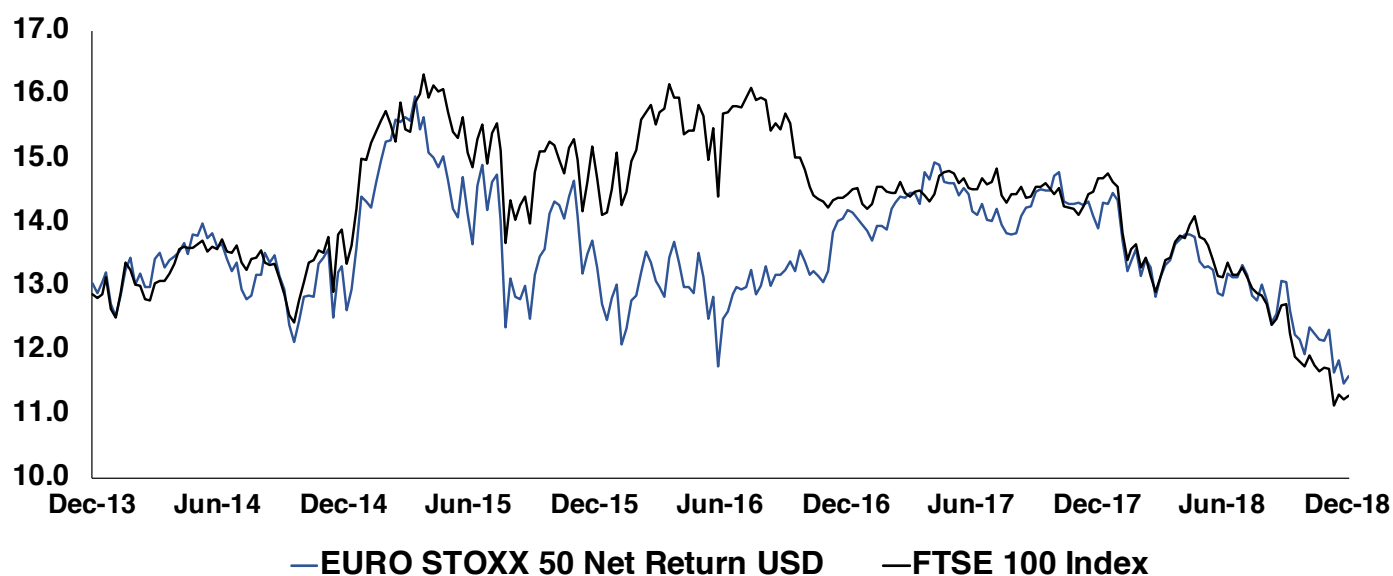


Europe and UK: Both Near Cheapest in 5 Years

- **Higher dividend yield:** Both regions are near cheapest in 5 years and offer higher dividend yields than U.S. equities.

Europe and UK: Forward P/E Ratio



Region	Dividend Yield
Europe	4.0%
UK	4.9%
U.S.	2.2%

Past performance does not guarantee future results. The referenced indices are shown for general market comparisons and are not meant to represent the Fund. Investors cannot directly invest in an index; unmanaged index returns do not reflect any fees, expenses or sales charges. For recent Fund performance information, [click here](#).

Source: Bloomberg. 5 year weekly data ending 12/31/2018. Europe: STOXX 50 Return Index USD. UK: FTSE 100 Index. U.S.: S&P 500 Index. **Forward P/E:** Ratio calculated by dividing the price of the security estimated earnings per share. **Dividend Yield:** The most recently announced gross dividend, annualized based on the dividend frequency then divided by the current market price.



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Diversify with European Equities? Attractive Valuations and Yield

- **European equities, undervalued?** The forward price to earnings ratio for European stocks is 12.8x versus 16.8x for U.S. stocks.
- **More yield!** European stocks have a dividend yield of 3.5% versus 1.8% for U.S. stocks.

