

XLKI

Technology Select Sector SPDR Premium Income Fund

Fund Description

XLKI is an actively managed fund of funds that provides exposure to the US technology sector through the Technology Select Sector SPDR Fund (XLK). It aims to generate income by selling short dated listed call options on its equity holdings.

FactSet Analyst Report

XLKI seeks to provide current income while maintaining prospects for long-term capital growth by combining equity exposure with an options-based overlay. The fund primarily holds shares of the Technology Select Sector SPDR Fund (XLK), which tracks a market cap weighted index of S&P500 technology companies defined by GICS, including software, semiconductors, hardware, and IT services. To produce additional income, XLKI sells listed call options with expirations generally between one and two months. Strike prices are selected using option delta to manage the relationship between premium income and potential equity price changes. These option positions are monitored and typically rolled before expiration based on market and liquidity factors, and the fund can hold multiple strike prices at the same time.