

QQA

Invesco QQQ Income Advantage ETF

Fund Description

QQA is an actively managed, fund-of-funds, that utilizes equity securities and ETFs to mirror the NASDAQ-100 Index. The fund also employs an options-based income strategy with equity-linked notes (ELNs) for upside participation and downside protection. The fund aims for current income and growth of capital.

FactSet Analyst Report

QQA seeks to generate income and capitalize on market upsides through a mix of equities and options premiums. For its equity portfolio, the fund invests in Nasdaq-100 stocks and related US ETFs. The index is comprised of the 100 largest, non-financial companies in the US based on market cap. For its options-based component, QQA utilizes equity-linked notes (ELNs). These ELNs incorporate covered call and/or cash-secured put strategies, designed to provide income and some downside protection to the declines of its equity portfolio. This approach introduces counterparty risk. To further manage risks, QQA holds a substantial portion of its assets in cash or cash equivalents, limiting its exposure to the volatility of the equity market. The adviser dynamically adjusts the portfolio based on market conditions to balance yield, performance, and risk. At its launch, the fund provided a fee waiver to attract investors. Prospective investors should review associated expenses before investing.