

# Case Study: BALT Liquidity

## LIQUIDITY PROFILE

Liquidity and ease of trading are important to investors. As is the case with all Defined Outcome ETFs™, Innovator’s Defined Wealth Shield ETF (Ticker: BALT) tracks a highly liquid underlying benchmark. When buying/selling BALT, market participants are accessing the deep liquidity present in SPY and SPY options. The depth of this market allows clients to transact with ease on trades of all sizes.

For example, a \$500M block trade in BALT would equate to 0.26% of the total daily volume traded in the SPY options market. This may be a sizeable ETF trade, but within the scope of the underlying’s liquidity, it is miniscule.

SPY Options Market	
Current Open Interest	\$829 Billion
2021 Average Volume	\$191 Billion

Source: Bloomberg L.P. as of 03/2022

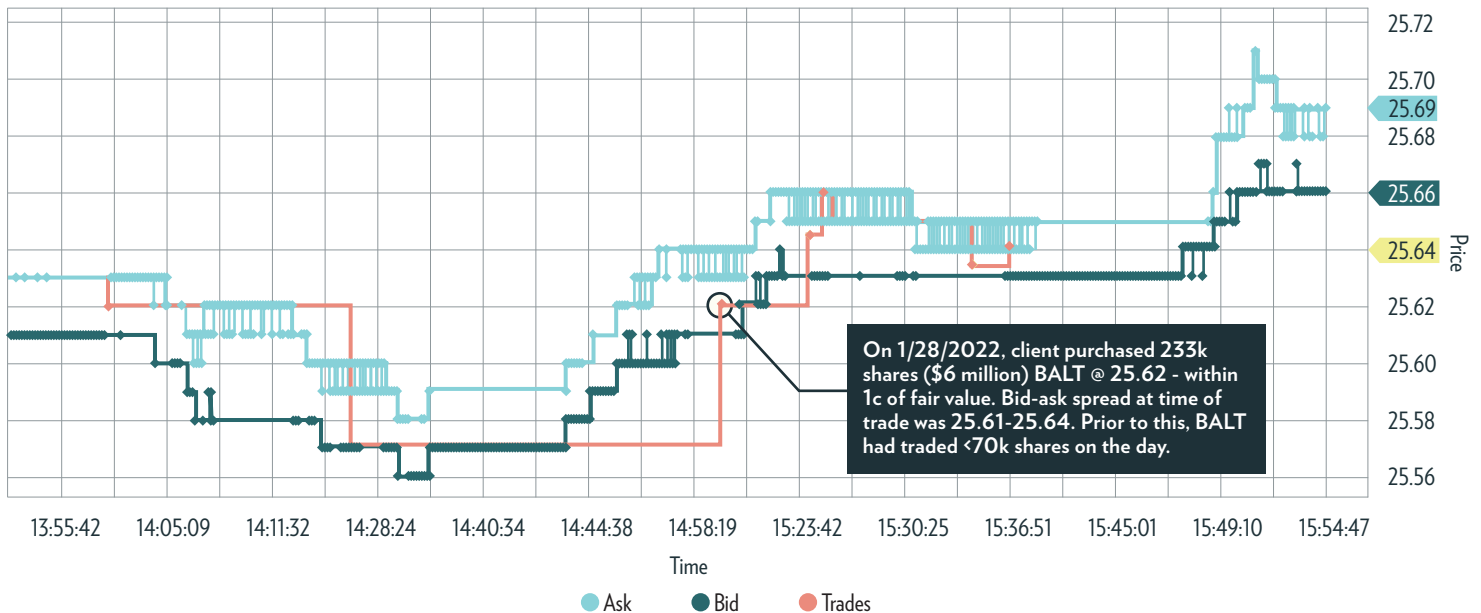
## WHAT ABOUT SPREADS?

With an average bid-ask spread of 11 basis points (between 2-3 cents), round trip trading costs on BALT are low. This permits advisors to buy/sell during market-hours with minimal spread-crossing/transaction costs.

