



FACT SHEET As of 3/31/24

# PROSHARES HEDGE REPLICATION ETF

## Fund objective

ProShares Hedge Replication ETF seeks investment results, before fees and expenses, that track the performance of the Merrill Lynch Factor Model<sup>®</sup> – Exchange Series (MLFM-ES).

## Fund details

Inception Date	7/12/11
Trading Symbol	HDG
Intraday Symbol	HDG.IV
Bloomberg Index Symbol	MLEIFCTX
CUSIP	74347X294
Exchange	NYSE Arca
Net Assets	\$28.35 million
Gross Expense Ratio	2.11%
Net Expense Ratio <sup>1</sup>	0.95%

## About the fund

ProShares Hedge Replication ETF (HDG) can be a valuable component of an alternative asset allocation.

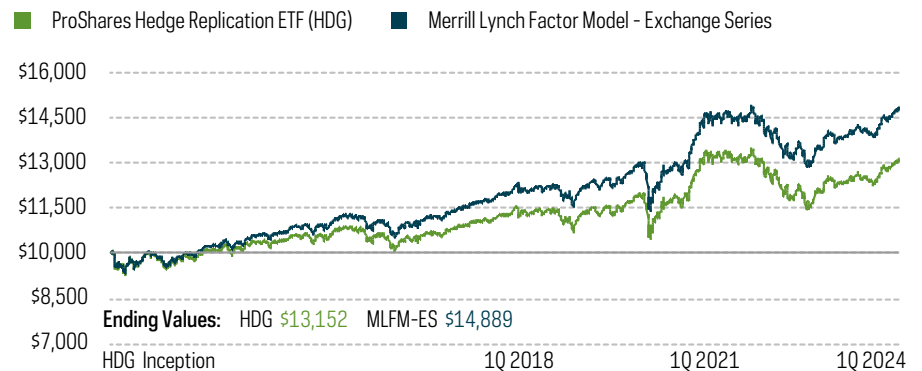
- A flexible way to access the risk/return characteristics of hedge fund investing, without many of the challenges
- Can serve as an important complement to core portfolio holdings
- Benefits from the expertise of Merrill Lynch, a pioneer in hedge fund replication, and ProShares, a premier provider of alternative ETFs

## Fund performance and index history<sup>2</sup>

	1Q 2024	Year to Date	1-Year	5-Year	10-Year	Fund Inception
ProShares Hedge Replication ETF NAV Total Return	2.00%	2.00%	6.46%	2.93%	2.34%	2.18%
ProShares Hedge Replication ETF Market Price Total Return	1.98%	1.98%	6.55%	2.98%	2.34%	2.17%
Merrill Lynch Factor Model-Exchange Series	2.15%	2.15%	7.47%	3.95%	3.35%	3.18%

Periods greater than one year are annualized.

## Growth of \$10,000 since inception<sup>4</sup>



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. 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.

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.

<sup>1</sup>Expenses with Contractual Waiver through September 30, 2024. Without the fee waiver performance would likely be lower. Fund since inception date is July 12, 2011; index since inception dates are July 31, 2011, due to monthly data. <sup>2</sup>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. <sup>3</sup>HFRI Fund Weighted Composite Index is composed of the return history of over 2,000 hedge funds from seven categories representative of the hedge fund industry. The HFRI data are estimates and are subject to change. <sup>4</sup>NAV total returns for the fund are used to calculate Growth of \$10,000. ©2024 PSA 2020-2304

## Benchmark description

- The Merrill Lynch Factor Model – Exchange Series (the benchmark), established by Merrill Lynch International, seeks to provide the risk and return characteristics of the hedge fund asset class by targeting a high correlation to the HFRI Fund Weighted Composite Index (HFRI).
- In seeking to maintain a high correlation with the HFRI, the benchmark utilizes a systematic model to establish, each month, weighted long or short (or, in certain cases, long or flat) positions in six underlying factors.
- The benchmark is not composed of, and the fund does not invest in, any hedge fund or group of hedge funds.
- The closing levels of the individual benchmark components are calculated at various times during the trading day, while the fund's NAV is calculated at the close of trading on NYSE Arca (generally 4:00 p.m.). As a result, the daily percentage change in the closing level of the benchmark may not match the daily percentage change in the fund NAV.

