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ProShares

Amazon is Big, E-Commerce is Bigger: The (Still!) Early Opportunity of Online Retail

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Amazon is Big, E-Commerce is Bigger

The (Still!) Early Opportunity of Online Retail

Today's Speakers



Moderator

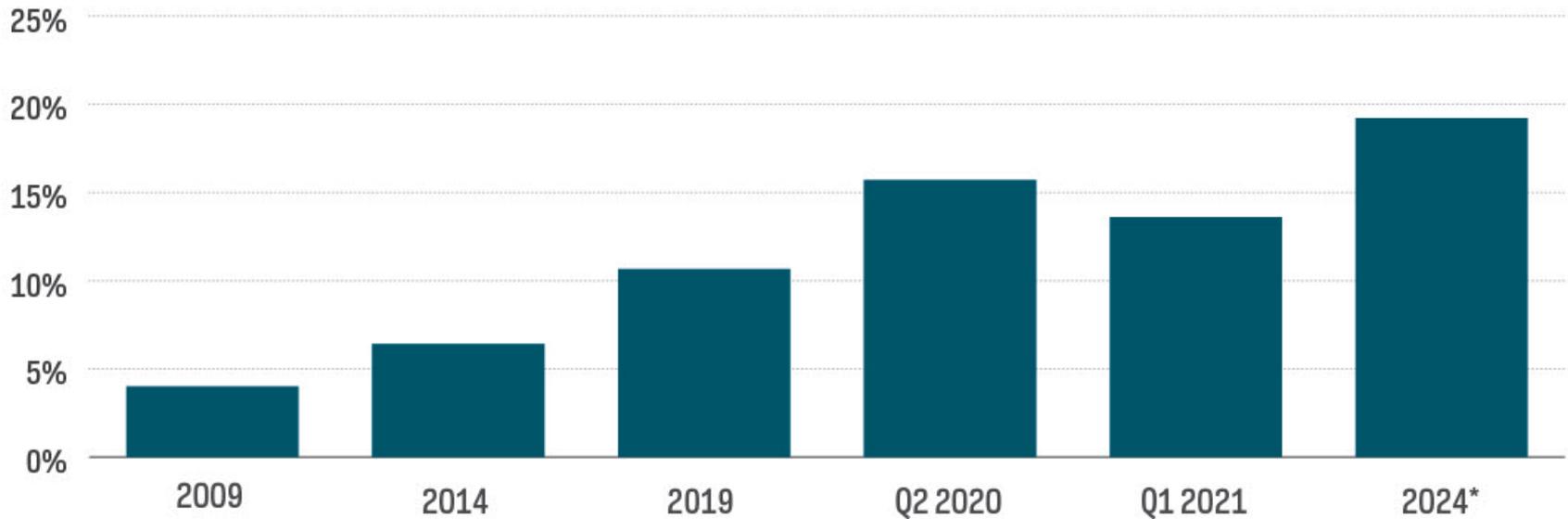
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A Pandemic Acceleration—Still in Early Days...

Domestic E-Commerce Trajectory
Sales as a percentage of total domestic retail sales



Sources: Adjusted numbers from U.S. Department of Commerce, 2009-Q1 2021. *2024 estimate from eMarketer, October 2020.

Still a Game of Catch-up...