## REAL-LIFE TRADE EXAMPLES

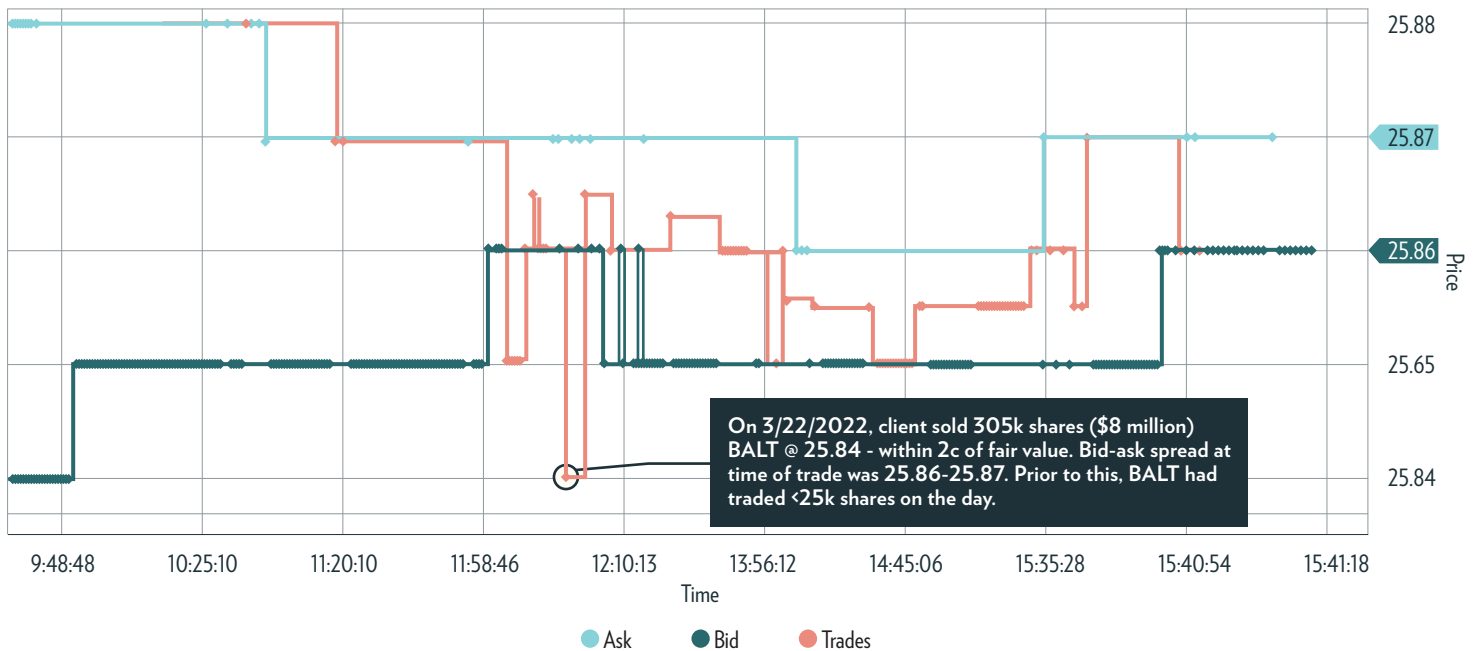
### EXAMPLE 1

Client easily purchased \$6 Million BALT via block trade. This trade was >3x BALT’s previously-traded volume on the day:



## EXAMPLE 2

Client easily sold \$8 Million BALT via block trade. This trade was >12x BALT's previously-traded volume on the day:



Have a question about BALT's liquidity or trading? Reach out to [capitalmarkets@innovatoretfs.com](mailto:capitalmarkets@innovatoretfs.com) to speak with an expert on these topics. Our team will work to ensure you get best execution on trades of any size.

### FOR FINANCIAL PROFESSIONAL USE ONLY

The funds only seek to provide their investment objective, which is not guaranteed, over the course of an entire outcome period. Investors who purchase shares after or sell shares before the end of an outcome period will experience very different outcomes than the funds seek to provide.

The Funds have characteristics unlike many other traditional investment products and may not be suitable for all investors. For more information regarding whether an investment in the Fund is right for you, please see *Investor Suitability* in the prospectus.

The Funds are designed to provide point-to-point exposure to the price return of a reference asset via a basket of Flex Options. As a result, the ETFs are not expected to move directly in line with the reference asset during the interim period. Additionally, FLEX Options may be less liquid than standard options. In a less liquid market for the FLEX Options, the Fund may have difficulty closing out certain FLEX Options positions at desired times and prices.

Fund shareholders are subject to an upside return cap (the Cap) that represents the maximum percentage return an investor can achieve from an investment in the funds' for the Outcome Period, before fees and expenses. If the Outcome Period has begun and the Fund has increased in value to a level near to the Cap, an investor purchasing at that price has little or no ability to achieve gains but remains vulnerable to downside

risks. Additionally, the Cap may rise or fall from one Outcome Period to the next. The Cap, and the Fund's position relative to it, should be considered before investing in the Fund. The Funds' website, [www.innovatoretfs.com](http://www.innovatoretfs.com), provides important Fund information as well information relating to the potential outcomes of an investment in a Fund on a daily basis.

The Funds only seek to provide shareholders that hold shares for the entire Outcome Period with their respective buffer level against reference asset losses during the Outcome Period. You will bear all reference asset losses exceeding the buffer. Depending upon market conditions at the time of purchase, a shareholder that purchases shares after the Outcome Period has begun may also lose their entire investment. For instance, if the Outcome Period has begun and the Fund has decreased in value beyond the pre-determined buffer, an investor purchasing shares at that price may not benefit from the buffer. Similarly, if the Outcome Period has begun and the Fund has increased in value, an investor purchasing shares at that price may not benefit from the buffer until the Fund's value has decreased to its value at the commencement of the Outcome Period.

*The Funds' investment objectives, risks, charges and expenses should be considered carefully before investing. The prospectus contains this and other important information, and it may be obtained at [innovatoretfs.com](http://innovatoretfs.com). Read it carefully before investing.*

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