



PROSHARES EQUITIES FOR RISING RATES ETF

Market overview

Despite a rally to end the period, U.S. equity markets declined in the first quarter, with the S&P 500 posting losses of 4.6%. Rising interest rates, uncomfortably high and persistent inflation readings, and Russia's invasion of Ukraine combined to form significant headwinds for most stocks. The Fed also raised its federal funds rate during the period, the first of several hikes expected over the coming quarters. Despite these challenges, economic readings continued to show resilience, especially labor markets, where the unemployment rate fell to 3.6% in March. Only two sectors within the S&P 500 posted positive returns during the quarter. Energy was the top performer, up 39%, and utilities rose 5%. Communication services, meanwhile, fell 12%.

Performance

During the first quarter, EQRR's benchmark, the Nasdaq U.S. Large Cap Equities for Rising Rates Index, returned 6.7%, outperforming the S&P 500 by an impressive 11.3%. Sector allocation effects drove the strategy's outperformance, though stock selection impacts were a minor detractor.

Fund performance and index history¹

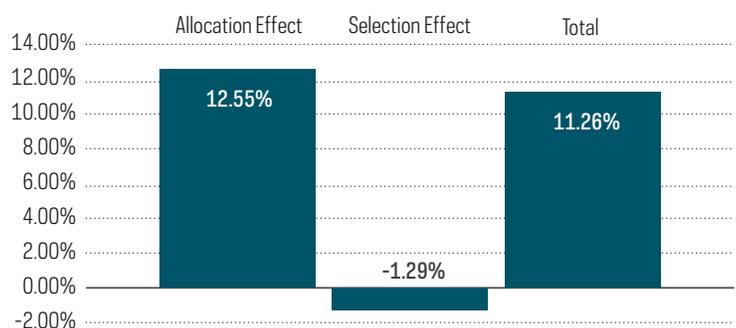
	1Q 2022	YTD	1-Year	3-Year	5-Year	Fund Inception 7/24/2017
ProShares Equities for Rising Rates ETF						
EQRR NAV Total Return	6.55%	6.55%	20.44%	11.78%	—	8.89%
EQRR Market Price Total Return	6.19%	6.19%	19.84%	11.78%	—	8.81%
Nasdaq U.S. Large Cap Equities for Rising Rates Index						
	6.66%	6.66%	20.93%	12.30%	—	9.32%
S&P 500 Index						
	-4.60%	-4.60%	15.65%	18.92%	15.99%	15.90%

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

Attribution

EQRR's strategy is designed to outperform traditional U.S. large-cap indexes during periods of rising rates. It targets sectors that have had the highest correlations to 10-year Treasury yields and within those sectors, the stocks that have had a strong tendency to outperform as rates rise. The largest relative contributors at the sector level came from energy, information technology and communication services. The strategy's largest overweight was to energy, which helped to bolster returns as the sector was the top performer for the period. The strategy's underweight to some of the worst performing sectors, such as information technology and communication services, also helped boost relative performance. (Continued on page 2)

Contribution to Relative Performance vs. S&P 500



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.

	Average Relative Over/Underweight	S&P 500 Sector Performance
Energy	26.6%	39.0%
Financials	21.4%	-1.5%
Materials	15.5%	-2.4%
Industrials	0.7%	-2.2%
Utilities	-2.6%	4.7%
Real Estate	-2.7%	-6.2%
Consumer Staples	-6.1%	-1.0%
Communication Services	-9.3%	-11.9%
Consumer Discretionary	-12.0%	-9.0%
Health Care	-13.3%	-2.6%
Information Technology	-18.1%	-8.4%

Attribution (continued)

At the stock level, all three of the top contributors to relative performance were energy stocks. Occidental Petroleum Corp. was up nearly 100% during the period. It was able to deliver an impressive beat on earnings, benefiting in part from a rise in commodity prices last year. Hess Corp and Devon Energy were also able to deliver earnings above expectations during the period and saw their stock prices benefit. On the other side of the spectrum, top detractors to the strategy's performance all came from the financial sector. Some of the financial stocks within EQRR's strategy posted disappointing returns, including both SVB Financial Group and First Republic Bank. The strategy's lack of exposure to Berkshire Hathaway Inc. also detracted from performance, as the stock was up 18% and held an average weight of 1.6% within the S&P 500 during the quarter.

Stock ²	Sector	1Q 2022 Performance	S&P 500 Weight ⁴	EQRR's Index Weight ³	Contribution to Relative Performance
Positive Contributors					
Occidental Petroleum Corp.	Energy	96.17%	0.10%	3.61%	2.45%
Hess Corp.	Energy	45.16%	0.07%	3.04%	1.19%
Devon Energy Corp.	Energy	36.52%	0.09%	3.00%	1.08%
Negative Contributors					
SVB Financial Group	Financials	-17.51%	0.09%	2.29%	-0.57%
First Republic Bank	Financials	-21.40%	0.08%	2.18%	-0.49%
Berkshire Hathaway Inc. Class B	Financials	18.03%	1.56%	0.00%	-0.34%

Treasury yields rose across the curve during the first quarter, proving to be a prime environment for the strategy's performance relative to traditional large-cap strategies. Despite the recent uptick, as of March 31, the real (or inflation-adjusted) yield on the 10-year Treasury was still negative. Moving forward, we anticipate interest rates to continue to normalize. If this proves to be the case, EQRR's strategy could continue to enjoy an extended period of outperformance.

Source: FactSet, Bloomberg. EQRR's total operating expenses are 0.35%. ¹Market 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.

²Holdings are subject to change. ³EQRR's average index weight from 1/1/22 - 3/31/22. ⁴S&P 500 average weight from 1/1/22 - 3/31/22.

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The fund is designed to provide relative outperformance, as compared to traditional U.S. large-cap indexes, such as the S&P 500, during periods of rising U.S. Treasury interest rates. As a result, the fund may be more susceptible to underperformance in a falling rate environment. There can be no guarantee that the fund will provide positive returns or outperform other indexes.

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

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