



**QYLD LN**  
**IE00BM8R0J59**

# Global X Nasdaq 100 Covered Call UCITS ETF



A fund that seeks to generate income by replicating a covered call index via premiums received from selling calls. This can allow investors to benefit from both reduced volatility and potential income, with underlying equity exposure designed to match constituents of the Nasdaq-100 Index.

## WHAT IS THE GLOBAL X NASDAQ 100 COVERED CALL UCITS ETF (QYLD LN)?

QYLD LN implements a covered call strategy on the Nasdaq 100 Index (NDX). The ETF maintains exposure to the stocks in the Nasdaq 100 while selling at-the-money call options on the index each month.

## WHAT IS A COVERED CALL STRATEGY?

A covered call strategy is an option-based income strategy that involves selling call options against owned stocks to generate income while mitigating downside risk. This strategy can also provide a variety of diversification benefits.<sup>1</sup>

## WHAT ARE CALL OPTIONS?

Call options contracts give a buyer the right, but not the obligation, to purchase a security at a pre-determined price within a specific time frame. This is known as the strike price. The option seller must sell the security at the strike price if the buyer chooses to exercise the option.<sup>2</sup>

## DID YOU KNOW?

QYLD LN can serve as a versatile premium income solution. Benefits of a covered call strategy may include attractive yields, diversification, risk mitigation, and regular income distributions\*.

- **Comparatively High Yield:** The covered call strategy has recently maintained a relatively higher yield. With a 12-month yield of 12.2%, QYLD LN outperforms global high-yield bonds (9.5%) and emerging market bonds (8%), as well as traditional asset classes such as 10-Year U.S. Treasuries (4.6%) and U.S. Equities (1.6%).<sup>3</sup>
- **Diversification & Income:** QYLD LN offers the potential for equity sector diversification within an income portfolio. Investors who focus on high dividend yield strategies often have limited exposure to growth- sectors like information technology, healthcare, and consumer discretionary. QYLD LN allows investors to capitalise on implied volatility, mitigate risk in these growth-style sectors, and potentially enhance equity portfolio diversification.
- **Outperformance During Downtrends:** Covered call ETFs have historically outperformed compared to their respective equity indices during both steep and gradual market declines. This is due to the covered call premiums providing a level of downside risk mitigation.
- **Monthly Distributions:** QYLD LN aims to provide monthly distributions (for the distribution share class only).

Note: \*For distributing share classes only

Capital at Risk. All financial investments involve an element of risk. Therefore, the value of your investment and the income from it will vary and your initial investment amount cannot be guaranteed.



## FUND DETAILS

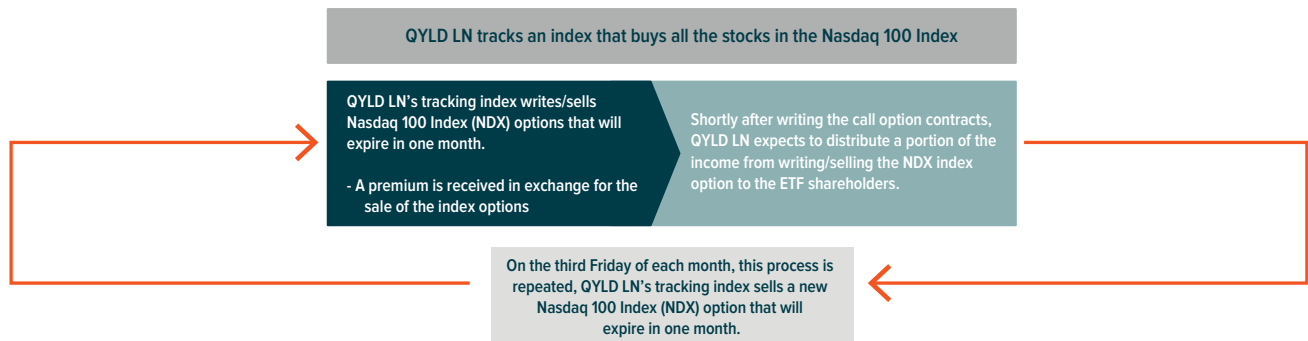
Inception Date	22 November 2022
Total Expense Ratio	0.45%
Ongoing Charges	0.45%
Swap Fee	0.00%
Primary ISIN	IE00BM8R0J59
Primary Ticker	QYLD LN
SFDR Classification	Article 6
Underlying Index	Cboe NASDAQ-100 BuyWrite V2 UCITS Index
Registered Countries:	
Austria, Denmark, Finland, France, Germany, Ireland, Italy, Luxembourg, Netherlands, Norway, Singapore [Restricted], Spain, Sweden, Switzerland, United Kingdom	

## FUND INVESTMENT APPROACH

- The Global X Nasdaq 100 Covered Call UCITS ETF (QYLD LN) seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Cboe NASDAQ-100 BuyWrite V2 UCITS Index (BXNTU).
- The fund maintains equal notional exposure to the long NASDAQ-100 Index component and the short call option component. This means that the short call option position is "covered" by the long NASDAQ-100 Index component.
- The composition of the NASDAQ-100 Index component is reviewed in March, June, and September, following the schedule set by the Index.
- The BXNTU Index specifies that each NASDAQ-100 Index call option in the hypothetical portfolio must be held until maturity, which generally occurs on the third Friday of each month.