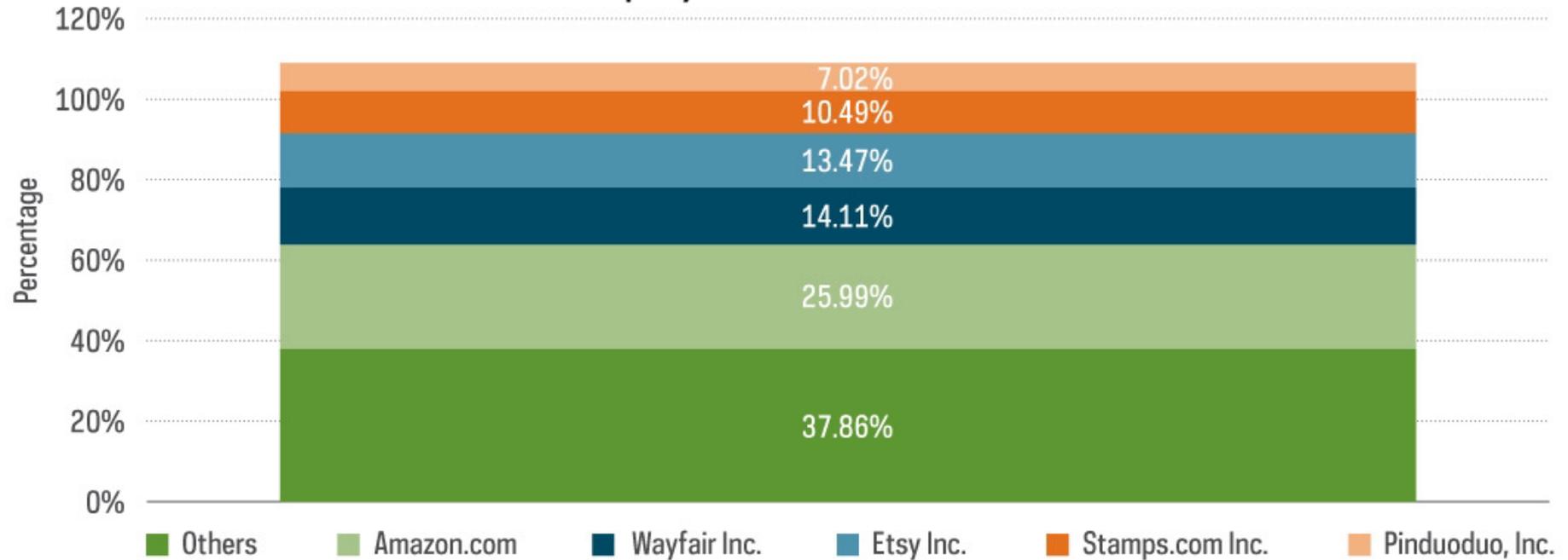
Battle of E-Commerce Giants EBITDA Margins: Amazon vs. Walmart



Source: Bloomberg, data as of 3/31/2021. EBITDA is defined as earnings before interest, taxes, depreciation, and amortization.

More than Amazon...

ProShares Online Retail Index Company Contribution to 3-Year Return



Source: Bloomberg. Date range: 5/17/2018 - 5/17/2021

ONLN Performance as of March 31, 2021

Fund Inception 7/13/18	Year to Date	1 Year	Since Inception
ProShares Online Retail ETF (ONLN)—NAV	3.45%	139.18%	28.76%
ProShares Online Retail ETF (ONLN)—Market Price	3.43%	139.10%	28.79%
ProShares Online Retail Index	3.62%	140.73%	29.43%

Source: Bloomberg, 3/31/2021. This fund charges an expense ratio of 0.58%. The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted.

Performance data current to the most recent month end may be obtained by calling 866.776.5125 or by visiting ProShares.com.

Shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Brokerage commissions will reduce returns. Index performance is since inception of ProShares Online Retail ETF on 7/13/18. Index returns are for illustrative purposes only and do not represent fund performance. Index returns do not reflect any management fees, transaction costs or expenses. Indexes are unmanaged and one cannot invest in an index.

From The Front...

Etsy

Ticker: ETSY

- Depop acquisition (*announced June 2021*)
- Convertible note offering and share buyback

Chewy

Ticker: CHWY

- Category Killer
- Expanding pet healthcare business

Qurate Retail Group

Ticker: QRTEA

- Unique platform
- Great first quarter
- 5M shares repurchased

Stitch Fix

Ticker: SFIX

- Potential reopening trade and transformational trend
- Addition of simple purchase model to enviable moat of subscription business

