

Market overview

Markets reacted unfavorably during the first quarter of 2025 after a string of weakening soft economic releases, including declines in consumer sentiment and business surveys. Meanwhile, 1-year inflation swaps climbed 72 basis points to 3.25%. The Federal Reserve held policy rates steady throughout the quarter amid elevated uncertainty. However, fed-funds futures shifted to price in three 25-basis-point rate cuts in 2025, up from two at the start of the year. Over the quarter, both the 2-year and 10-year Treasury yields decreased by 36 bps. The Bloomberg U.S. Aggregate Bond Index posted gains of 2.8%, while investment-grade credit spreads widened by 14 bps during the period. The U.S. investment-grade corporate bond market underperformed the broader bond market by 0.5%, as tracked by the Bloomberg U.S. Corporate Bond Index.

Performance

IGHG fell 0.7% over the first quarter based on NAV, underperforming the U.S. investment-grade corporate bond market by 3%. Credit spread widening negatively impacted IGHG's performance, and the embedded interest rate hedge helped shield the strategy from changes in rates during the quarter.

Fund performance and index history ¹	1Q 2025	YTD	1 YR	3 YR	5 YR	10 YR	Fund Inception 11/5/13
ProShares Investment Grade—Interest Rate Hedged							
IGHG NAV Total Return	-0.73%	-0.73%	5.79%	6.98%	7.44%	3.80%	3.39%
IGHG Market Price Total Return	-0.79%	-0.79%	5.84%	7.09%	7.51%	3.78%	3.41%
FTSE Corporate Investment Grade (Treasury Rate-Hedged) Index	-0.78%	-0.78%	5.68%	7.47%	7.91%	4.05%	3.72%
Bloomberg Barclays US Corp TR (LUACTRUU)	2.31%	2.31%	4.90%	1.14%	1.51%	2.43%	3.00%

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



MORNINGSTAR RATING

Overall Morningstar Rating out of 260 Nontraditional Bond funds based on risk-adjusted returns as of 3/31/25.

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.

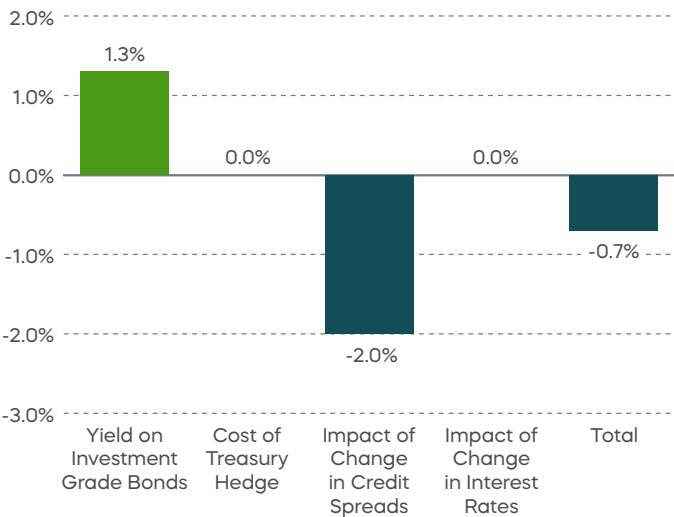
Sources: FactSet, Bloomberg. All attribution numbers above are estimated and are not exact. IGHG's total operating expenses are 0.30%. As of 3/31/25, IGHG's 30-day SEC yield was 5.11%. "30-day SEC yield" is a standard yield calculation developed by the Securities and Exchange Commission that allows investors 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 did not change. The strategy had losses of approximately 2% from credit spreads widening. Because of the interest rate hedge constructed within the portfolio, the strategy experienced approximately zero impact from interest rate movements during the quarter.

1st Quarter 2025 IGHG Contribution Analysis



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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.

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