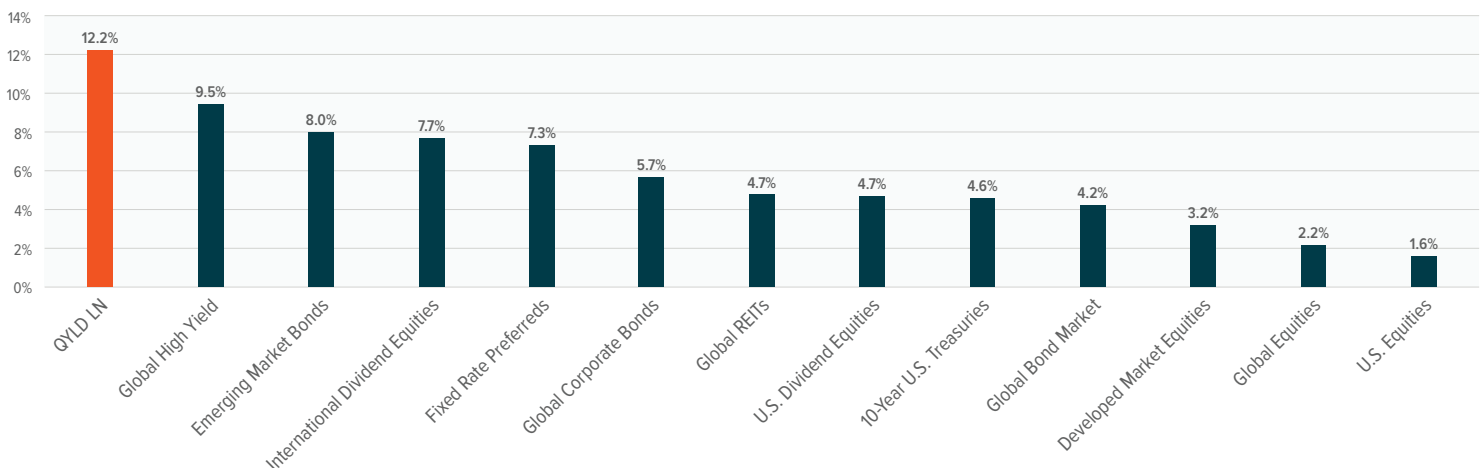
## COVERED CALL STRATEGY PROCESS EXPLAINED

Sources: Global X ETFs. For illustration purposes only



## QYLD LN MAINTAINS A COMPETITIVE YIELD VERSUS OTHER ASSET CLASSES

Source: Global X ETFs & Bloomberg as of 30/09/23. Asset class representations are as follows: Global High Yield, Bloomberg Global High Yield Index; Emerging Market Bonds, Bloomberg EM USD Aggregate Index; International Dividend Equities, DJ EPAC Select Dividend Index; Fixed Rate Preferreds, ICE BofA Fixed Rate Preferreds Index; Global Corporate Bonds, Bloomberg Global Agg Corp Index; Global REITs, FTSE EPRA Nareit Global REITs Index; U.S. Dividend Equities, DJ US Select Dividend Index; 10-Year U.S. Treasuries, USTREAS T-Bill Cnst Mat Rate 10 Year Index; Global Bond Market, Bloomberg Global Aggregate Index; Developed Market Equities, MSCI EAFE Index; Global Equities, MSCI ACWI Index; U.S. Equities, S&P 500 Index. QYLD LN is indicated by its indicated yield. High Dividend and Equity yields are indicated by their 12-month yields. Fixed Income yields are indicated by yield-to-worst.