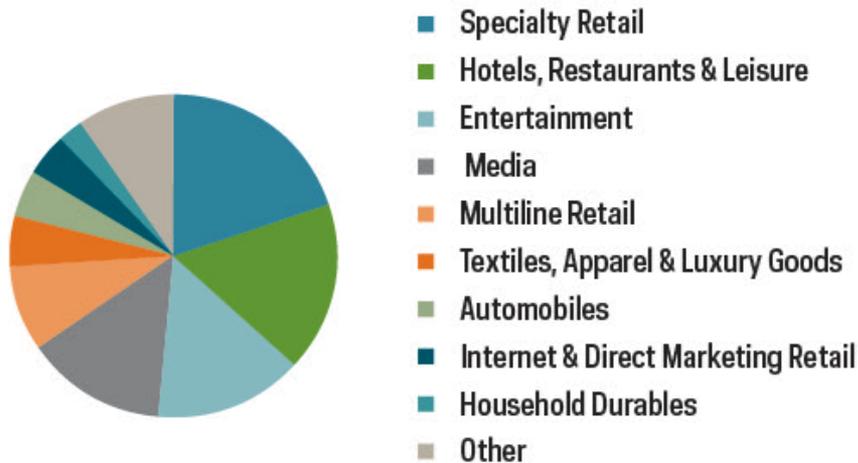
A convertible note is a debt instrument that is convertible into shares of the issuer.

Accessing E-commerce

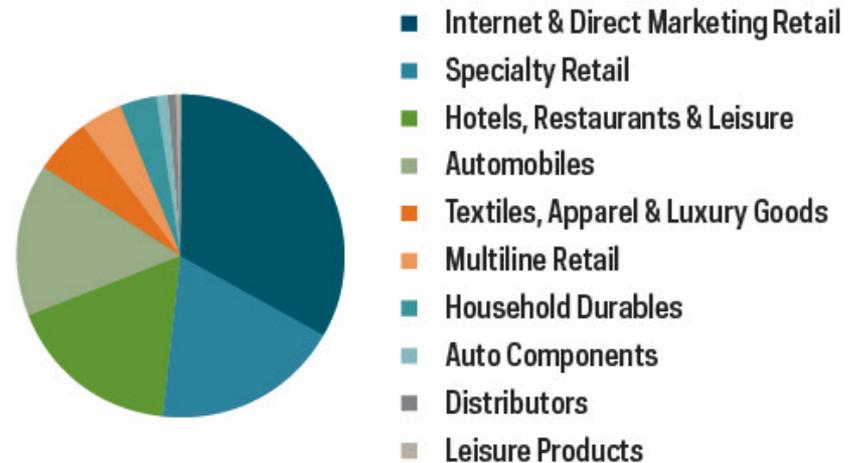
Sector Versus Theme?

