

FUND OBJECTIVE

The Global X MSCI Emerging Markets Covered Call ETF (EMCC) seeks to provide investment results that correspond generally to the price and yield performance, before fees and expenses, of the Cboe MSCI Emerging Markets IMI 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 11/08/23

Index Provider: MSCI



KEY FEATURES



High Income Potential



Monthly Distributions



Efficient Options Execution

Cboe MSCI EMERGING MARKETS IMI BUYWRITE INDEX

The Cboe MSCI Emerging Markets IMI BuyWrite Index (BXEMG) measures the total rate of return of a hypothetical “covered call” strategy applied to the MSCI Emerging Markets Investable Market Index (IMI) Net Total Return Index (MIMUEMRN), using a hypothetical long position in the MIMUEMRN and a short position in an at-the-money call option on the iShares Core MSCI Emerging Markets ETF (IEMG) expiring monthly.

INDEX COMPONENTS

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

MSCI Emerging Markets Investable Market Index (IMI) Net Total Return Index

- The MIMUEMRN measures the return of large, mid and small cap companies across 24 Emerging Markets as defined by MSCI.
- Reviewed quarterly for qualified securities on the last business day of February, May, August, and November as per the MIMUEMRN schedule.

“Covered Call” Option Component

- The BXEMG Index requires that each IEMG call option in the hypothetical portfolio be held until the day before its date of maturity, i.e., preceding the standard monthly listed option expiry date.
- 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 call option written is a model-based option and the strike price of the IEMG call option is the listed option strike closest to the Volume-Weighted Average Price (“VWAP”) of IEMG trade prices from 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 pm.



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. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Investors in EMCC should be willing to accept a high degree of volatility in the price of the fund's shares and the possibility of significant losses.

EMCC 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 index above the exercise price, but continues to bear the risk of a decline in the index. 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 indices current market price.

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

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