

EAFG

Pacer Developed Markets Cash Cows Growth Leaders ETF

Fund Description

EAFG tracks a price momentum-weighted index of 100 large- and mid-cap companies from developed markets, excluding North America, that exhibit the highest growth characteristics.

FactSet Analyst Report

EAFG is a passively managed fund that provides exposure to cash cows or companies with above-average free cash flow margins with growth potential. The fund considers large- and mid-cap stocks from developed markets, excluding the US and Canada. From a starting universe of companies from the MSCI EAFE Index, the fund considers stocks with positive projected free cash flows and earnings for the next two years, as determined by the Index Provider. The fund screens out stocks with negative projections, as well as companies from the financial and real estate sectors. However, companies with no available information are retained. Eligible securities are then ranked based on their trailing 12-month free cash flow margin from which the fund finally selects the top 100 companies. The portfolio is weighted based on a security's price momentum score that is calculated on the reconstitution date. Individual securities are capped at 5%. The index is reconstituted and rebalanced quarterly.

