

SEPP

PGIM S&P 500 Buffer 12 ETF - September

Fund Description

SEPP aims for specific buffered losses and capped gains on the SPDR S&P 500 ETF Trust over a specific holdings period. The actively managed fund holds options and collateral.

FactSet Analyst Report

SEPP uses FLEX options in an effort to moderate losses on shares of SPDR S&P 500 ETF Trust (SPY) over a one-year period that resets each September. The fund foregoes upside participation above a certain threshold, which resets annually in exchange for preventing the realization of the first 12% of SPY's losses, as well as the dividend component of SPY because the options are written on the price and not on the total return version of the shares. Should the value of SPY decline by more than 12%, the fund will experience subsequent losses on a one-to-one basis. The fund must be held to the end of the outcome period to achieve the intended results. Investors who buy at any time other than the annual reset day may have a different protection and buffer zone. Once established, the issuer publishes the interim levels for the cap on its website. Investors should note that the targeted cap and buffer do not include the fund's expense ratio. On February 21, 2025, the fund name changed to PGIM S&P 500 Buffer 12 ETF - September.