ProShares

HYHG

QUARTERLY PERFORMANCE REVIEW As of 3/31/22

PROSHARES HIGH YIELD—INTEREST RATE HEDGED

Market overview

The U.S. corporate bond market suffered headwinds from both rising Treasury yields and widening credit spreads during the first quarter, ending the period down 7.7% as tracked by the Bloomberg U.S. Corporate Bond Index. Continuous upticks in inflation elevated expectations of how hawkish the Federal Reserve would be this tightening cycle, with the Fed raising the federal funds rate in March. The 2-year Treasury yield rose 160 bps during the first quarter, while the 5-year yield rose 120 bps. The U.S. high-yield bond market outperformed the investment-grade market, but still fell 4.8% as measured by the Bloomberg U.S. Corporate High Yield Index. While high-yield credit spreads widened more than investment-grade spreads, at 38 bps and 22 bps, respectively, the duration (or interest rate sensitivity) of the high-yield bond market was significantly less than that of the investment-grade bond market. As of March 31, the duration of the high-yield market stood at 3.9 versus 8.2 for investment-grade bonds.

Performance

HYHG posted slightly positive returns of 0.3% for the period, based on NAV, and outperformed the standard U.S. high-yield bond market. The income generated by the bonds within the portfolio was enough to offset the headwinds faced by widening credit spreads.

Morningstar Overall Rating

★★★★

Overall Morningstar Rating out of 297 Nontraditional Bond funds based on risk adjusted returns as of 3/31/2022.

Fund performance and index history[1]

	1Q 2022	Year to Date	1-Year	3-Year	5-Year	Fund Inception 5/21/13
ProShares High Yield—Interest Rate Hedged						
HYHG NAV Total Return	0.32%	0.32%	3.80%	3.53%	3.62%	2.65%
HYHG Market Price Total Return	0.20%	0.20%	3.26%	3.48%	3.64%	2.65%
FTSE Corporate High Yield (Treasury Rate-Hedged) Index	0.11%	0.11%	4.05%	3.84%	4.16%	3.44%
Bloomberg U.S. Corporate High Yield Index	-4.84%	-4.84%	-0.66%	4.57%	4.69%	4.75%

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.

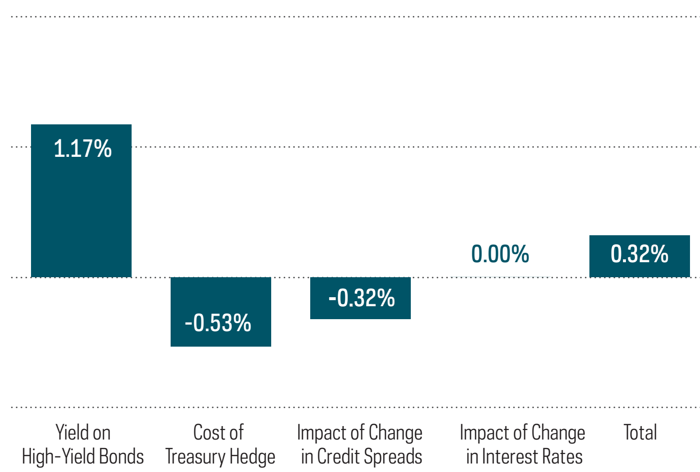
Sources: FactSet, Bloomberg. All attribution numbers above are estimated and are not exact. HYHG's total operating expenses are 0.50%. As of 3/31/22, HYHG's 30-day SEC yield was 5.76%. "30-day SEC yield" is a standard yield calculation developed by the Securities and Exchange Commission that allows investors 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 trading date.

Performance attribution

The strategy consists of a portfolio of diversified high-yield bonds, combined with short positions in Treasury futures that are designed to offset the interest rate risk inherent in high-yield bonds. The strategy's performance can be broken into these components: 1) high-yield 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, HYHG's bond portfolio yielded approximately 1.2%, while the cost of the Treasury hedge came to roughly 0.5%. The strategy had losses of approximately 0.3% from credit spread widening during the quarter. Because of the interest rate hedge constructed within the portfolio, the strategy experienced approximately zero impact from interest rate movements during the period.

1Q 2022 HYHG Contribution Analysis



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Investing is currently subject to additional risks and uncertainties related to COVID-19, including general 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.

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.

High-yield bonds may involve greater levels of credit, liquidity and valuation risk than higher-rated instruments. High-yield bonds are more volatile than investment-grade securities, and they involve a greater risk of loss (including loss of principal) from missed payments, defaults or downgrades because of their speculative nature.

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.

The index does not attempt to mitigate factors other than rising 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.

HYHG seeks to hedge high-yield bonds against the potential negative impact of rising Treasury interest rates by taking short positions in U.S. Treasury futures. The short positions are not intended to mitigate credit risk or other factors influencing the price of the bonds, which may have a greater impact than rising or falling interest rates. No hedge is perfect, and there is no guarantee the short positions will completely eliminate interest rate risk. Investors may be better off in a long-only high-yield investment when interest rates fall than investing in HYHG, where hedging may limit potential gains or increase losses. Performance could be particularly poor during risk-averse, flight-to-quality environments, when high-yield bonds commonly decline in value. HYHG may be more volatile than long-only high-yield bond investments. HYHG may contain a significant allocation to callable high-yield bonds, which are subject to prepayment and other risks that could result in losses for the fund. 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.

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