

# MKTN

## Federated Hermes MDT Market Neutral ETF

### Fund Description

MKTN utilizes a quantitatively-driven market neutral equity strategy, balancing long and short positions within the US equity market. The fund seeks long-term capital appreciation while limiting exposure to general stock market risk.

### FactSet Analyst Report

MKTN aims for positive returns with lower volatility and limited market risk. Security selection combines fundamental and technical data points to identify opportunities. The funds portfolio includes US companies of any market capitalization. The fund employs a systematic, quantitative process that simultaneously buys stocks expected to outperform and shorts those predicted to underperform. The strategy aims to neutralize market movements, targeting a near-zero beta and uncorrelated return with the overall market. Holdings may include derivatives such as futures and options to hedge or enhance returns. The fund actively trades and may result in higher portfolio turnover.