

QSIX

Pacer Metaurus Nasdaq 100 Dividend Multiplier 600 ETF

Fund Description

QSIX tracks an index composed of the stocks in the Nasdaq-100 Index, long positions in Nasdaq 100 Dividend futures, and US Treasuries. The objective is to provide 600% of the ordinary yield of the Nasdaq-100 Index in exchange for reduced participation in its price performance.

FactSet Analyst Report

QSIX is a passively managed fund that aims to deliver six times the dividend yield of the Nasdaq-100 Index without using leverage. The strategy separates the Nasdaq-100's two return components: dividend and price return. For the dividend component, the index holds equally weighted long positions in the three most current annual futures contracts providing exposure to ordinary dividends paid on Nasdaq-100 stocks. The portfolio allocation between the dividend futures component and the Nasdaq-100 stocks component is determined to meet the fund's objective of providing a 600% dividend yield over the next three years. In exchange for the enhanced yield, the fund gets modestly lower exposure to the price performance of the Nasdaq-100. The index is reconstituted and rebalanced annually each December. To collateralize the long positions in dividend futures, the fund may hold US Treasuries with maturity dates similar to the expiration of the futures.