

TSEC

Touchstone Securitized Income ETF

Fund Description

TSEC is an actively managed, broad portfolio of securitized fixed income securities. The fund may tilt towards short-term, investment grade paper but the portfolio managers are not held to those requirements.

FactSet Analyst Report

TSEC seeks total return through income and capital appreciation by investing in a diversified portfolio of securitized fixed income securities. Touchstone promotes their ability to select asset managers to sub-advise their funds. As such, very few limitations are placed on the portfolio managers. The underlying securities may include residential and commercial mortgage-backed securities, asset-backed securities, and collateralized loan obligations. The CLOs may include US and foreign senior secured and unsecured loans. At least 50% of the portfolio aims to target investmentgrade securities and no more than 15% will be in unrated debt. Securities selected for the portfolio are believed to be attractively priced relative to the market or other similar securities. Factors taken into consideration are yield, credit quality, duration, liquidity and volatility. The fund aims for an effective duration between one and four years, but may invest in securities of any maturity.