

QSWN

Amplify BlackSwan Tech & Treasury ETF

Fund Description

QSWN tracks an index of long-dated LEAP options on Invesco QQQ Trust (QQQ) and US Treasuries averaging 10-year maturity.

FactSet Analyst Report

QSWN expands Amplify's suite of ETFs attempting to hedge against unpredictable market events referred to as Black Swans. The fund holds 90% of its exposure in laddered US Treasury securities targeting a duration within six months of the 10-Year Note. The Treasury portion of the portfolio serves to provide capital protection. The remaining 10% of the portfolio is used to buy in-the-money, long-term call options on the Invesco QQQ Trust (ticker: QQQ). QQQ provides exposure to the top 100 NASDAQ-listed nonfinancial stocks, skewing usually on tech funds. The call options provide the equity exposure and will have expirations of either June or December. At their expiration, the options will be rolled to the following year. Therefore, the index will be reconstituted and rebalanced every June and December. The call options selected will generally have a delta of 70 at the time of purchase, meaning that for every \$1.00 USD of movement in the QQQ share price, each option should have a corresponding \$0.70 USD gain or loss.

