

XLRI

Real Estate Select Sector SPDR Premium Income Fund

Fund Description

XLRI is an actively managed fund-of-fund that holds the Real Estate Select Sector SPDR Fund (XLRE). It aims to provide additional income through selling short-dated listed call options.

FactSet Analyst Report

XLSI seeks current income while offering potential for long-term capital growth through a combination of equity investments and an options call strategy. The fund primarily invests in XLP, an ETF that tracks a market cap-weighted index of S&P 500 consumer staples companies. This includes industries such as consumer staples distribution and retail, as well as household, food, beverages, tobacco, and personal care products. The fund generates additional income by selling call options, which may include listed and FLEX Options, with expiration dates of less than one year. Strike prices are set using option delta, which refers to the sensitivity of an option's value relative to changes in price, time, and volatility. The fund typically rolls the short option positions before expiration based on market and liquidity conditions. Additionally, the fund may hold options with different strike prices at any given time, directly invest in consumer staples stocks, or utilize futures contracts.