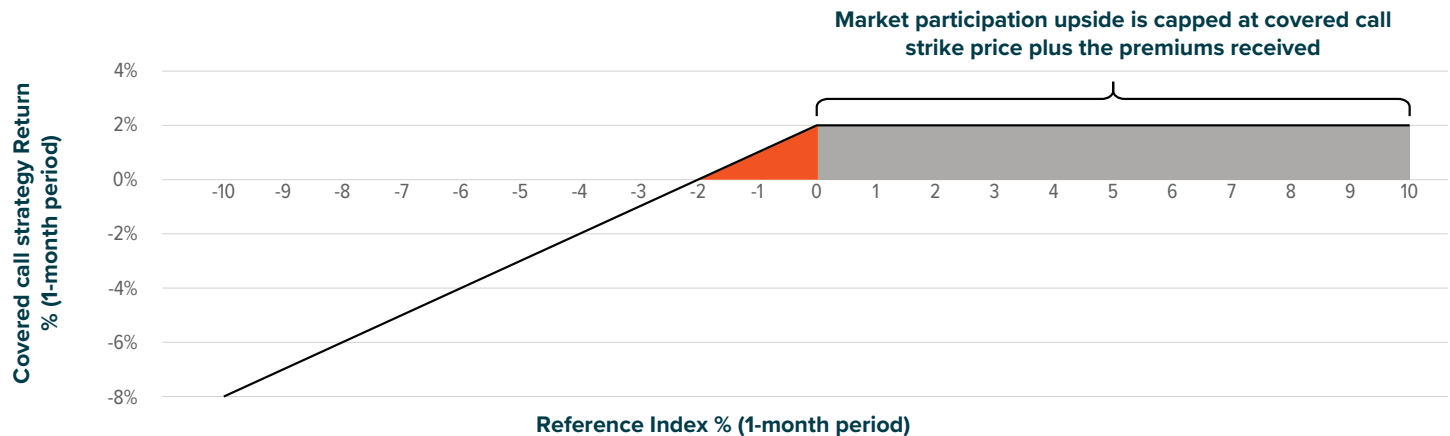


## GLOBAL X COVERED CALL ETFs: HOW IT WORKS (WITH PREMIUMS)

Source: Global X ETFs for illustrative purposes only to demonstrate mathematical principal. This is not a guarantee of future results. Covered call strategy does not reflect fund fees, which would further reduce returns. Fund market price returns may vary from NAV total returns.

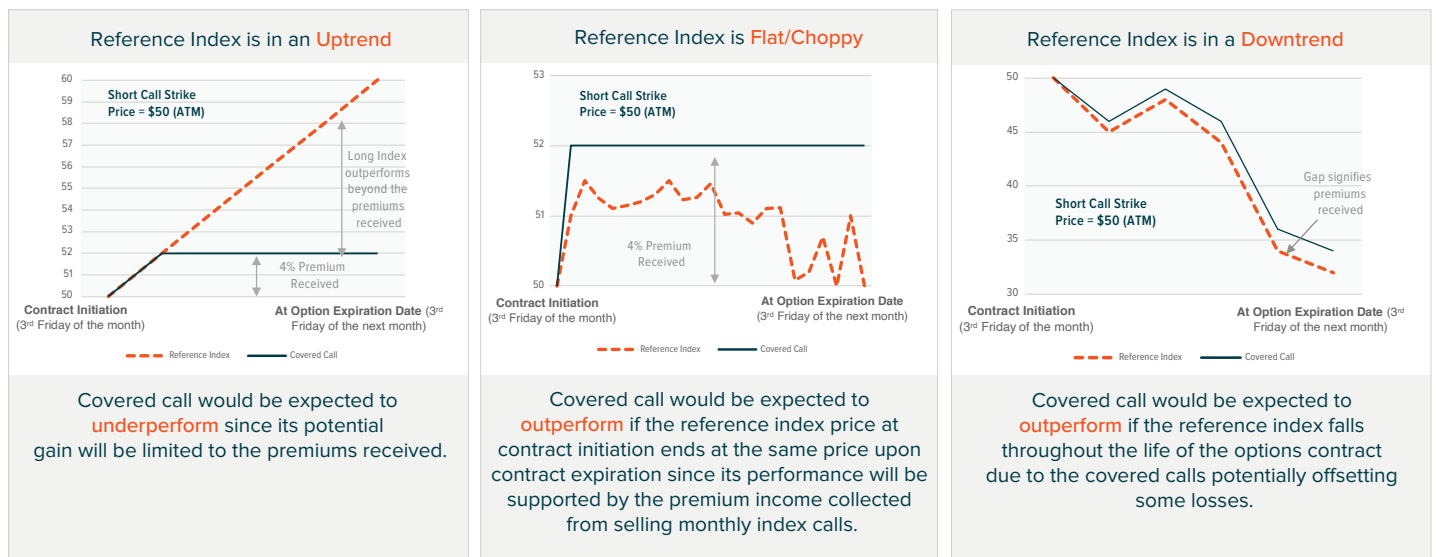
Assuming a 2% premium is received, we can visualize how Global Xs Covered Call ETs are expected to perform.

