



RDTY

YieldMax R2000 0DTE Covered Strategy ETF

Fund Description

RDTY aims to provide a high weekly distribution to shareholders through an actively managed synthetic covered call strategy, while also providing limited exposure to the price return of the Russell 2000 Index.

FactSet Analyst Report

RDTY sells zero-days-to-expiration, out-of-the-money call options at market open each business day, against synthetic exposure to the Russell 2000 Index. Through a combination of buying and selling call option contracts that reference the index, the portfolio exposure is long the price return of the index up to a daily cap on the upside potential. The fund will invest at least 80% of its assets in zero-days-to-expiration Russell 2000 options contracts. Both standard exchange-traded options and FLEX options may be utilized. The strategy aims to take advantage of the potential mispricing inherent to the short-dated options market, where volatility may be overpriced, in order to provide weekly income distributions. For tax consideration, the weekly distributions will be ordinary income. Distributions that exceed the funds income and gains will be treated as a return of capital.