

MARB

First Trust Merger Arbitrage ETF

Fund Description

MARB is an actively-managed global fund that uses a merger arbitrage strategy to long takeover target and short the acquiring company.

FactSet Analyst Report

MARB targets global companies that are involved in a publicly-announced merger or acquisition. Only those companies involved in such significant corporate transaction are eligible for inclusion in the portfolio. In seeking capital appreciation, the fund takes a long position in stocks that are reported targets of takeovers or acquisitions, while shorting the acquiring name. MARB profits from the net of the targets trading stock price following the announcement and the future contractual price of the target company when the transaction closes. The fund uses real-time quantitative-based research to evaluate the attractiveness of a transaction relative to others in the arbitrage universe. It also considers the probability of the mergers completion and certain risks that may affect its likelihood. MARB may hold cash or cash equivalents if the aforesaid investment criteria are not satisfied.