



PROSHARES ONLINE RETAIL ETF

The online retail investment opportunity

Online retail sales are soaring.

Online retail is here to stay: It's changed the retail landscape, how we think and make consumer decisions, and the way we make purchases. With its ease and convenience, online retail sales have skyrocketed around the world. Likewise, here in the United States, online retail sales continue to increase.

Online retail's share of total retail sales is on pace to more than double in the United States alone

2018	2030
About 10%	Over 25%

It's just the beginning.

Surprisingly, despite online retail's prevalence, it accounts for only about 10% of U.S. retail sales. This means there's room for substantial online retail growth—especially as mobile devices proliferate and internet connections get faster. Additionally, more retail goods are becoming available online—such as groceries and streaming media. These factors set the stage for online retail growth domestically and around the world.

Online retail growth factors



200 million people got their first mobile device in 2017



¼ billion people went online for the first time in 2017



Double-digit online sales growth continues in emerging markets

Not all online retailers are created equal.

There's a wide range of online retailers. They vary in size and focus, and some are parts of larger retail companies while others are online only. It's difficult to know where you should invest. But there are juggernauts that are transforming the way we shop. Dominant names like Amazon, Alibaba, Netflix and Etsy have the potential to deliver growth over the long term.



ONLN: An ETF focused on the companies reshaping online retail

Investors looking to take advantage of the growth potential of online retail may want to consider ProShares Online Retail ETF (ONLN). ONLN's strategy pinpoints retailers that principally sell online or through other non-store channels. It focuses on the largest players in the space—iconic companies like Amazon and Alibaba—whose rise is reshaping the retail world.

ONLN tracks the largest online retailers in a specialized index

The ProShares Online Retail Index tracks the largest U.S. and non-U.S. retailers that principally sell online or through other non-store channels. It offers a view of the companies that are delivering the new retail reality to the world.

Companies are classified as:

Online
Retailer

E-Commerce
Retailer

Internet or
Direct-Market
Retailer

Each company has a market
capitalization of at least

\$500million

And has a six-month daily
average value traded of at least

\$1million

Index and fund holdings as of December 2018

	INDEX	ONLN		INDEX	ONLN
Amazon.Com Inc.	23.89%	24.33%	MercadoLibre Inc.	3.08%	2.83%
Alibaba Group Holding-Sp ADR	15.98%	14.98%	JD.Com Inc.	3.06%	3.22%
Chegg Inc.	4.55%	5.26%	Vipshop Holdings Ltd.	2.94%	3.12%
Groupon Inc.	4.54%	5.04%	Duluth Holdings Inc.	2.35%	2.25%
eBay Inc.	4.52%	4.69%	Stitch Fix Inc.	2.35%	2.19%
Qurate Retail Inc.	4.52%	4.22%	PetMed Express, Inc.	1.59%	1.47%
Netflix Inc.	4.50%	4.82%	Overstock.Com Inc.	1.49%	1.33%
Wayfair Inc.	4.50%	4.72%	Lands' End Inc.	1.46%	1.40%
Etsy Inc.	4.50%	4.70%	1-800-Flowers.Com, Inc.-Class A	1.37%	1.33%
Shutterfly Inc.	4.35%	3.91%	Blue Apron Holdings Inc.	0.28%	0.24%
Nutrisystem Inc.	4.17%	3.95%			

Modified market capitalization weighting

The index uses a modified market capitalization-weighted approach, which enables it to place greater emphasis on category-leading names. It is rebalanced monthly and reconstituted annually. When the index is rebalanced, it is weighted so that:

- No company may exceed 24% of total index value.
- The sum of companies individually weighing more than 4.5% may not exceed 50% of index value.
- The total weight of all non-U.S. companies will be capped at 25% of index value.

Market capitalization and volume requirements are as of the time of selection. Source (holdings): ProShares. Index holdings are shown as of 12/26/18 to reflect the rebalance weights to be implemented at month end. Fund holdings are shown as of 12/31/18 and reflect post-rebalance weights. Constituents and fund holdings are subject to change. Sum of weightings may not equal 100% due to rounding; weightings may fluctuate between monthly rebalances.

