

STEN

iShares Large Cap 10% Target Buffer Sep ETF

Fund Description

STEN seeks to track the price return of the iShares Core S&P 500 ETF (IVV) up to a cap, with a 10% downside hedge over a one-year period. The actively managed fund obtains exposure by holding IVV shares and options.

FactSet Analyst Report

STEN utilizes a defined outcome strategy on the iShares Core S&P 500 ETF (IVV). The fund aims to provide long exposure to US large-cap stocks, up to an approximate upside limit, while hedging the first 10% of losses over a defined 12-month Outcome Period. It does this by holding IVV shares and employing a combination of put options to create the loss buffer and call options to generate income that funds this protection but caps gains. These options can either be FLEX or exchange-traded that reference the underlying ETF. The upside cap and downside buffer reset every year, at the end of each September. Investors must hold shares for the entire outcome period to realize the defined outcome. However, there is no guarantee the defined outcome of the strategy pursued will be realized by investors. The targeted buffers and caps do not include the fund's expense ratio.