

ULTI

REX IncomeMax Option Strategy ETF

Fund Description

ULTI actively manages a narrow portfolio of US equities combined with options trading and short-term US Treasuries. The fund seeks to generate current income from three sources: dividends, premium income, and interest income.

FactSet Analyst Report

ULTI aims to provide weekly cash distributions by combining equity exposure, options trading, and short-term US Treasuries. The fund holds a portfolio of 1530 US-listed stocks or equivalent synthetic positions created through options. Security selection is based on a quantitative process that targets names with high implied volatility and strong liquidity to enhance option premium income and dividend yield. Income is primarily generated from options strategies, which include writing covered calls, selling put options, and using call spreads to collect premiums. Note that while this approach offers consistent income, it also caps upside potential if stock prices rise significantly. To manage risk, each written option is offset by a lower-delta purchased option to limit potential losses during market downturns. Up to 10% of assets may be held in short-term U.S. Treasuries or cash, providing collateral and earning interest income.