

SCEC

Sterling Capital Enhanced Core Bond ETF

Fund Description

SCEC is actively managed, focusing on a diversified fixed income portfolio, which includes investment-grade and high-yield, USD-denominated bonds. The fund aims for a high level of current income and a competitive total return.

FactSet Analyst Report

SCEC is core bond portfolio comprised of diversified USD-denominated securities, including foreign and emerging market debt. It primarily allocates at least 80% of its assets in investment-grade securities, allowing up to 20% in high-yield bonds. To maintain its diversified portfolio, the fund holds various securities including, but is not limited to, US government and corporate bonds, asset- and mortgage-backed securities, CLOs, and Muni bonds. It may also invest in preferred stock, restricted securities, and variable and floating rate instruments. As part of the strategy, the manager utilizes a top-down investment management approach, centering on interest rate risk, sector allocation, credit risk, and individual securities selection. Selection is dependent on valuations and potential risk of each security. The fund is actively managed. It may also use derivatives, including futures contracts, forward foreign currency contracts, credit default swaps, and interest rate swaps.