

HEQQ

JPMorgan Nasdaq Hedged Equity Laddered Overlay ETF

Fund Description

HEQQ seeks capital appreciation through an actively managed portfolio of US large-cap companies listed on the NASDAQ Stock market with a laddered options overlay strategy. The funds objective is to lower market volatility and competitive risk-adjusted returns.

FactSet Analyst Report

HEQQ seeks to deliver lower volatility and risk-adjusted returns over a complete market cycle (3-5 years) than traditional long-only equity strategies. The portfolio will include stocks in the Nasdaq-100 index and a laddered options overlay. Stock selection utilizes ESG considerations and a data science-driven approach that integrates proprietary research, financial analysis, alternative data, and risk analysis in identifying attractive securities. The fund manages market volatility, and macroeconomic and operational risks through a laddered options overlay, using put option spreads to provide downside protection and writing call options to offset hedge costs. These positions are staggered across three rolling three-month hedge periods for continuous market protection. Note that this trade-off may limit upside potential in strong bull markets. The fund may use futures contracts. The fund may have a high portfolio turnover.