Industries in the S&P Consumer Discretionary Sector: Then and Now

3/31/2010



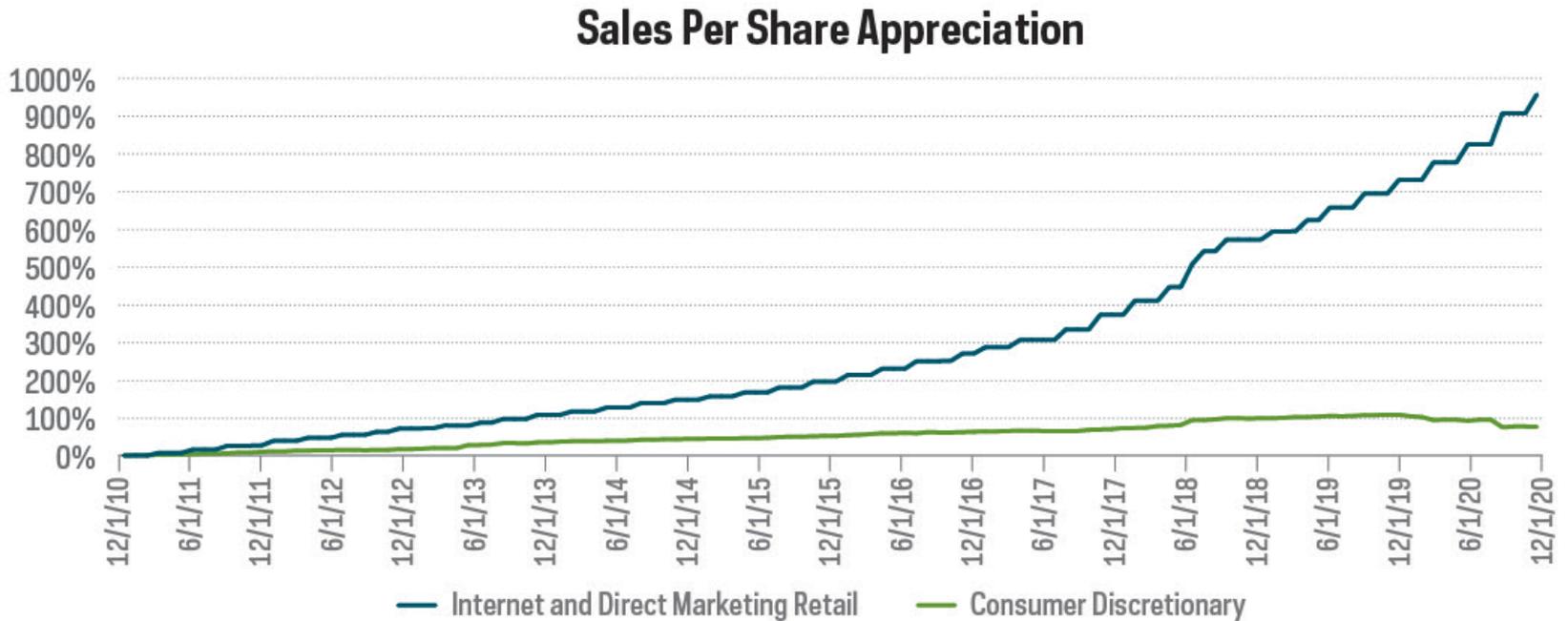
3/31/2021



Source: Bloomberg, data as of 3/31/2021

Focus on Digital First Companies

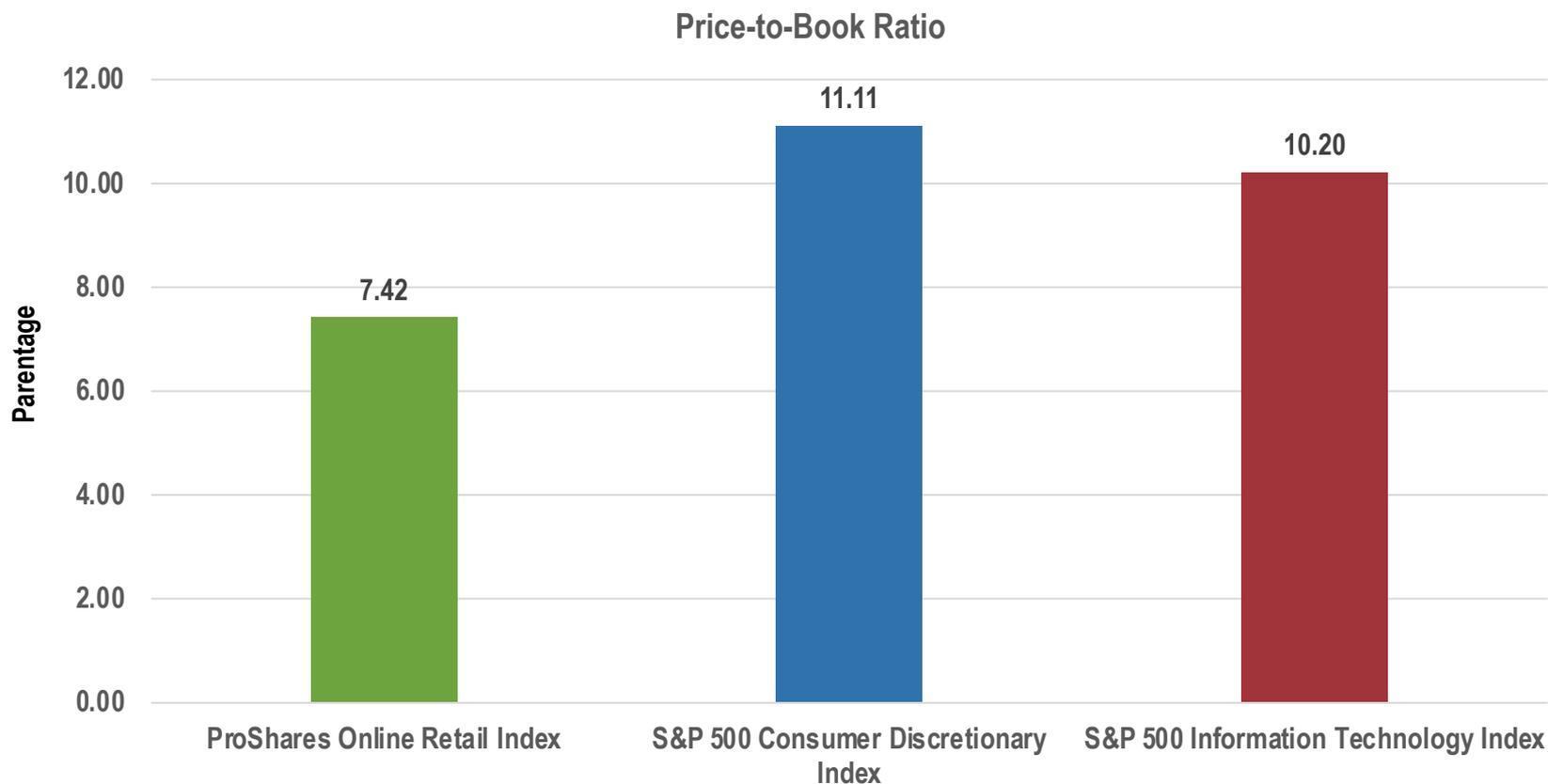
Internet Retail Sales Growth Breaks Away



