

GCOW

Pacer Global Cash Cows Dividend ETF

Fund Description

GCOW tracks an index of developed-market large-cap stocks, selected by free cash flow yield and dividend yield, and weighted by aggregate dividends.

FactSet Analyst Report

GCOW looks for sustainable high dividend yield from developed market large-cap stocks. To do this, the fund first screens out stocks with negative free cash flow or earnings and excludes REITS altogether. It ranks the remaining stocks by free cash flow yield (FCF/EV), culling the top 300 names. This screen posits that firms with higher cash flow from operations after CapEx relative to their size (enterprise value) should be in a better position to service their debt. It re-ranks this shorter list by dividend yield, selecting the top 100 names and weighting them by aggregate cash dividends. The index is reconstituted and rebalanced semi-annually. Note: On December 13, 2017, PGHD changed its name, ticker, and underlying index from Pacer Global High Dividend ETF (PGHD) that tracked Pacer Global Cash Cows Dividends 100 Index to Pacer Global Cash Cows Dividends ETF (GCOW) that tracks the Pacer Global Cash Cows Dividend Index. There is no change in investment strategy and economic exposure.