



AT A GLANCE

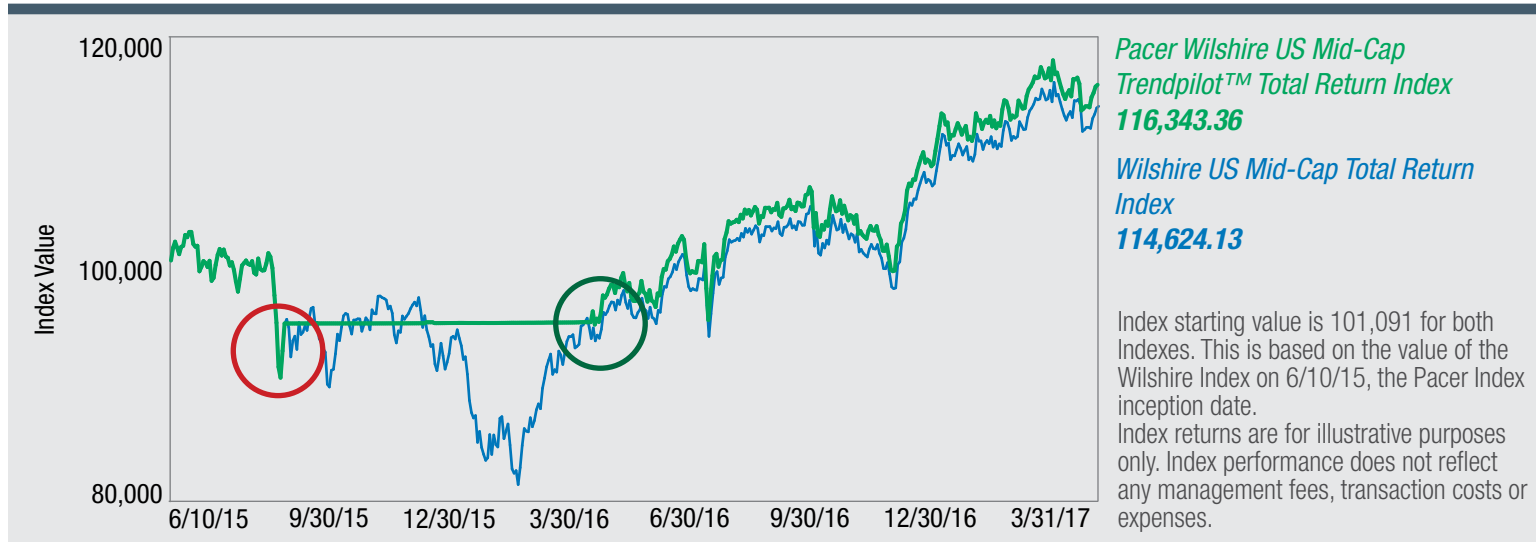
# Using Trend Following in a Mid-Cap Strategy

## The Trendpilot™ Strategy

A rules-based strategy that seeks to navigate market trends using the 200 day simple moving average and three indicators:

- **Equity Indicator** – Invests 100% in the market when the market is trending up.
- **50/50 Indicator** – Invests 50% in the market/50% in Treasury bills (T-Bills) when there is a negative market trend change.
- **T-bill Indicator** – Invests 100% in T-bills when the market is trending down.

Applying the Trendpilot™ strategy, the Pacer Trendpilot™ Index exited the market when the **T-Bill Indicator** was triggered in August 2015. It reentered the market in April 2016 when the **Equity Indicator** was triggered.



## Pacer Trendpilot™ 450 ETF (PTMC)

Tracks the Pacer Wilshire US Mid-Cap Trendpilot™ Index

As of 3/31/17	Fund Inception		Since Inception	YTD	1-Year
PTMC	6/11/15	NAV	6.41	4.31	20.69
		Market Price	6.46	4.51	20.73
Annual total expenses: 0.60%					

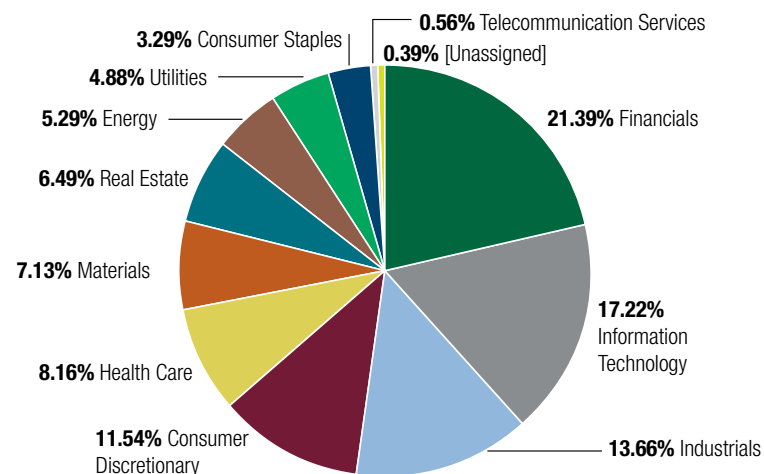
Source: US Bank

Top 10 Holdings	Sector	Weight (%)
E*TRADE Financial Corporation	Financials	0.46
Diamondback Energy, Inc.	Energy	0.44
Computer Sciences Corporation	Info Tech.	0.43
Leucadia National Corporation	Financials	0.43
FMC Corporation	Materials	0.41
CBOE Holdings, Inc.	Financials	0.41
Torchmark Corporation	Financials	0.41
Gartner, Inc.	Info Tech.	0.40
Ares Capital Corporation	Financials	0.39
Teleflex Incorporated	Health Care	0.39
<b>Total</b>		<b>4.17</b>

Source: FactSet

**PERFORMANCE QUOTED REPRESENTS PAST PERFORMANCE AND DOES NOT GUARANTEE FUTURE RESULTS. YOU CANNOT INVEST DIRECTLY IN AN INDEX.** Investment return and principal value will fluctuate, so shares may be worth more or less when redeemed or sold. Current performance may be lower or higher than the performance quoted. Visit <http://www.paceretfs.com> for the most recent month-end performance. Returns less than 1 year are cumulative. Returns greater than 1 year are annualized.

