

DLNV

FT Vest U.S. Equity Dual Directional Buffer ETF - November

Fund Description

DLNV aims to match the price return of the SPDR S&P 500 ETF Trust up to a cap or on its inverse value down to a specified threshold, over a one-year period. The strategy includes a 10% buffer once the downside threshold has been breached.

FactSet Analyst Report

DLNV seeks to offer dual directional returns by using FLEX options to match either the positive price return or the absolute or inverse value loss of SPDR S&P 500 ETF Trust (ticker: SPY) over a one-year period, starting November. The fund matches the positive price return of SPY up to a cap. If SPY declines to the threshold of 10%, the fund will reflect this decline in value. Once this decline is realized, the fund seeks to limit further losses through a 10% buffer. In exchange for preventing further losses, the fund foregoes additional upside return of SPY, as options are written on the price (not total) return version of the shares. Shares must be held over the entire outcome period to achieve the intended results. At the end of the target outcome period, the fund will reset for a new outcome period tied to the same index and buffer. The issuer publishes effective interim levels daily on its website. The targeted cap and buffer do not include the fund's expense ratio.

