

Market overview

During the third quarter, interest rates decreased across the yield curve, reversing course from the first half of the year. August saw increased volatility in risk assets over concerns of a cooling labor market as unemployment rate edged higher. Inflation remained subdued, however, suggesting the Federal Reserve’s dual mandate is becoming more balanced. In response to these shifting economic conditions, the Federal Reserve lowered the target rate by 50 basis points at the September FOMC meeting, the first decrease in over four years. Bonds rallied in anticipation of the decision, with 10-year U.S. Treasury yields down by 62 basis points and 2-year U.S. Treasury yields down by 111 basis points during the quarter. The Bloomberg U.S. Aggregate Bond Index posted gains of 5.2%, while investment-grade credit spreads narrowed by 5 basis points during the period. The U.S. investment-grade corporate bond market outperformed the aggregate bond index by 0.6%, as tracked by the Bloomberg U.S. Corporate Bond Index.

Performance

IGHG gained 2.5% over the third quarter based on NAV, underperforming the U.S. investment-grade corporate bond market by 3.3%. Credit spread narrowing positively impacted IGHG’s performance, and the embedded interest rate hedge helped shield the strategy from changes in rates.

Fund performance and index history ¹	3Q 2024	YTD	1-Year	3-Year	5-Year	10-Year	Fund Inception 11/5/13
ProShares Investment Grade—Interest Rate Hedged							
IGHG NAV Total Return	2.51%	6.09%	9.51%	5.09%	4.54%	3.40%	3.36%
IGHG Market Price Total Return	2.28%	5.79%	9.62%	5.08%	4.50%	3.26%	3.34%
FTSE Corporate Investment Grade (Treasury Rate-Hedged) Index	2.34%	6.10%	10.02%	5.65%	4.89%	3.69%	3.70%
Bloomberg Barclays US Corp TR (LUACTRUU)	5.84%	5.32%	14.28%	-1.18%	1.16%	2.92%	3.22%

Sources: ProShares and Morningstar. Periods greater than one year are annualized.

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. Shares are bought and sold at market price (not NAV) and are not individually redeemed from the fund. Market price returns are based upon the midpoint of the bid/ask spread at 4:00 p.m. ET (when NAV is normally determined for most funds) and do not represent the returns you would receive if you traded shares at other times. Brokerage commissions will reduce returns. 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 visiting ProShares.com. Index performance does not reflect any management fees, transaction costs or expenses. Indexes are unmanaged, and one cannot invest directly in any index.

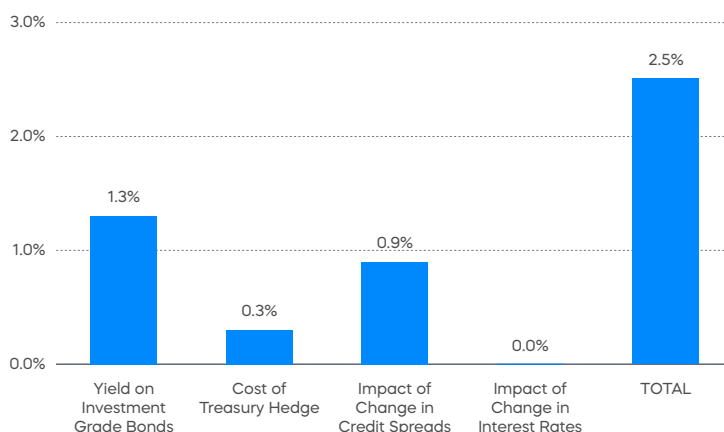
Sources: FactSet, Bloomberg. All attribution numbers above are estimated and are not exact. IGHG’s total operating expenses are 0.30%. As of 9/30/24. IGHG’s 30-day SEC yield was 4.53%. “30-day SEC yield” is a standard yield calculation developed by the Securities and Exchange Commission that allows investors to more fairly compare funds.¹ Market returns are based on the composite closing price and do not represent the returns you would receive if you traded shares at other times. The first trading date is typically several days after the fund inception date. Therefore, NAV is used to calculate market returns prior to the first trade date.

Performance contribution

IGHG consists of a portfolio of diversified investment-grade bonds, combined with short positions in Treasury futures that are designed to offset the interest rate risk inherent in investment grade bonds. The fund's performance can be broken into these components: 1) investment grade bond yields, 2) the cost of the Treasury hedge, 3) the impact of credit spread changes, and 4) the impact of interest rate changes.