- 1 Purchase the underlying index securities
- 2 Sell an "at-the-money" index call option on 100% of its stock portfolio
- 3 Not Pictured: Distribute half of the premiums received up to 1% of NAV to shareholders.



## COVERED CALL PERFORMANCE SCENARIOS

Source: Global X ETFs for illustrative purposes only flat/choppy market assumes no fluctuation below the strike price.



Prospectuses and Key Investor Information Documents (KIID) for this ETF are available in English at <https://globalxetfs.eu/funds/qyld/>. For more information on the Index, please visit [Cboe's](#) website.



<sup>1</sup>Source: Global X ETFs, QYLD infographic, June 2023

<sup>2</sup>Source: Ibid

<sup>3</sup>Source: Global X ETFs & Bloomberg as of 09/30/2023. Asset class representations are as follows, MLPs, S&P MLP Index; High Yield Bonds, Bloomberg U.S. Corporate High Yield Total Return Index; Fixed-Rate preferreds, ICE BofA Fixed Rate Preferred Securities Index; Emerging Market (EM) Bonds, Bloomberg EM USD Aggregate Total Return Index; Corporate Bonds, Bloomberg U.S. Corporate Total Return Index; High Dividend Equities, S&P<sup>500</sup> High Dividend Total Return Index; REITs, FTSE NAREIT All Equity REITs Total Return Index; U.S. Equities, S&P<sup>500</sup> Total Return Index; U.S. Aggregate Bonds, Bloomberg U.S. Aggregate Index. <sup>1</sup>QYLD's yield is indicated by its <sup>12</sup>-month yield. QYLD typically earns income dividends from stocks and options premiums. These amounts, net of expenses, are typically passed along to QYLD shareholders as dividends from net investment income. The Fund realizes capital gains from writing options and capital gains or losses whenever it sells securities. Any net realized long-term capital gains are distributed to shareholders as "capital gain distributions." QYLD collect dividends from the Nasdaq<sup>100</sup> Index companies and monthly options premium from selling Nasdaq<sup>100</sup> (NDX) Index options in which portions have been passed to shareholders as monthly distributions. A portion of the distribution may include a return of capital. These do not imply rates for any future distributions. Performance data quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance quoted. For performance data current to the most recent month- or quarter-end, <sup>30</sup>-Day SEC Yield, and a copy of the fund prospectus, please click here.

#### Disclosures

The Global X UCITS ETFs are regulated by the Central Bank of Ireland.

This is a marketing communication.

Please refer to the relevant prospectus, supplement, and the Key Information Document ("KID") of the relevant UCITS ETFs before making any final investment decisions.

Investors should also refer to the section entitled "Risk Factors" in the relevant prospectus of the UCITS ETFs in advance of any investment decision for information on the risks associated with an investment in the UCITS ETFs, and for details on portfolio transparency. The relevant prospectus and KID for the UCITS ETFs are available in English at [www.globalxetfs.eu/funds](http://www.globalxetfs.eu/funds).

Investment in the UCITS ETFs concern the purchase of shares in the UCITS ETFs and not in a given underlying asset such as a building or shares of a company, as these are only the underlying assets that may be owned by the UCITS ETFs.

A UCITS ETF's shares purchased on the secondary market cannot usually be sold directly back to a UCITS ETF. Investors must buy and sell shares on a secondary market with the assistance of an intermediary (e.g. a stockbroker) and may incur fees for doing so. In addition, investors may pay more than the current net asset value when buying shares and may receive less than the current net asset value when selling them. Changes in exchange rates may have an adverse effect on the value price or income of the UCITS ETF.

Past performance of a UCITS ETF does not predict future returns. Future performance is subject to taxation which depends on the personal situation of each investor, and which may change in the future. Neither past experience nor the current situation are necessarily accurate guides to the future growth in value or rate of return of a UCITS ETF.

Investment may be subject to sudden and large falls in value, and, if it is the case, the investor could lose the total value of the initial investment. Income may fluctuate in accordance with market conditions and taxation arrangements. The difference at any one time between the sale and repurchase price of a share in the UCITS ETF means that the investment should be viewed as medium term to long term.

Any investment in a UCITS ETF may lead to a financial loss. The value of an investment can reduce as well as increase and, therefore, the return on the investment will be variable.

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#### Information for Investors in Switzerland

This is an advertising document. The state of the origin of the fund is Ireland. In Switzerland, the representative is 1741 Fund Solutions AG, Burggraben 16, CH-9000 St.Gallen. The paying agent is Tellco Bank Ltd, Bahnhofstrasse 4, 6430 Schwyz.

The prospectus, the key information documents, the articles of association as well as the annual and semi-annual reports may be obtained free of charge from the representative. Past performance is no indication of current or future performance. The performance data do not take account of the commissions and costs incurred on the issue and redemption of units.