

FOWF

Pacer Solactive Whitney Future of Warfare ETF

Fund Description

FOWF is passively managed to hold stocks from developed market countries associated with sectors determined to shape defense programs of the US and its allies. Stocks are selected based on a proprietary rating system and weights holdings based on defense spending data from the US Department of Defense (DOD).

FactSet Analyst Report

FOWF tracks an index of large- and mid-cap companies involved in critical technology defense for the US and its allies. To qualify, companies must be linked to these sectors, pose a low geopolitical risk from a NATO perspective, and have active US Department of Defense (DOD) contracts. A division of the US DOD defines the sectors and may include quantum science, future-generation wireless technology, advanced materials, trusted AI and autonomy, integrated network systems of systems, microelectronics, space technology, advanced computing and software, human-machine interfaces, directed energy, hypersonics and integrated sensing and cyber. Defense spending data are contract revenues reported from the System for Award Management. A proprietary model measures the entanglement between companies that are adversarial to NATO countries. Holdings are weighted based on defense spending. Individual weights are capped at 7.5%. The index is rebalanced and reconstituted quarterly.