

MMKT

Texas Capital Government Money Market ETF

Fund Description

MMKT is actively managed, investing in US government money market instruments, particularly overnight repurchase agreements with short-term maturities. The fund aims to balance income, liquidity, and capital preservation.

FactSet Analyst Report

MMKT is the first ETF to comply with Rule 2a-7 of the 1940 Act, technically qualifying as a government money market fund. The rule is designed to preserve stability and liquidity, ensuring that redemption requests can be fulfilled. However, MMKT will not maintain a stable net asset value (NAV) of \$1. The fund will allocate at least 99.5% of its assets to cash, US government securities, or fully collateralized repurchase agreements. The objective is to generate competitive yields while preserving capital. Note that a significant portion of the funds assets are overnight repurchase agreements, and income from these may not be exempt from state and local taxes, which could affect the after-tax yield compared to traditional government securities.