

PBL

PGIM Portfolio Ballast ETF

Fund Description

PBL actively manages a portfolio of derivatives, toggling exposure between US large-cap equities and US Treasuries. The fund aims to provide long-term capital growth while limiting downside losses.

FactSet Analyst Report

PBL aims, on average, to capture 60% of the performance of the S&P 500 during appreciating equity markets and 30% of the performance in declining equity markets. The fund does not directly invest in equity securities. The fund holds various derivative positions, such as listed and FLEX options, futures, and swaps on the S&P 500 Index, related ETFs, and US Treasuries to provide the desired exposure. The funds advisor relies on their own internal research in evaluating the relative attractiveness of equities versus fixed income to position the portfolio. Performance return of the fund will be based on the strategic positioning and active management of the underlying derivatives. As such, the fund will engage in active trading, especially during times of increased volatility. The strategy has been available in a mutual fund wrapper from the issuer for some time.