About ProShares Online Retail ETF (ONLN)

Potential benefits of the fund

- **Opportunity to invest in the long-term retail disruption trend**
Only about 10% of global retail sales today are made online, and that figure could double by 2030 as digital connectivity expands, consumers become more comfortable online and retailers evolve.
- **Focus on retail companies**
ONLN's strategy pinpoints retailers that principally sell online or through other non-store channels, such as mobile or app purchases, and separates them from those that rely on bricks-and-mortar stores.
- **Access to iconic players that are reshaping the retail world**
Rather than restricting your investment to an individual company, ONLN makes it possible to gain exposure to multiple leaders in the rise of e-commerce through a single ticker.

Fund facts

Ticker Symbol: ONLN

Intraday Symbol: ONLN.IV

Bloomberg Index Symbol: PSONLINE

Investment Objective: ONLN seeks investment results, before fees and expenses, that track the performance of the ProShares Online Retail Index.

Inception: 7/13/2018

Key Considerations

- **Risks specific to the online marketplace**
Companies that operate in the online marketplace and retail segments are subject to fluctuating consumer demand and other risks.
- **Small- and mid-cap company exposure**
While ONLN's strategy focuses on the largest companies in the online retail industry, the index and fund are exposed to stocks of small- and mid-cap companies, which may have limited product lines or resources, may be dependent upon a particular market niche and may have greater fluctuations in price than the stocks of larger companies. Small- and mid-cap companies may lack the financial and personnel resources to handle economic or industry-wide setbacks and, as a result, such setbacks could have a greater effect on small- and mid-cap security prices.
- **See prospectus**
For more on risks, obtain a prospectus from your financial advisor or visit ProShares.com.

About ProShares

ProShares has been at the forefront of the ETF revolution since 2006. ProShares now offers one of the largest lineups of ETFs, with more than \$26 billion in assets. The company is the leader in strategies such as dividend growth, alternative and geared (leveraged and inverse). ProShares continues to innovate with products that provide strategic and tactical opportunities for investors to manage risk and enhance returns.

Find out more

Visit ProShares.com or consult your financial advisor.

Sources include: ProShares; Bloomberg; FTI Consulting 2017-2018 Online Retail Forecasts (online retail sales as proportion of total sales 2018; projected share of online retail sales in 2030); We Are Social/Hootsuite 2018 (200M get first mobile device, . billion people online for the first time); ResearchandMarkets.com 2018 (online sales growth in emerging markets). Any forward-looking statements herein are based on expectations of ProShare Advisors LLC at this time. Whether or not actual results and developments will conform to ProShare Advisors LLC's expectations and predictions, however, is subject to a number of risks and uncertainties, including general economic, market and business conditions, changes in laws or regulations or other actions made by governmental authorities or regulatory bodies, and other world economic and political developments. ProShare Advisors LLC undertakes no duty to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Investing involves risk, including the possible loss of principal. This ProShares ETF is non-diversified and entails certain risks, including imperfect benchmark correlation and market price variance, that may decrease performance. Investments in the consumer discretionary and retailing industries are subject to risks such as changes in domestic and international economies, interest rates, competition and consumer confidence; disposable household income; consumer tastes and preferences; intense competition; changing demographics; marketing and public perception; and dependence on third-party suppliers and distribution systems. Investments in smaller companies typically exhibit higher volatility. Smaller company stocks also may trade at greater spreads or lower trading volumes, and may be less liquid than stocks of larger companies. International investments may involve risks from: geographic concentration, differences in valuation and valuation times, unfavorable fluctuations in currency differences in generally accepted accounting principles, and from economic or political instability. In emerging markets, many risks are heightened, and lower trading volumes may occur. **There is no guarantee any ProShares ETF will achieve its investment objective.**

Carefully consider the investment objectives, risks, charges and expenses of ProShares before investing. This and other information can be found in summary and full prospectuses. Read them carefully before investing. Obtain them from your financial advisor or broker-dealer representative or visit ProShares.com. ProShares are not suitable for all investors.

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