

PEVC

Pacer PE/VC ETF

Fund Description

PEVC tracks an index that provides access to private equity (PE) buyouts and venture capital (VC) assets through shifting allocations between two sub-indices. Investments focus on US large-cap stocks, aiming to mirror the risk-return characteristics of private markets through equities, ETFs, and futures contracts.

FactSet Analyst Report

PEVC is designed to capture the performance characteristics of private equity and venture capital dynamics without the traditional barriers to entry. Securities include equities, ETFs, and futures contracts of US large-cap companies. It tracks an index that allocates between the private equity buyout index (TRPEI or PE index) and the venture capital index (TRVCI or VC index). The objective is to optimize weighting to maximize expected return per unit of volatility through a forward-looking, Sharpe-style optimization process. This approach uses proprietary econometric models to estimate next months risk exposure and derive pro forma returns. It utilizes data from macroeconomic environments, financial markets, and private equity as well as venture capital-backed markets. Each month, allocations are adjusted within a range of 50% to 95% for the PE index, with the remainder to the VC index. Individual security weights are capped at 4.5%.

