

XYLD

Global X S&P 500 Covered Call ETF

Fund Description

XYLD tracks an index of S&P 500 stocks and sells one-month, at-the-money call options on up to 100% of each stock.

FactSet Analyst Report

XYLD offers a new twist on an old strategy, writing calls against the S&P 500 stocks in its plain-vanilla basket in order to earn the premium. Holding the various positions and writing index call options inside of an ETF wrapper is a more efficient way to access the strategy. The fund holds the underlying stock positions and writes one-month, at-the-money call options on the Index. The strategy should help to generate some income, but it also places a drag on the upside potential. As such, the returns will differ greatly from our benchmark. Prior to Dec. 15, 2017 HSPX tracked the S&P 500 Stock Covered Call Index. From Dec. 15, 2017 thru August 20, 2020 the fund tracked the CBOE S&P 500 2% OTM BuyWrite Index.