

PSCQ

Pacer Swan SOS Conservative (October) ETF

Fund Description

PSCQ aims for specific buffered losses and capped gains on SPDR S&P 500 ETF over a one-year period. The actively managed fund holds options and collateral.

FactSet Analyst Report

PSCQ uses flex options in an effort to moderate losses on an ETF, SPY, over a one-year period starting each October. Using SPY is a slightly different approach than using S&P 500 index flex options, what is gained in favorable tax treatment may be lost in higher expense. The fund offers a buffer for the first 5-30% losses on the SPY. The fund will cover 5% of the losses between the buffer zone and additional 25% coverage on SPYs realized losses if it falls below the buffer zone. Investors forego the upside participation above a certain threshold, which is reset annually. Investors who buy at any other time than the annual reset day may have a very different protection and buffer zone. The issuer publishes effective interim levels daily on its website. Even if shares are held for the entire outcome period, results may differ. The targeted buffers and caps do not include the funds expense ratio. The fund is actively managed, resets annually.