

SFTX

Horizon International Managed Risk ETF

Fund Description

SFTX shifts allocations between non-US large-cap equities and US short-term fixed income based on market volatility, while employing an options strategy.

FactSet Analyst Report

SFTX seeks to capture gains in the non-US large-cap equity market while limiting downside risk through its proprietary Risk Assist strategy. The strategy adjusts based on market conditions, participation in equities during bull markets, downside mitigation in stress markets, and enhanced returns via tactical options strategies. Stock selection blends economic, quantitative, and fundamental analysis, targeting securities with the highest expected return relative to risk. However, assets may reallocate partially or entirely into US Treasury and cash equivalents during rising volatility. The fund uses FLEX options, primarily put spreads in stable or rising markets to generate income and hedge against market declines. The options strategy may increase volatility and lag in downturns, though losses are capped through purchased puts. The fund may also use single-stock options, covered calls, cash-secured puts, spreads, straddles, collars, and naked options.