

### Market overview

Equity volatility increased during the third quarter of 2024, with the VIX spiking and stocks sharply selling off in early August due to concerns over a cooling labor market. 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 62 basis points and 2-year U.S. Treasury yields down by 111 basis points during the quarter. Despite the heightened volatility, equities closed the quarter on a positive note, with the S&P 500® up 5.9%. Additionally, the S&P 500 Equal Weighted Index (9.6%) outperformed the S&P 500, indicating a shift in market leadership. However, the VIX remained elevated compared to levels seen in the first half of the year.

Among the eleven S&P 500 sectors, all except the energy sector posted gains during the third quarter, with utilities (19.4%) and real estate (17.2%) leading the gains. In contrast, communication services and information technology, which had outperformed in the first half of the year, lagged the broader equity market during the third quarter.

### Performance

Powered by a daily covered call strategy that sells one-day call options each day, ISPY's index, the S&P 500 Daily Covered Call Index, outperformed a traditional monthly strategy index, the CBOE S&P 500 BuyWrite Index, by 0.7% during the third quarter (6.3% vs. 5.5%). Over the same period, ISPY's index outperformed the S&P 500 by 0.4% (6.3% vs. 5.9%). In terms of income, the annualized index rate\* for the third quarter was 12%.

Fund performance and index history <sup>1</sup>	3Q 2024	6-Month	YTD	Fund Inception 12/18/23
ProShares S&P 500 High Income ETF				
ISPY NAV Total Return	6.16%	10.54%	19.45%	20.46%
ISPY Market Price Total Return	6.23%	10.60%	19.46%	20.65%
S&P 500 Daily Covered Call Index	6.29%	11.04%	20.43%	21.49%
S&P 500 Index	5.89%	10.42%	22.08%	22.89%

Source: ProShares and Morningstar. Periods greater than one year are annualized. ISPY gains exposure to the sale of daily call options using swap agreements and does not trade options.

*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. <sup>1</sup>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.*

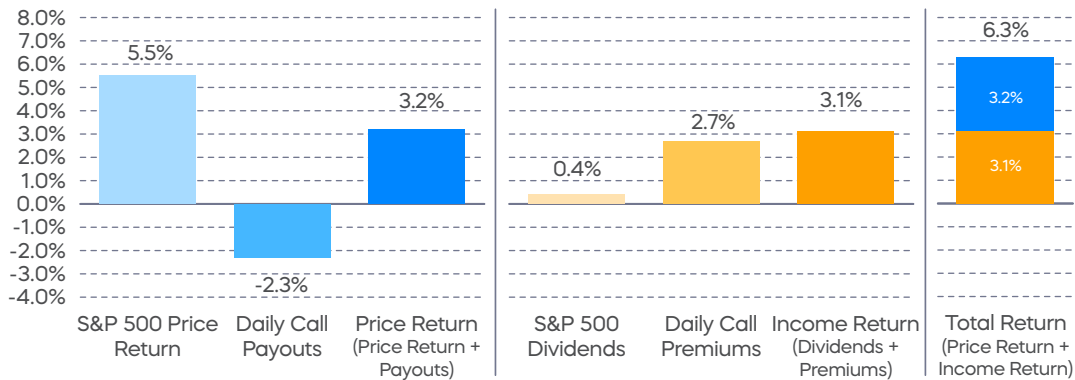
\*The annualized index rate reflects the dividend and call premium income earned by the Index for the period from 7/1/24–9/30/24, on an annualized basis, as measured by the S&P 500 Daily Covered Call Index - Income Only, a sub-index that measures the cash received by the Index from dividends and call option premiums. The annualized index rate assumes that the income received from 7/1/24–9/30/24 would remain the same, but future income may differ significantly and is not guaranteed. The annualized index rate reflects dividend and call premium income from a short period of time only and does not reflect total returns or other distributions. The index has a very limited performance history, which should not be taken as an indication of future performance. Indexes are unmanaged and do not include the effect of fees. One cannot invest directly in an index. Past performance does not guarantee future results. The annualized index rate is for illustrative purposes only does not represent actual performance received by any investor.

## Performance contribution

ISPY follows a strategy that consists of a long position in the S&P 500 Total Return Index and a short position in a one-day, out-of-the-money S&P 500 call option. The strategy's performance can be broken into the following components: 1) S&P 500 price return, 2) S&P 500 dividends, 3) daily call premiums, and 4) the payouts required when options sold expire in the money.

During the quarter, the strategy saw gains of approximately 5.5% from S&P 500 price return. Net of daily call payouts totaling -2.3%, the strategy's price return contribution for the quarter was 3.2%. As for income, ISPY's strategy saw gains of 0.4% from S&P 500 dividends and gains of 2.7% from daily call premiums, bringing the total income contribution for the quarter to 3.1%. Combining the contributions of price return and income, the strategy had a 6.3% total return.

### 3rd Quarter 2024 Contribution Analysis



Price Return equals S&P 500 Price Return plus Daily Call Payouts. Income Return equals S&P 500 Dividends plus Daily Call Premiums. Total Return equals the Price Return total plus the Income Return total.

<sup>1</sup>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 trading date.

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.

The Fund seeks to replicate a daily covered call strategy by investing in equity securities and derivatives. The Fund does not sell (write) call options.

The S&P 500 Daily Covered Call Index replicates the performance of a covered call investment strategy that combines a long position in the S&P 500 Index with a short position in S&P 500 Index call options. In particular, the index is designed to replicate a daily covered call strategy that sells call options with one day to expiration each day. The Fund intends to make distributions each month of an amount that reflects the dividends and call premium income earned by a daily S&P 500 Index covered call strategy (net of expenses). There can be no guarantee that the Fund will make such distributions and the amount of such distributions, if any, may vary significantly from month to month. A significant portion of such distributions may be characterized as a return of capital.

**Investing involves risk, including the possible loss of principal.** This ProShares ETF is non-diversified and entails certain risks, including risks associated with the use of derivatives (swap agreements, futures contracts and similar instruments), imperfect benchmark correlation, and market price variance, all of which can increase volatility and decrease performance. Please see summary and full prospectuses for a more complete description of risks.

**There is no guarantee any ProShares ETF will achieve its investment objective.**

The performance of the Fund may not correspond to the performance of the S&P 500 Index, the Fund may not be successful in generating income for investors, and the fund may not capture returns that traditional covered call strategies may sacrifice.

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