. The actively managed fund invests at least 80% of its assets in instruments that provide exposure to the Magnificent Seven including ETF shares and derivatives. The fund achieves long exposure by purchasing and holding MAGS shares. Through the covered call strategy, the fund sells out-of-the-money standardized exchange-traded and FLEX options with equivalent notional value as MAGS, which are held to or close to expiration of about one week or less. This funds strategy converts a portion of the potential upside of MAGS into current income. However, this also limits participation in potential gains when its value increases. The fund utilizes standardized exchange-traded and FLEX options.