

HEGD

Swan Hedged Equity US Large Cap ETF

Fund Description

HEGD is an actively managed fund that provides hedged exposure to US large-cap companies using ETFs and options.

FactSet Analyst Report

HEGD seeks to invest in (one or more) ETFs that provide exposure to the US large-cap market, and hedges using put and call options as a defined risk strategy. The fund uses exchange-traded options on the S&P 500 Index. It invests in long-term put options for hedging purposes, and a combination of put and call options to increase income. Essentially, the portfolio contains an equity portion which is hedged with put options, combined with an actively managed option strategy that seeks additional returns and decrease volatility. As such, HEGD will also regularly engage in various spread option strategies. The fund intends to hold its ETF portfolio indefinitely, while the options are bought and sold when unfavorable risk is present. Rebalancing occurs annually.