Country / Region	Forward P/E	Dividend Yield
Europe	12.8	3.5%
United States	16.8	1.8%

OEUR: O'Shares FTSE Europe Quality Dividend ETF

Industry	Weight	Dividend	Yield	Volatility
Technology	1.4%	0.00	0.0%	25%
Health Care	1.0%	0.00	0.0%	21%
Materials	1.0%	0.00	0.0%	25%
Telecom	1.0%	0.00	0.0%	41%
Consumer Discretionary	1.0%	0.00	0.0%	31%
Energy	1.0%	0.00	0.0%	41%
Financials	1.0%	0.00	0.0%	31%
Industrials	1.0%	0.00	0.0%	31%
Utilities	1.0%	0.00	0.0%	31%
Real Estate	1.0%	0.00	0.0%	31%
Government	1.0%	0.00	0.0%	31%
Other	1.0%	0.00	0.0%	31%

Source: Bloomberg. Data as of 8/31/2018. Top 10 Holdings of OEUR as of 8/31/2018. Forward P/E: Price divided by next four quarters earnings. It is important to project future earnings and actual results may vary. Europe index represented by EURO STOXX 50. U.S. index represented by S&P 500 index. The index shown is for informational purposes only and does not represent the Fund. It is not possible to invest directly in an index. Index performance does not reflect the deduction of any fees or expenses. Holdings subject to change. www.oshares.com

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Europe 'Fed Model': Stock Valuations Remain Favorable in an Extremely Low-Rate Environment

What is the Fed Model?

- The model compares the stock market earnings yield to long-term government bond yields.
- Stocks and bonds are considered fairly valued when the two yield measures are equal.
- Generally when the earnings yield is significantly higher, stocks are considered attractive relative to bonds.
- The German 10 year government bond currently yields -0.33% while equities have an earnings yield of -5.8%.

As a result, European stocks appear attractive.

Europe Fed Model: Europe Equity Earnings Yield vs. Long-Term Government Bond Yield

Europe Equity Index - Earnings Per Share

OEUR: O'Shares ETF Investments approach to Europe Large Caps. Visit www.oshares.com

Source: Bloomberg. Data as of 8/31/2018. Europe Equities: STOXX Europe 600 Price Index. Germany 10 Year Government Bond Yield. Germany Generic Government 10 Year Yield. The referenced indices are shown for general market comparisons and are not meant to represent the Fund. Investors cannot directly invest in an index. Unmanaged index returns do not reflect any fees, expenses or sales charges. www.oshares.com

[Europe 'Fed Model': Stock Valuations Remain Favorable in an Extremely Low-Rate Environment](#)

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Europe Equity Sector Scatterplot: Long-Term Performance vs. Risk

- Comparing 10 year return and risk data for the 11 sectors in the MSCI Europe Index, several observations can be made.
- The sectors with the lowest volatility in the past 10 years were Consumer Staples and Health Care.
- The highest volatility sectors were Financials and Materials.
- The best performing sectors in the past 10 years were Consumer Staples and Consumer Discretionary. The worst performing sectors were Utilities and Telecommunications.
- Adjusting for risk, the best performing sectors were Consumer Staples and Consumer Discretionary.

Europe Equity Sectors: 10 Year Risk vs. Return

Return/Risk (Annualized Return/Annualized Volatility)

OEUR: O'Shares ETF Investments approach to Europe Large Caps. Visit www.oshares.com

Source: Bloomberg. Data as of 8/31/2018. Returns in USD. The referenced index is shown for general market comparisons and is not meant to represent the Fund. Investors cannot directly invest in an index and unmanaged index returns do not reflect any fees, expenses or sales charges. Past performance is not a guarantee of future results. www.oshares.com

[Europe Equity Sector Scatterplot: Long-Term Performance vs. Risk](#)

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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 Funds' 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, the Funds' 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 Funds' returns. See the prospectus for specific risks regarding the Funds.

Past performance does not guarantee future results. Shares are bought and sold at market price (not NAV), are not individually redeemable, and owners of 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. The market price of Shares can be at, below, or above NAV. Brokerage commissions will reduce returns. Market Price returns are based upon the midpoint of the bid/ask spread at 4:00 PM Eastern time (when NAV is normally determined), and do not represent the returns you would receive if you traded Shares at other times.

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