

MLPR

ETRACS Quarterly Pay 1.5X Leveraged Alerian MLP Index ETN

Fund Description

MLPR provides quarterly 1.5x leveraged exposure to a market-cap-weighted index of 50 publicly traded energy MLPs.

FactSet Analyst Report

MLPR offers quarterly 1.5x leveraged exposure to index of 50 publicly-traded MLPs, selected by distributions and weighted by market cap. Securities included in the index are MLPs that earn the majority of their cash flow from the following activities: pipeline transportation, gathering and processing, storage, production and mining, marketing, marine transportation, services, catalytic conversion, mineral interest, refining, regasification and other related activities. Since MLPR is an ETN, holders of the note do not have any implied ownership of individual MLPs. Also, the funds distributions will be taxed as ordinary income. The loss of tax deferral and counterparty risk are trade-offs for tax simplicity. As a geared product, MLPR is designed as a short-term trading tool and not a long-term investment vehicle, so long-term returns could materially differ from those of the underlying index.