For more information, visit [ProShares.com](https://www.proshares.com) or ask your financial professional

## How hedge fund replication works

### Hedge Funds Index

HFRI Fund Weighted Composite Index

Inception: 1/90

Broadest index of hedge fund performance:

- Tracks performance of more than 2,000 hedge funds
- Represents about \$2 trillion in assets under management
- Covers a variety of investment strategies

### Replication Model (Benchmark)

Merrill Lynch Factor Model – Exchange Series

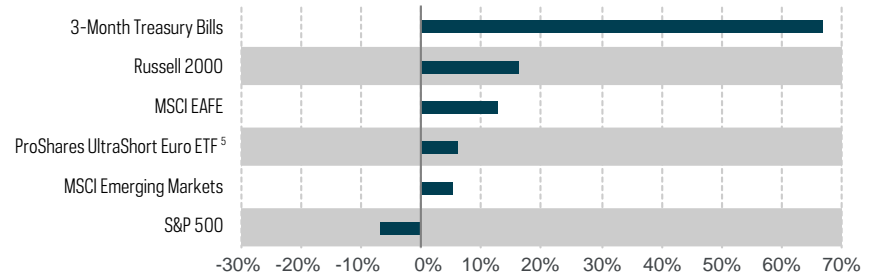
Inception: 2/11

Seeks a high correlation to the HFRI, using these model factors, adjusted monthly:

- S&P 500
- Russell 2000
- MSCI EAFE
- MSCI Emerging Markets
- ProShares UltraShort Euro ETF <sup>5</sup>
- 3-month Treasury Bills

## Model factors<sup>6</sup>

■ Merrill Lynch Factor Model - Exchange Series: Long Weights



<sup>5</sup>ProShares UltraShort Euro ETF (EUO) is used as a proxy for the euro/U.S. dollar exchange rate. HDG will typically achieve this exposure through futures or forwards linked to the euro/U.S. dollar exchange rate and will not typically hold shares of EUO. <sup>6</sup>Index data is as of 7/5/2022.

**Investing involves risk, including the possible loss of principal.** ProShares ETFs are generally non-diversified and each entails certain risks, which may include risk 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. Short positions lose value as security prices increase. Leverage can increase market exposure and magnify investment risk. 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.**

ProShares Hedge Replication ETF (HDG) does not invest in any hedge funds or funds-of-hedge-funds. There is no guarantee that HDG will successfully achieve its investment objective or that the "Merrill Lynch Factor Model – Exchange Series" (MLFM-ES) will successfully provide the risk/return characteristics of a broad universe of hedge funds or achieve a high correlation with the HFRI Fund Weighted Composite Index (HFRI). Performance differences between MLFM-ES and HFRI are expected to be material at times. Even if HDG achieves its benchmark tracking objective, MLFM-ES may not produce the risk/return characteristics of a broad universe of hedge funds, as measured by HFRI or any other hedge fund benchmark. Individual hedge funds or funds-of-hedge-funds have the potential to provide materially higher or lower returns than HDG, MLFM-ES, or the average return of a broad universe of hedge funds. "Merrill Lynch Factor Model – Exchange Series," "Merrill Lynch Factor Model" and "Merrill Lynch International" are intellectual property of Merrill Lynch, Pierce, Fenner & Smith Incorporated or its affiliates ("BofAML") and have been licensed for use by ProShares. Certain trademarks and other marks are property of Standard & Poor's Financial Services LLC, MSCI Inc., Russell Investments, or their respective affiliates (collectively, "the Index Entities") and have been licensed for use by BofAML. ProShares have not been passed on by BofAML or the Index Entities as to their legality or suitability. ProShares are not sponsored, endorsed, recommended, sold or promoted by BofAML or the Index Entities, and they make no representation regarding the advisability of investing in ProShares. **THE ML FACTOR MODEL AND THE MARKS ARE LICENSED ON AN "AS IS" BASIS. BOFAML AND THE INDEX ENTITIES MAKE NO WARRANTIES AND BEAR NO LIABILITY WITH RESPECT TO THE ML FACTOR MODEL OR MARKS, THEIR USE, OR PROSHARES.** ProShares are distributed by SEI Investments Distribution Co., which is not affiliated with the fund's advisor.

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