

PUTD

Cboe(R) Validus S&P 500(R) Dynamic PutWrite Index ETF

Fund Description

PUTD tracks an index that pursues a cash-secured put writing strategy. The fund is comprised of short SPX put options and US treasuries, cash, and cash equivalents as collateral. The objective is to potentially improve income from cash positions and provide a buffer for the downside risk.

FactSet Analyst Report

The security is being delisted. The last day of trading on an exchange is October 13, 2025. PUTD aims to generate income while reducing maximum drawdowns and volatility by utilizing a fully cash-secured short-put strategy. The underlying index consists of up to five different types of put options on the S&P 500 index (SPX), with the maximum loss potential in the strategy invested into one- and three-month US treasury bills. The index relies on dynamic option strike selection on the prevailing market volatility. Each one-month SPX put option has a strike price dependent on the current levels of implied volatility. The strategy tends to outperform when markets are in range-bound or slightly bullish states. The number of SPX puts sold is limited by the treasury bills to ensure full collateralization. On the third Friday of each month, the index reconstitutes and rolls an equal portion of the portfolio during each of the following five trading days. Note that the funds returns are limited to the amount of the option premiums and the interest from US treasuries.