Source: Bloomberg, data as of 3/31/2021

Note: The Internet and Catalog Retail Industry in the Consumer Discretionary Sector includes mail order and door-to-door retailers, TV home shopping retailers, and companies providing retail services primarily on the Internet not classified elsewhere.

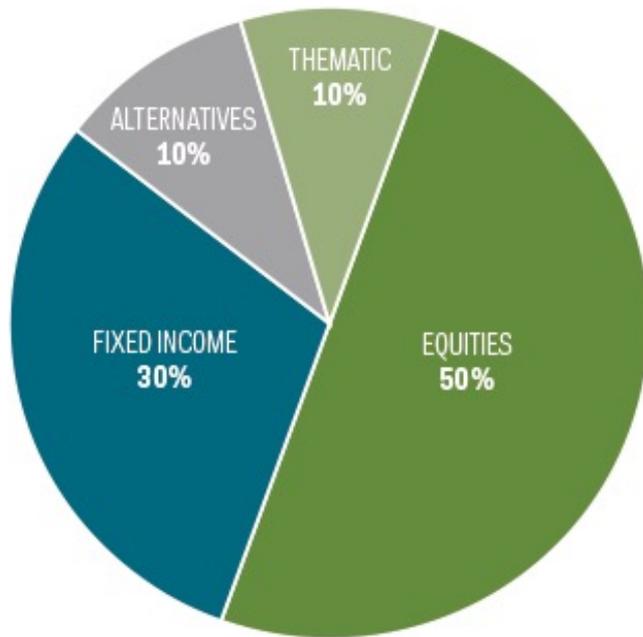
Online Retail – Transformational Change and Valuation Opportunity



