

SLVX

Nicholas Silver Income ETF

Fund Description

SLVX actively manages a portfolio composed of silver companies, silver commodities, and options overlay. The fund's selection process is based on valuation, implied volatility, company fundamentals, and macroeconomic factors, including real interest rates and inflation. The fund seeks capital appreciation, with a secondary focus on current income.

FactSet Analyst Report

SLVX aims for weekly distribution by blending equity, commodity, and options-based silver strategies within defined weights. Target allocations range from 25-75% in equities, 25-50% in commodities, and 25-50% in options overlay. First, the fund invests in pure-play companies engaged in silver exploration, mining, refining, production, or bullion holding, across the US and international markets, including emerging markets. Second, SLVX obtains direct or synthetic silver exposure through US-listed ETFs and ETPs, using futures and options to mirror silver price performance. Lastly, the fund overlays options strategies such as synthetic covered calls, credit call spreads, credit put spreads, collars, and other spread structures on its positions. This generates premium income but may limit upside potential. The fund holds short-term fixed-income as collateral. Up to 25% of total assets may be invested in a Cayman Islands subsidiary. A portion of distributions may be classified as return of capital.