

LAPR

Innovator Premium Income 15 Buffer ETF - April

Fund Description

LAPR seeks to provide a consistent income stream and a limited protective buffer against the first 15% of SPDR S&P 500 ETF Trust (SPY) losses. The exposure resets each year in April. The actively managed fund holds a package of SPDR S&P 500 ETF Trust FLEX options and US Treasurys.

FactSet Analyst Report

LAPR provides no upside potential. Instead, it aims for a defined rate of income and downside protection over a one-year period starting each April. The actively managed portfolio consists of i) US Treasurys maturing on each quarterly distribution date and ii) out-of-the-money SPDR S&P 500 ETF Trust (SPY) put FLEX options sold to provide one-to-one downside exposure. The fund invests the net premiums generated from the purchased and sold puts in US Treasurys. At each outcome period, the fund seeks to provide income through a defined distribution rate and a buffer against the first 15% of SPY losses. In exchange for this buffer, investors forgo any upside participation. After the buffer level is breached, investors take on the full downside of the underlying ETF's returns. The fund must be held during the entire return period to pursue intended results. Investors who buy at any other time than the annual reset day may have a different investment return.