

QBER

TrueShares Quarterly Bear Hedge ETF

Fund Description

QBER is an actively managed ETF that aims for capital preservation in the event of decline in the US equity market space. The fund invests in short-term income generating debt securities and short-term put options of large-cap US securities.

FactSet Analyst Report

QBER seeks to benefit from tail risk or declines in the US large-cap equity market. The actively managed fund aims for protection during high volatility environments while maintaining potential for income. The fund aims to select high-quality short-term debt securities with about three months to maturity. It then mitigates equity risk through the utilization of put options. At the start of each quarter, the fund purchases out-of-the money or at-the-money put options. The adviser evaluates the relative prices of options and selects those with the highest expected return based on market volatility. When the value of the large-cap equity market is below the put options strike price, it finishes in-the-money and may generate positive returns. The fund may employ more complex option strategies, such as box spreads. Income and actual principal value protected are expected to be at least 98% on a quarter-to-quarter basis.