

TPUT

T. Rowe Price Capital Appreciation Market Opportunities ETF

Fund Description

TPUT is designed to earn income by opportunistically investing in equity markets. The actively managed fund employs a combination of options and equity strategies based on statistical analysis of the markets.

FactSet Analyst Report

TPUT seeks current income while maintaining the potential for capital appreciation by employing an options-based strategy, equity strategy, or combination of both, based on statistical analysis of equity markets. During low volatility periods, the fund holds Treasuries, money market funds, and cash equivalents as collateral while writing out-of-the-money put options on large-cap ETFs or indexes to generate premiums. Settlements are reinvested then into equities. The fund may write multiple cash-secured laddered put options with expirations under one year. The fund may buy or sell exchange-traded or OTC options. During periods of higher volatility, the funds equity strategy invests in large-cap equities or US ETFs. Selection follows a bottom-up approach evaluating management, risk-adjusted return potential, market position, and valuation. At any time, the portfolio may hold any combination of short-duration fixed income instruments with options overlay and/or equity holdings.

