

QQQI

NEOS Nasdaq 100 High Income ETF

Fund Description

QQQI seeks high monthly income through NASDAQ-100 stocks and call options, pursuing potential equity growth in a tax-efficient manner.

FactSet Analyst Report

QQQI strategically invests in the Nasdaq-100 Index stocks and utilizes NDX call options to deliver high monthly income through dividends and option premiums. It executes a call-writing approach, possibly complemented by purchasing long, out-of-the-money calls to achieve a net credit. The fund prioritizes tax efficiency through Section 1256 Contracts, benefiting from a 60/40 tax rate on long- and short-term capital gains. For tax assessment, these contracts are marked as sold at the years end market value. Active management allows for opportune tax loss harvesting by adjusting options before expiration. While primarily employing a replication strategy, the fund may opt to use a representative sampling method to select securities that emulate the indexs risk-return profile when practical difficulties, substantial costs, or liquidity concerns arise. The fund aims for QQQIs tax-optimized tracking of the index, potentially involving frequent trading to adapt to market conditions.