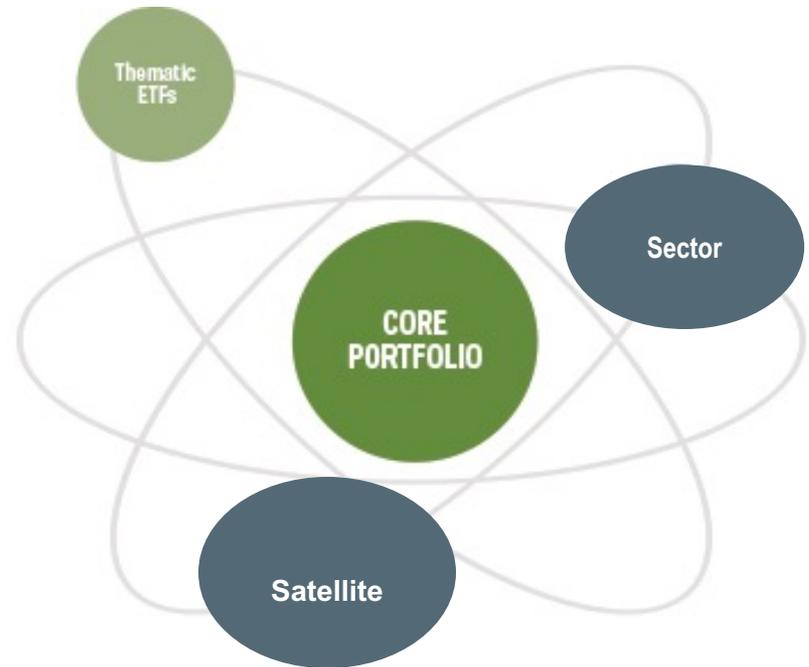
Source: Bloomberg, data as of 3/31/2021. Price-to-book ratio measures the market's valuation of a company relative to its book value.

Using Thematic ETFs in a Portfolio

A Thematic “Growth” Allocation



Core Satellite



For illustrative purposes only.

A Reminder About Risk And Prospectus

As of 3/31/2021, ONLN allocations included 25.38% to Amazon, 11.40% to Alibaba, 3.79% to Chewy, 5.88% to Wayfair, 4.70% to Etsy, 4.63% to Qurate Retail Inc, 3.80% to Stitch Fix, 1.70% to Pinduoduo Inc., 3.60% to Stamps.com, and 0% allocations to Walmart, Macy's and Target. CLIX included long-side allocations of 25.37% to Amazon, 11.42% to Alibaba, 3.80% to Chewy, 5.89% to Wayfair, 4.71% to Etsy, 4.64% to Qurate Retail Inc., 3.08% to Stitch Fix, 1.70% to Pinduoduo Inc., and 3.60% to Stamps.com. CLIX short-side exposure included 2.12% to Walmart, 2.16% to Macy's and 2.25% to Target. Holdings are subject to change.

Any forward-looking statements herein are based on expectations of ProShare Advisors LLC at this time. ProShare Advisors LLC undertakes no duty to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Investing is currently subject to additional risks and uncertainties related to COVID-19, including economic, market and business conditions; changes in laws or regulations or other actions made by governmental authorities or regulatory bodies; and world economic and political developments.

Shares of any ETF are generally bought and sold at market price (not NAV) and are not individually redeemed from the fund. Brokerage commissions will reduce returns.

A Reminder About Risk And Prospectus

Investing involves risk, including the possible loss of principal. These ProShares ETFs entail certain risks, which may include risks associated with the use of derivatives (such as swap agreements, futures contracts and similar instruments), imperfect benchmark correlation, leverage and market price variance, all of which can increase volatility and decrease performance. CLIX's short positions are not intended to hedge the portfolio in market downturns, but rather to allow stocks with unfavorable outlooks to contribute to performance.

Short positions lose value as security prices increase. Investments in the consumer discretionary and retailing industries are subject to risks such as changes in domestic and international economies, interest rates, competition and consumer confidence; disposable household income; consumer tastes and preferences; intense competition; changing demographics; marketing and public perception; and dependence on third-party suppliers and distribution systems.