## Sector Breakdown



Holdings and sector breakdown as of 3/31/17

## The Mid-Cap Opportunity

- Established companies in the growth phase of the business life cycle
- Historically has outperformed large-cap and small-cap stocks over time
- Less volatile than small-cap stocks over time

Index	20-Year Average Annualized Return (%)	20-Year Standard Deviation (%)
Wilshire US Large-Cap	8.01	15.32
Wilshire US Mid-Cap	10.18	18.12
Wilshire US Small-Cap	10.13	20.04

as of 3/31/17

To learn more about how to incorporate PTMC into your portfolio, contact your financial advisor or visit [www.paceretfs.com](http://www.paceretfs.com).

**Annualized Standard Deviation** measures the average deviations of a return series from its mean, and is often used as a measure of risk.

**The Wilshire US Mid-Cap Index<sup>SM</sup>** is a rules-based, float-adjusted, market capitalization-weighted index comprised of approximately 500

mid-sized companies ranked between 500 and 1,000 in the Wilshire 5000 Total Market Index<sup>TM</sup>. The Wilshire 5000 Total Market Index<sup>TM</sup> is an unmanaged, market capitalization-weighted index that measures the performance of all equity securities of U.S. headquartered issuers with readily available price data.

**The Wilshire US Large-Cap Index<sup>SM</sup>** is a rules-based, float-adjusted, market capitalization-weighted index comprised of approximately 750 of the largest companies in the Wilshire 5000 Total Market Index<sup>TM</sup>.

**The Wilshire US Small-Cap Index<sup>SM</sup>** is a float-adjusted, market capitalization-weighted index of the issues ranked between 750 and 2,500 by market capitalization of the Wilshire 5000 Total Market Index<sup>TM</sup>.

**NAV** (net asset value) is the value of one share of the Fund calculated daily. The NAV return is based on the NAV of the Fund. It may not reflect the actual return for the investor.

**Market Price** is the price investors can buy and sell ETF shares for in the stock market and is used to calculate market return. It is based on the price at the BATS exchange market close. This is when NAV is determined for most ETFs. If shares trade at another time, the return may differ. Market and NAV returns assume that dividends and capital gain distributions have been reinvested in the Fund at Market Price and NAV respectively.

**Before investing you should carefully consider the Fund's investment objectives, risks, charges, and expenses. This and other information is in the prospectus. A copy may be obtained by visiting [www.paceretfs.com](http://www.paceretfs.com) or calling 1-877-337-0500. Please read the prospectus carefully before investing.**

An investment in the Funds is subject to investment risk, including the possible loss of principal. Pacer ETF shares may be bought and sold on an exchange through a brokerage account. Brokerage commissions and ETF expenses will reduce investment returns. There can be no assurance that an active trading market for ETF shares will be developed or maintained. The risks associated with this fund are detailed in the prospectus and could include factors such as concentration risk, equity market risk, fixed income risk, government obligations risk, high portfolio turnover risk, mid-capitalization investing risk, new fund risk, other investment companies risk, passive investment risk, tracking risk, trend lag risk, non-diversification risk, and/or special risks of exchange traded funds.

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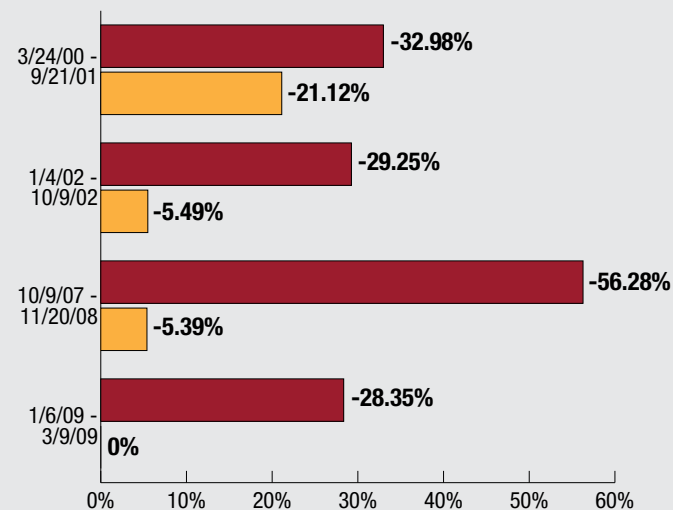
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**Trend following may allow you to participate in positive market trends and minimize losses in negative market trends.**

### Last 4 Bear Markets (2000 - 2016)

The 200 Day Simple Moving Average has proven to be an early indicator of a bear market.

- Total market loss
- Market loss before Index fell below 200 Day SMA



Source: Bloomberg. Data is based on the Wilshire US Mid-Cap Index<sup>SM</sup>.



**PACER ETFs**

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