

MLPD

MLP & Energy Infrastructure Covered Call ETF

FUND OBJECTIVE

The Global X MLP & Energy Infrastructure Covered Call ETF (MLPD) seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Cboe MLPX ATM BuyWrite Index.

For informational purposes only. This document should be used to highlight some of the criteria to be used by index provider when publishing index constituents and is not comprehensive.*

ETF Category:
Income - Covered Call

As of 05/08/24

Index Provider: Cboe

KEY FEATURES



High Income
Potential



Monthly
Distributions



Efficient Options
Execution

Cboe MLPX ATM BUYWRITE INDEX

The Cboe MLPX ATM BuyWrite Index (BXPX) measures the total rate of return of a hypothetical covered call strategy that consists of a long position in the Global X MLP & Energy Infrastructure ETF (MLPX) and a short at-the-money MLPX call option expiring monthly.

REBALANCES/REVIEWS

The long MLPX component and the short MLPX call option component are held in equal notional amounts, i.e., the short position in the call option is “covered” by the long MLPX component.

Global X MLP & Energy Infrastructure ETF Component

- Comprised of the MLPX ETF, which seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Solactive MLP & Energy Infrastructure Index.
- The Global X MLP & Energy Infrastructure ETF is a tax-efficient vehicle for gaining access to MLPs and similar entities, such as the General Partners of MLPs and energy infrastructure corporations.
- The Solactive MLP & Energy Infrastructure Index is rebalanced quarterly on the last business day in February, May, August & November.

“Covered Call” Option Component

- The option position is held until the business day prior to the standard monthly listed option expiration date, generally the Thursday preceding the third Friday of the month.
- Subsequent to the settlement of the expiring call option, a new at-the-money call option expiring in the next month is then deemed written, or sold, a transaction commonly referred to as a “roll”.
- The strike price of the new call option, which is the price the covered call option can be exercised at expiration, is the closest listed strike price to the Volume-Weighted Average Price (“VWAP”) of the MLP & Energy Infrastructure ETF between 12:59 p.m. ET to 1:00 p.m. ET on the roll date. Once the strike price of the new call option has been identified, the new call option is deemed sold at a price equal to the theoretical value of the relevant call option at 2:00 p.m. ET.



For more information on the Index, please visit Cboe's website.

*For the complete and current index methodology please refer to the index provider's website. This summary document is accurate as of the time of its publication and Global X does not guarantee that it is current at any point thereafter.

Notional amount refers to the total market value of securities or index value referenced by an option.

The selection of the index constituents and their weighting is made by the index provider at its sole discretion.

Carefully consider the fund's investment objectives, risks, and charges and expenses before investing. This and other information can be found in the fund's full or summary prospectus, which may be obtained by visiting globalxetfs.com. Please read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. Investments in securities of MLPs involve risk that differ from investments in common stock including risks related to limited control and limited rights to vote on matters affecting the MLP. MLP common units and other equity securities can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the energy sector, changes in a particular issuer's financial condition, or unfavorable or unanticipated poor performance of a particular issuer (in the case of MLPs, generally measured in terms of distributable cash flow). MLPD invests in the energy industry, which entails significant risk and volatility.

Small and mid-capitalization companies may pose greater risks than large companies. The Fund also expects to pay distributions, which will be treated as a return of capital for tax purposes rather than from net profits and shareholders should not assume that the source of distributions is from the net profits of the Fund.

Neither the Fund nor the Adviser has control over the actions of underlying MLPs. The amount of cash that each individual MLP can distribute to its partners will depend on the amount of cash it generates from operations, which will vary from quarter to quarter depending on factors affecting the energy infrastructure market generally. Available cash will also depend on the MLPs' level of operating costs (including incentive distributions to the general partner), level of capital expenditures, debt service requirements, acquisition costs (if any), fluctuations in working capital needs, and other factors. The MLP holdings of the underlying Fund expect to generate significant investment income, and the underlying Fund's investments may not distribute the expected or anticipated levels of cash, resulting in the risk that the Fund may not have the ability to make cash distributions as investors expect from MLP-focused investments. Past distributions are not indicative of future distributions. There is no guarantee that dividends will be paid.

MLPD engages in options trading. An option is a contract sold by one party to another that gives the buyer the right, but not the obligation, to buy (call) or sell (put) a stock at an agreed upon price within a certain period or on a specific date. A covered call option involves holding a long position in a particular asset and writing a call option on that same asset with the goal of realizing additional income from the option premium. By selling covered call options, the fund limits its opportunity to profit from an increase in the price of the underlying asset above the exercise price, but continues to bear the risk of a decline in the asset. A liquid market may not exist for options held by the fund. While the fund receives premiums for writing the call options, the price it realizes from the exercise of an option could be substantially below the asset's current market price. MLPD is non-diversified.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Indices are unmanaged and do not include the effect of fees, expenses or sales charges. One cannot invest directly in an index.

Global X Management Company LLC serves as an advisor to Global X Funds. The Funds are distributed by SEI Investments Distribution Co. (SIDCO), which is not affiliated with Global X Management Company LLC or Mirae Asset Global Investments. Global X Funds are not sponsored, endorsed, issued, sold or promoted by Cboe, nor does Cboe make any representations regarding the advisability of investing in the Global X Funds. Neither SIDCO, Global X nor Mirae Asset Global Investments are affiliated with Cboe.