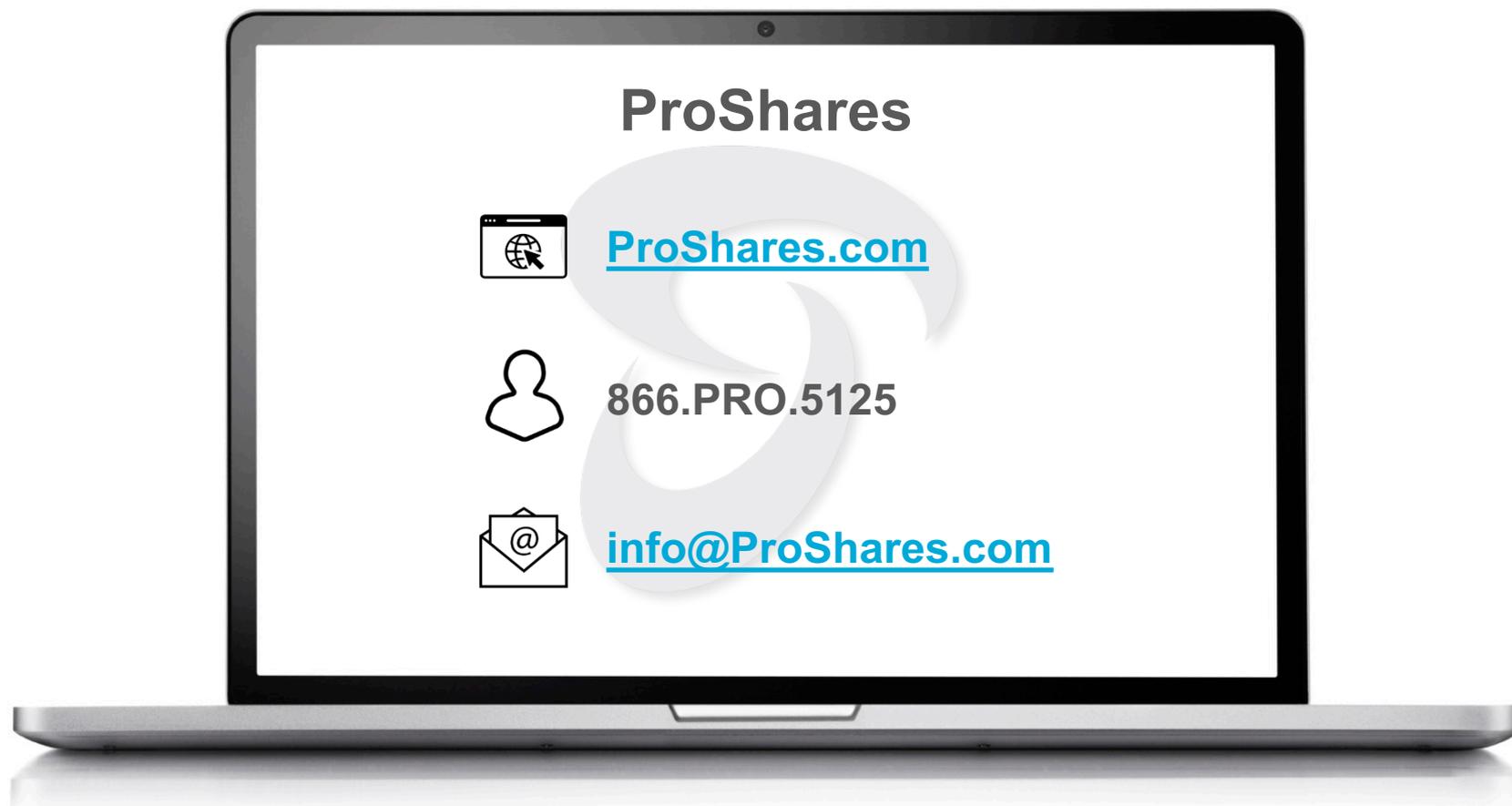
Investments in smaller companies typically exhibit higher volatility. Small- and mid-cap companies may have limited product lines or resources, may be dependent upon a particular market niche and may have greater fluctuations in price than the stocks of larger companies. In addition, small- and mid-cap companies may lack the financial and personnel resources to handle economic or industry-wide setbacks and, as a result, such setbacks could have a greater effect on small- and mid-cap security prices. CLIX and ONLN invest in international investments, which may involve risks from: geographic concentration, differences in valuation and valuation times, unfavorable fluctuations in currency, differences in generally accepted accounting principles, and from economic or political instability. In emerging markets, many risks are heightened, and lower trading volumes may occur.

Please see their summary and full prospectuses for a more complete description of risks. There is no guarantee any ProShares ETF will achieve its investment objective.

Carefully consider the investment objectives, risks, charges and expenses of ProShares before investing. This and other information can be found in their summary and full prospectuses. Read them carefully before investing. Obtain them from your financial advisor or broker-dealer representative or visit ProShares.com.

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