

USDX

S&G Enhanced Core ETF

Fund Description

USDX enhanced yield by actively managing a portfolio of high-yielding, ultra-short term fixed income instruments, while also employing a put-and-call options strategy. The fund seeks to generate additional income by selling short-term options.

FactSet Analyst Report

USDX aims for income and enhanced yield by actively managing a broad portfolio of short-term fixed-income instruments, while also employing an options strategy. The fund invests in short-term money market instruments and mutual funds and/or fixed-income and other debt-related instruments perceived to be of higher yield and quality. At the same time, the fund also employs a put-and-call options strategy that selects deep out-of-the-money strike prices to the value of the S&P 500 Index or other broad benchmark indices that expire within 1-7 days. Through this strategy, the fund targets enhanced yield compared to traditional option-based strategies by selling short-term options, which typically generate more income than longer-term options over the same period. As such, this limits participation in potential gains if shares increase in value. The fund may hold short-term US Treasuries as collateral. The fund may also invest in fixed-income and other debt-related instruments denominated in any currency. USDX is not a money market fund and does not seek to maintain a fixed or stable NAV. The fund may also engage in securities lending.

