

BUFEX

FT Vest Laddered Enhance & Moderate Buffer ETF

Fund Description

BUFEX is an actively managed fund-of-funds, which holds a laddered portfolio of 12 FT Vest U.S. Equity Enhance & Moderate Buffer ETFs.

FactSet Analyst Report

BUFEX holds a laddered portfolio of defined outcome buffer ETFs. It consists of 12 equity buffer funds, each of which uses FLEX options to provide approximately twice of any positive price returns of SPY, up to a predetermined upside cap while preventing realization of the first 15% of its losses over a one-year period. Each underlying ETFs target outcome period, during which it resets its cap and refreshes its buffer, occurs every month on a rolling basis. This laddered approach creates a continuous hedge for BUFEX regardless of each underlying ETF's outcome period, which in effect, reduces the timing risks associated with acquiring or disposing of any one underlying ETF at any one time. The fund generally rebalances its portfolio to equal weight every quarter. Information on BUFEX's exposure to the underlying ETFs, remaining cap, and buffer are provided daily on the issuer's website.