

# GLCC



**HORIZONS** ETFs  
by Mirae Asset

## Horizons Gold Producer Equity Covered Call ETF

### ETF Snapshot

#### **Generate Monthly Income From North America's Largest Gold Producers**

The Horizons Gold Producer Equity Covered Call ETF ("GLCC") is a covered call ETF that gives investors exposure to a portfolio of diversified North American-listed gold producers and then uses a covered call strategy to help generate additional income on the portfolio.

Gold-producing stocks historically have higher volatility than other stock market sectors. This makes them ideal for covered call strategies which may capitalize on market volatility to potentially enhance yield on these stocks and can help generate an income premium.

GLCC seeks to provide, to the extent possible and net of expenses: (a) exposure to the performance of an index of equity securities of diversified North American listed gold producers (currently, the Solactive North American Listed Gold Producers Index) and (b) monthly distributions of dividend and call option income. To mitigate downside risk and generate income, GLCC will employ a dynamic covered call option writing program.

Effective June 24, 2022, the investment objectives of the Horizons Gold Producer Equity Covered Call ETF ("GLCC") (formerly Horizons Enhanced Income Gold Producers ETF ("HEP")) were changed following receipt of the required unitholder and regulatory approvals. The ETF began trading under its new fund name and ticker symbol on June 27, 2022. For more information, please refer to the disclosure documents of GLCC on [www.HorizonsETFs.com](http://www.HorizonsETFs.com).

**Name:**

Horizons Gold Producer Equity Covered Call ETF

**Launch Date:**

April 11, 2011

**Ticker:**

GLCC

**Management Fee:**

0.65% (plus applicable Sales Tax)

**Investment Manager:**

Horizons ETFs Management (Canada) Inc.

**Currency:**

CAD

**Currency Hedged:**

No

**Distributions:**

Monthly, if any

**Eligibility:**

All registered and non-registered investment accounts

**DRIP Eligibility:**

Yes

# Horizons Gold Producer Equity Covered Call ETF

## Key Features

### Generating Income from Covered Calls

For stock investors, using a covered call writing strategy can be an effective way to create monthly income from a stock portfolio and potentially mitigate downside risk in their portfolio relative to the Solactive North American Listed Gold Producers Index.

An investor who chooses to utilize a covered call strategy limits some of the upside potential gains that could be generated from the underlying stock portfolio in exchange for earning a higher income – in the form of call premium – earned from selling call options on those stocks.

This strategy effectively allows investors to earn immediate income from the underlying portfolio that should be relatively higher than what would've been generated by simply holding the stocks. It does not mean that a higher return will necessarily be generated through the covered call strategy, but the investor can use this strategy to generate monthly income from a stock portfolio either to meet a potential income target or to diversify sources of income in their broader asset allocation.

It is important to note that GLCC invests in its own portfolio of equity securities, which means if the value of the underlying securities held by GLCC declines, the price value of GLCC would also be expected to decline.

**A covered call ETF investor can expect to participate in some, but not all, of the prospective growth of the underlying stocks while potentially earning an attractive monthly distribution from call option premiums and dividends.**

### Key Features:



- Direct exposure to some of the largest and most liquid North American-listed gold producers



- Uses a dynamic call writing approach, which seeks to generate income and helps reduce downside risk.



- Options are written out-of-the-money to preserve more of the upside potential growth of the underlying stocks



- Call premiums are taxed as capital gains

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## Covered Call Strategy

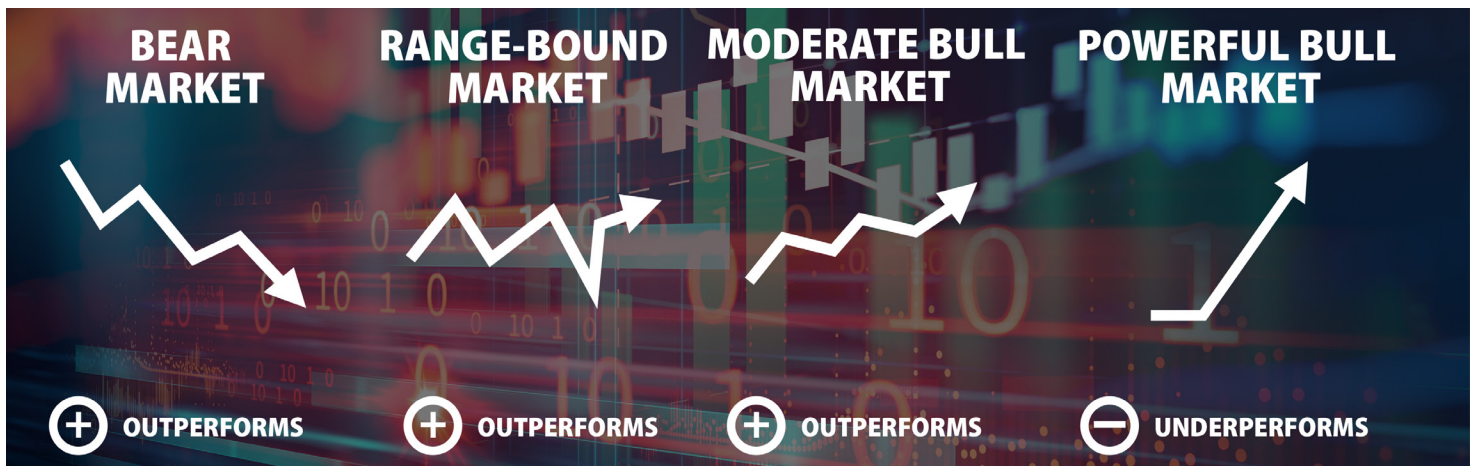
### GLCC Holdings



As at August 31, 2022

### How a Covered Call Strategy Can Typically Be Expected to Perform in the Following Markets

Historically, during bear markets, range-bound markets, and modest bull markets, a covered call strategy generally tends to outperform its underlying securities. During powerful bull markets, when the underlying securities may rise more frequently through their strike prices, covered call strategies historically have lagged. Even during these bull market periods, however, investors could still generally have earned moderate capital appreciation, plus any dividends and call premiums.



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To learn more, please visit [www.HorizonsETFs.com/ETF/GLCC](http://www.HorizonsETFs.com/ETF/GLCC)



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