

QHdg

Innovator Hedged Nasdaq-100 ETF

Fund Description

QHdg provides a perpetual, partial downside hedge to stock exposure similar to the Nasdaq-100 Index. The fund's objective is to provide some upside potential with lower volatility. The actively managed portfolio uses FLEX options to pursue its strategy.

FactSet Analyst Report

QHdg aims to provide growth potential from US large-cap stocks, while hedging on a quarterly basis for market declines between 5-15%. The portfolio contains stocks similar to, but may not be exact, holdings of the Nasdaq-100 Index. The fund is designed to be a conservative growth equity position. FLEX options are used to construct a perpetual drag and cap on returns in exchange for a partial hedge. However, such protection is not guaranteed. Should the market decline less than 5% or further than 15% in a given quarter, investors will experience losses on a 1:1 basis. Also, since the portfolio may not hold all of the stocks of the index, the short calls may be considered naked. Option positions are reset quarterly. As such, investors may experience significant losses on their investment.