

PTNQ

Pacer Trendpilot 100 ETF

Fund Description

PTNQ tracks an index that holds the NASDAQ-100 securities and/or 3-month US T-bills according to momentum.

FactSet Analyst Report

PTNQ aims to capture the upside of the tech-heavy NASDAQ-100 Index by employing a cash-toggle in an attempt to tame the downside. It diverges quite a bit from our benchmark because of that sector bias, but PTNQ's most interesting feature is the granular way its cash-toggle operates. Specifically, PTNQ invests 100% in the NASDAQ-100 when it closes above its 200-day simple moving average (SMA) for five consecutive days. The fund invests half its assets in the NASDAQ -100 and half in 3-month US T-bills when the index closes below its SMA for five consecutive days. Finally, the fund invests 100% in T-bills when the NASDAQ -100 SMA closes below its value from five days earlier. PTNQs risk toggles provide strong sell discipline, but run the risk of lagging the market on both sell and buy signals.