

SCDL

ETRACS 2x Leveraged US Dividend Factor TR ETN

Fund Description

SCDL provides 2x leveraged exposure to a market-cap-weighted index of 100 dividend-paying US companies.

FactSet Analyst Report

SCDL offers 2x exposure to the Dow Jones US Dividend 100 Index a market-cap-weighted index that excludes REITs and screens for firms with a 10-year history of paying dividends. The index portfolio is curated using the following fundamental metrics: cash-flow to debt ratio, ROE, dividend yield and dividend growth rate. This approach gives a modest large-cap tilt, and comes with sector biases that lean toward industrials and consumer stocks, and away from financials. Unlike other ETNs, SCDL does not pay any coupon. It also resets its leverage quarterly, rather than daily. And like all ETNs, SCDL is not directly backed by stocks but by the credit of the issuing bank, UBS. The underlying index is reviewed annually and rebalanced quarterly.