

YETH

Roundhill Ether Covered Call Strategy ETF

Fund Description

YETH seeks to provide current income and capped gains on ETFs holding Ether futures through a synthetic covered call strategy, collateralized by US Treasurys and cash. The actively managed fund uses both standardized exchange-traded and FLEX options.

FactSet Analyst Report

YETH aims to generate monthly income while providing exposure to the price returns of one or more US-listed ETFs holding Ether futures contracts (Ether ETFs), subject to a cap on potential gains. The fund utilizes a synthetic covered call strategy via standardized exchange-traded and FLEX options, which consists of i) synthetic long exposure, ii) covered call writing, and iii) US Treasurys and cash. The synthetic long exposure seeks to replicate the price movements of the Ether ETFs by buying call options and selling put options. To generate income, the fund writes one-month, out-of-the-money call options that will be held to or close to expiration. This limits the funds participation in potential gains if the ETF shares increase in value. The short put positions fully expose investors to the downside of the ETF share prices. The fund may directly hold shares of the Ether ETFs. However, the fund does not invest directly in Ether and has no direct exposure to the spot price of Ether.