

MILK

Pacer US Cash Cows Bond ETF

Fund Description

MILK tracks an index of investment grade US corporate bonds, selected based on cash flow yield and margins. The average weighted maturity of the portfolio is approximately 15 years.

FactSet Analyst Report

MILK is passively managed to mirror the total return performance, before fees and expenses, of the Solactive Pacer US Cash Cows Bond Index. This index is crafted using a proprietary methodology which tracks corporate bonds from companies linked to Pacer US Cash Cows 100 and Pacer US Large Cap Cash Cows Growth Leaders Indices. These indices focus on firms with high free cash flow yield and margins, termed cash cows. The index includes USD-denominated bonds meeting criteria like maturity over one year and high credit ratings. It excludes bonds rated below single B. An optimization process selects bonds to maximize yield while maintaining duration and sector parity with traditional bond indices. Equal weighting limits issuers to 4% and individual bonds to 1%. The index reconstitutes annually and rebalances monthly. MILK is non-diversified, which means it may concentrate investments if the index does so, holding securities from fewer issuers than diversified funds.

