

ARKI

ARK DIET Q2 Buffer ETF

Fund Description

ARKI is actively managed and seeks to deliver a defined outcome linked to the ARK Disruptive Innovation ETF (ARKK). The fund aims to absorb roughly half of ARKK's downside while capturing gains above a 5% hurdle, over a 12-month period starting each April.

FactSet Analyst Report

ARKI is an actively managed ETF aiming to provide a more tempered price return for shares of ARK Innovation ETF (ticker: ARKK), over a one-year period starting each April. The fund aims to cut the downside risk in half in exchange for a capped upside potential after a 5% performance hurdle is reached. ARKK holds US and foreign equities focused on disruptive innovation themes such as genomics, AI, robotics, and fintech. The fund holds shares of ARKK, sells at-the-money calls against the shares, buys at-the-money puts covering 50% of the fund's NAV, and buys out-of-the-money calls with any available premium in order to provide upside exposure above the 5% hurdle. All returns are before fees and expenses, which reduce overall fund returns. ARKI shareholders do not receive dividends, if any, from shares of ARKK. The strategy works best for investors willing to hold shares the entire outcome period. Outcomes will differ for those buying/selling mid-period.