

PWS

Pacer WealthShield ETF

Fund Description

PWS tracks an index that toggles between equity and Treasuries, or a combination of both, on a monthly basis depending on monthly moving averages.

FactSet Analyst Report

PWS tracks an index composed of several sub-indices: a US Treasury bond index, 12 US equity indices, and a T-bill index. Every month, PWS invests in either a fixed income portfolio or an equity portfolio as determined by an indicator called the Risk Ratio the ratio between a high-yield US corporate bond index and a Treasury bond index. The fund invests in equities if the Risk Ratio is at or above its five-month exponential moving average (EMA), indicating that high-yield debt is outperforming Treasuries. The equity portfolio contains five best performers out of 12 US sector and industry indices, equally weighted (20% each). However, if any of these five gets a poor moving average signal, PWS will replace it with T-bills. When the Risk Ratio toggles PWS to a fixed income portfolio, the fund will be invested 100% in either Treasury bonds or T-bills depending on a moving average measure. With many moving parts, PWS has the potential to turn over its entire portfolio on a monthly basis.