During the quarter, IGHG's bond portfolio yielded approximately 1.3%, while the Treasury hedge gained roughly 0.3%. The strategy had gains of approximately 0.9% from credit spreads narrowing. Because of the interest rate hedge constructed within the portfolio, the strategy experienced approximately zero impact from interest rate movements during the quarter.

3rd Quarter 2024 IGHG Contribution Analysis



ProShares makes reasonable efforts to obtain content from sources it believes to be reliable but cannot guarantee that the information is correct, accurate, complete or reliable. This material, other than historical fund performance, is not designed to represent the performance of a specific investment or to make any recommendation. Any forward-looking statements herein are based on expectations of ProShare Advisors LLC at this time. ProShares Advisors LLC undertakes no duty to update or revise any forward-looking statements as a result of new information, future events or otherwise.

Investing involves risk, including the possible loss of principal. This ProShares ETF entails certain risks, including risks associated with the use of derivatives (swap agreements, futures contracts and similar instruments), imperfect benchmark correlation, leverage and market price variance, all of which can increase volatility and decrease performance. Please see the summary and full prospectuses for a more complete description of risks. **There is no guarantee any ProShares ETF will achieve its investment objective.**

Bonds will generally decrease in value as interest rates rise.

Short positions in a security lose value as that security's price increases.

The fund concentrates its investments in certain sectors. Narrowly focused investments typically exhibit higher volatility.

IGHG does not attempt to mitigate factors other than rising Treasury interest rates that impact the price and yield of corporate bonds, such as changes to the market's perceived underlying credit risk of the corporate entity. IGHG seeks to hedge investment grade bonds against the potential negative impact of rising Treasury interest rates by taking short positions in U.S. Treasury futures. These positions lose value as Treasury prices increase. Investors may be better off in a long-only investment grade investment than investing in IGHG when interest rates remain unchanged or fall, as hedging may limit potential gains or increase losses. No hedge is perfect. Because the duration hedge is reset on a monthly basis, interest rate risk can develop intra-month, and there is no guarantee the short positions will completely eliminate interest rate risk. Furthermore, while IGHG seeks to achieve an effective duration of zero, the hedge cannot fully account for changes in the shape of the Treasury interest rate (yield) curve. IGHG may be more volatile than long-only investment grade bond investments. Performance of IGHG could be particularly poor if investment grade credit deteriorates at the same time that Treasury interest rates fall. There is no guarantee the fund will have positive returns.

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 professional or visit ProShares.com. ProShares are not suitable for all investors.

Star rating is © 2024 Morningstar, Inc. All Rights Reserved. The Morningstar information contained herein: (1) is proprietary to Morningstar; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange traded funds and open-ended mutual funds are considered a single population for comparative purposes. Star ratings are calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The Morningstar Rating does not include any adjustment for sales loads. The top 10% of products in each product category receive five stars, the next 22.5% receive four stars, the next 35% receive three stars, the next 22.5% receive two stars, and the bottom 10% receive one star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five- and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. IGHG was rated against the following numbers of U.S.-domiciled Nontraditional Bond funds for the following time periods: 272 for the last three years, 246 for the last five years, and 171 for the last 10 years ending 9/30/24. With respect to these Nontraditional Bond funds, IGHG received a Morningstar Rating of 5 stars for the three-year period, 4 stars for the five-year period, and 4 stars for the ten-year period. Past performance is no guarantee of future results.

"FTSE®" and "FTSE Corporate Investment Grade (Treasury Rate-Hedged)" have been licensed for use by ProShares. FTSE is a trademark of the London Stock Exchange Plc and The Financial Times Limited and is used by FTSE International Limited ("FTSE") under license. ProShares have not been passed on by FTSE or its affiliates as to their legality or suitability. ProShares based on the FTSE Corporate Investment Grade (Treasury Rate-Hedged) Index are not sponsored, endorsed, sold or promoted by FTSE or its affiliates, and they make no representation regarding the advisability of investing in ProShares. **THIS ENTITY AND ITS AFFILIATES MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO PROSHARES.** ProShares are distributed by SEI Investments Distribution Co., which is not affiliated with the fund's advisor.

For financial professional use only. This material is not for public distribution. No permission is granted to sell, copy, publish, reproduce, distribute or modify this material, in whole or in part, without the advance, express, written permission of ProShares.

©2024 PSA RE-2024-7165178.1