

OCTT

AllianzIM U.S. Large Cap Buffer10 Oct ETF

Fund Description

OCTT aims for specific buffered losses and capped gains on the SPDR S&P 500 ETF Trust over a specific holdings period. The actively managed fund holds options and collateral.

FactSet Analyst Report

OCTT uses options in an effort to moderate losses on shares of SPDR S&P 500 ETF Trust (ticker: SPY) over a one-year period, starting in October. In exchange for preventing realization of the first 10% of losses, the fund foregoes some upside return as well as the dividend component of SPY, because the options are written on the price return version of the shares. Should shares of SPY decline greater than 10%, investors participate in the downside performance on a \$1 for \$1 basis. The upside cap resets annually based on SPY's closing price on the business day prior to the outcome period begins. Even if shares are held for the entire outcome period, the intended results may differ. The issuer publishes the interim levels for the cap and downside buffer daily on its website. The targeted cap and buffer do not include the fund's expense ratio. The fund is actively managed and uses FLEX options on SPY shares exclusively. Before October 31, 2022, the fund traded under the ticker AZAO.