

International Equities: 2017 Performance and 2018 Outlook

- The S&P 500 returned nearly 22% in 2017, yet still lagged international markets as Europe, Asia and World Excluding U.S all outperformed.
- After outperforming the U.S. in 2017, can these global markets continue to outperform through 2018? Here are a few reasons, they may:

- **Valuations:** Based on forward price to earnings ratio, global markets continue to appear relatively attractive despite the strong 2017 performance.
- **Equity Yields:** Europe, International and Asia equity markets offer higher dividend yield compared to U.S. large cap and small cap markets.

	Fwd PE	Yield
US	18.3	1.9%
US Small Cap	25.8	1.4%
Europe	13.9	3.3%
MSCI World Ex. US	15.1	3.1%
Asia Pacific	14.0	2.5%



1999	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
58.7%	-3.1%	2.5%	-8.1%	47.3%	20.9%	24.1%	32.0%	21.5%	-33.8%	38.2%	26.8%	2.1%	19.9%	38.8%	13.7%	1.4%	21.3%	32.1%
28.8%	-8.0%	-11.9%	-15.4%	42.5%	18.9%	15.1%	26.3%	14.9%	-37.0%	34.5%	17.5%	-4.2%	17.4%	32.4%	4.9%	-1.5%	12.0%	24.9%
27.3%	-9.1%	-20.3%	-20.5%	41.3%	18.3%	7.6%	18.3%	13.0%	-41.4%	29.7%	15.1%	-11.7%	17.1%	27.0%	0.5%	-2.5%	5.4%	24.3%
21.3%	-13.0%	-21.0%	-22.1%	40.1%	18.2%	4.9%	17.1%	5.6%	-43.2%	27.1%	9.6%	-14.7%	16.4%	21.7%	-3.7%	-4.4%	3.4%	21.8%
21.0%	-28.4%	-23.9%	-24.2%	28.7%	10.9%	4.5%	15.8%	-1.6%	-45.2%	26.4%	-9.1%	-16.9%	16.0%	12.5%	-8.7%	-4.5%	0.7%	14.6%

To learn more about O'Shares ETFs approach to global equities, click below:

European
Equities

OEUR
LISTED
NYSE ARCA

International
Equities

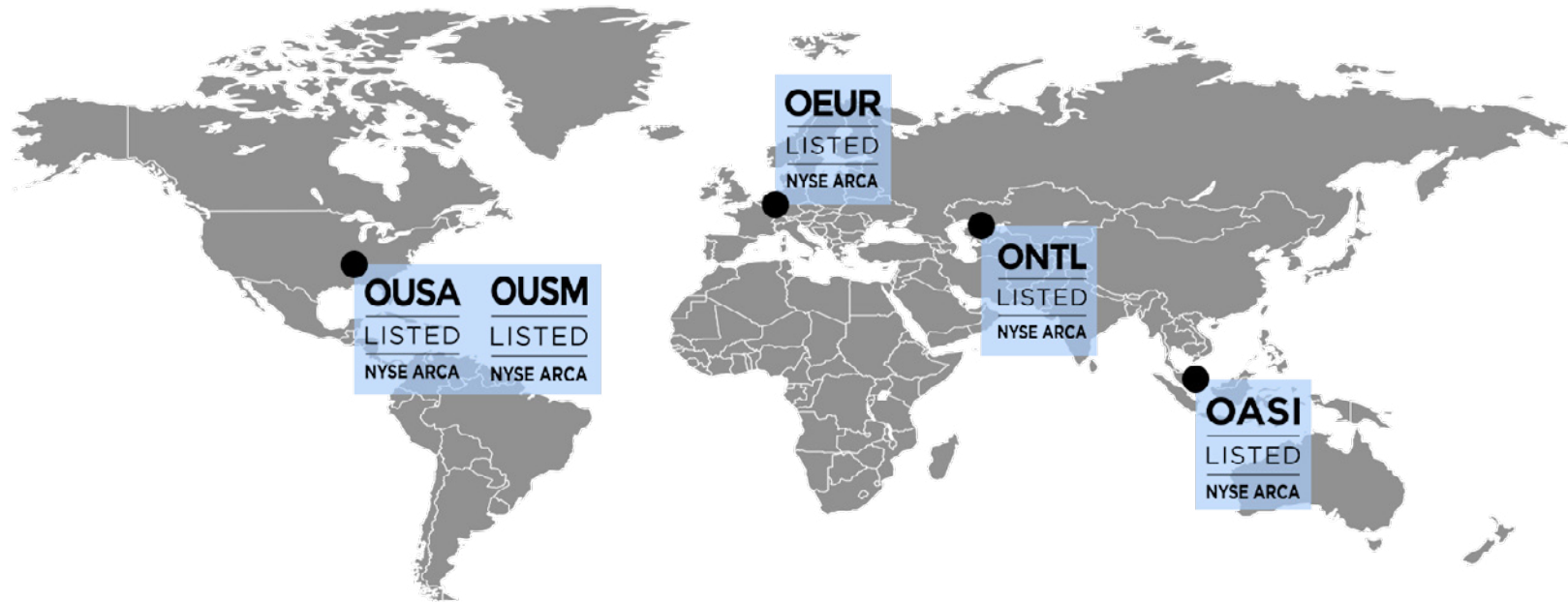
ONTL
LISTED
NYSE ARCA

Asian
Equities

OASI
LISTED
NYSE ARCA

Source: Bloomberg. Data from 12/31/1998 to 12/29/2017. * Returns are in USD. U.S.: S&P 500 Index, Asia Pacific: MSCI AC Asia Pacific Index, US Small Cap: Russell 2000 Index, MSCI World Ex. US: MSCI World Excluding United States Index, Europe: EURO STOXX 50 Net Return USD. Past performance is not indicative of future results. One cannot invest directly in an index.

O'Shares ETFs: ETFs for Conservative Long-Term Investors Consistent investment process focused on Quality, Volatility & Yield



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Concentration in a particular industry or sector will subject the Funds to loss due to adverse occurrences that may affect that industry or sector. The funds may use derivatives which may involve risks different from, or greater than, those associated with more traditional investments. The funds' emphasis on dividend-paying stocks involves the risk that such stocks may fall out of favor with investors and underperform the market. Also, a company may reduce or eliminate its dividend after the Fund's purchase of such a company's securities. Returns on investments in foreign securities could be more volatile than, or trail the returns on, investments in U.S. securities. Exposures to foreign securities entail special risks, including political, diplomatic, economic, foreign market and trading risks. In addition, unless perfectly hedged, the Fund's investments in securities denominated in other currencies could decline due to changes in local currency relative to the value of the U.S. dollar, which may affect the Fund's returns. The funds' hedging strategies may not be successful, and even if they are successful, the funds' exposure to foreign currency fluctuations is not expected to be fully hedged at all times. The securities of small capitalization companies are often more volatile and less liquid than the stocks of larger companies and may be more affected than other types of securities during market downturns. Compared to larger companies, small capitalization companies may have a shorter history of operations, and may have limited product lines, markets or financial resources. See the prospectus for specific risks regarding the Fund.

Past performance does not guarantee future results. Shares are bought and sold at market price (not NAV), are not individually redeemable, and owners of the Shares may acquire those Shares from the Funds and tender those shares for redemption to the Funds in Creation Unit aggregations only, consisting of 50,000 Shares. Brokerage commissions will reduce returns.

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