



# SEIX

## Virtus Seix Senior Loan ETF

### Fund Description

SEIX provides actively-managed exposure to noninvestment-grade, floating-rate loans made by banks to US corporations.

### FactSet Analyst Report

SEIX offers actively-managed exposure to bank loans in an ETF wrapper. As floating rate securities, bank loans offer relative safety from interest rate risk, but still take significant credit risk. This is because the fund focuses on debt from below-investment grade firms, just like other competing ETFs in the segment. Even so, credit risk is somewhat mitigated in that the firm's capital structure is senior debt. US firms are the primary target, but the fund can hold paper up to 20% ex-US. Cash positions in the fund may represent derivative collateral rather than low risk, low return cash exposure. As with all bank-loan ETFs, keep in mind that underlying liquidity should be a concern if the market sells off. As an actively-managed fund, Seix Investment Advisors (the sub-advisor) reveals little about their approach.