ACYS

FT Vest Laddered Autocallable Barrier & Resilient Income ETF

Fund Description

ACYS is an actively managed ETF aiming to provide income while limiting US equity downside volatility. The ETF uses derivatives to create a theoretically laddered portfolio of autocallable contracts.

FactSet Analyst Report

ACYS offers income-focused investors an alternative to traditional stocks or bonds by investing in swap agreements or option contracts that mimic a laddered portfolio of autocallable notes linked to major US equity indices or related ETFs. The ETF maintains a diversified series of synthetic autocallable contracts with varying maturities and observation dates to help reduce timing and reinvestment risk, rolling proceeds into new contracts as others mature or are called. The contracts pay coupons as long as reference assets remain above barrier levels, returning principal at maturity unless a maturity barrier is breachedat which point investors are exposed to the full downside risk. Distributions primarily come from these coupons and may decrease or pause in adverse markets. The ETF may also hold short-term US Treasuries, box spreads, or cash for collateral management.