

## **The Emerging Markets Internet & Ecommerce ETF (EMQQ) announces strong first half performance and the results of its semi-annual rebalancing**

*Jumia, Pinduoduo and MultiChoice Group among new names added to EMQQ's underlying index*

SAN FRANCISCO, (8/01/19) - [The Emerging Market Internet & Ecommerce ETF \(EMQQ\)](#), the first ETF to focus on the universe of internet and ecommerce innovators in some of the fastest-growing markets in the world, is marking the close of a strong first half of 2019. Through 6/30/19, the fund returned 20.14%, a bright spot in a volatile global market. For important standard performance information and disclosures for EMQQ please [click here](#).

Coming off a significant drawdown in 2018 that coincided with the announcement and escalation of tariffs between the U.S. and China, the fund has managed to rebound in 2019. A fund with a long-term growth story underpinning its exposures, EMQQ's holdings have experienced annual revenue growth of over 34.1% for the past four years (2015-2018).

The fund's holdings in online payment providers such as MercadoLibre (+105% YTD) contributed to investment performance during the first six months of the year. While much of the Fund's focus has been, and remains, on China, EMQQ's exposures in Latin America, Africa, and India also posted strong returns.

EMQQ's underlying index, the Emerging Markets Internet & Ecommerce Index, overseen by a committee that includes such industry luminaries as Dr. Burton Malkiel and Dr. Linda H. Zhang, was rebalanced during June. Fourteen companies were added while six were deleted, bringing the total holdings to 65 companies. China remained the largest weighted company in the index at 60.28%, while the weighting of Brazil was increased (from 1.64% to 4.60 %) during the rebalance. The weightings in Argentina and Russia were reduced from 8.89% to 6.73% and from 6.90% to 5.84%, respectively.

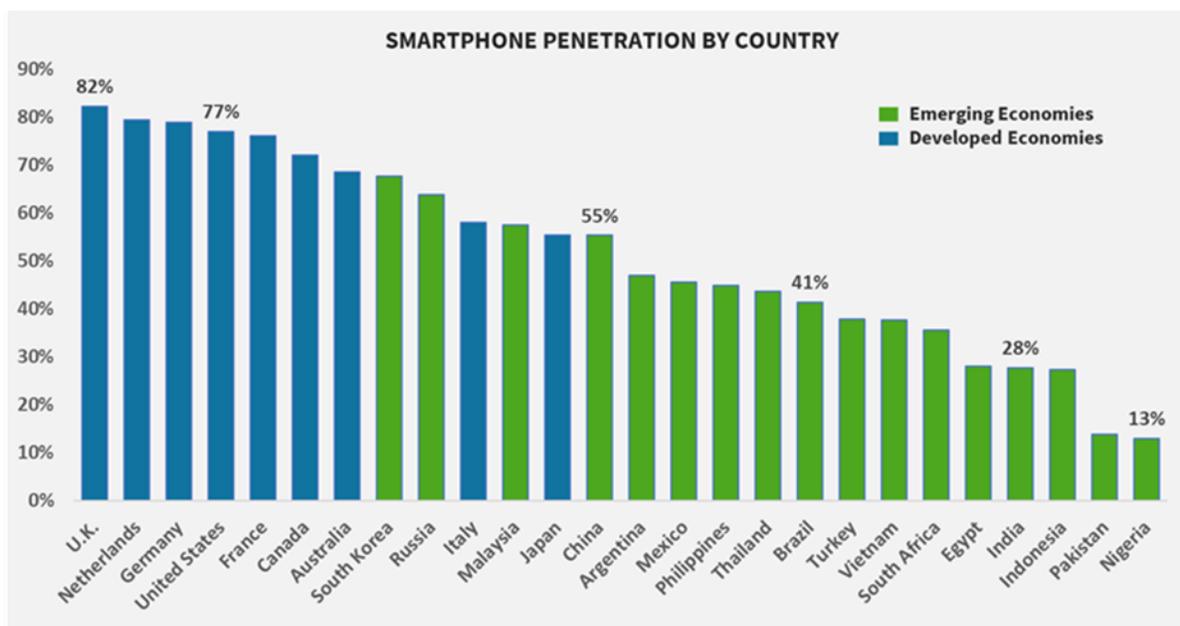
Significant additions to the index were African ecommerce company Jumia (JMIA), Brazilian online payments services companies Pagseguro Digital (PAGS.N) and Stoneco (STNE.QQ), Chinese discount ecommerce company Pinduoduo (PDD), Chinese video sharing company Bilibili (BILI) and South Africa satellite television company MultiChoice Group (MCHOY).

Significant deletions from the index were Rocket Internet (RKET) following its monetization of part of its stake in Jumia and Delivery Hero.

"2019 has so far been a bounce back year for stocks of Emerging Market ecommerce companies," said Kevin Carter, founder of EMQQ. "This remains much more than a quarter-to-quarter or even year-to-year story though, as low smartphone penetration rates in the Emerging Markets coupled with what we believe are strong fundamentals and attractive valuations offer further potential for

Emerging Markets internet and ecommerce companies to see growth for potentially decades to come.”

Source: Newzoo.com - September 2018 – Top Countries by Smartphone Users



### **About EMQQ**

EMQQ is designed to provide investors with exposure to the internet and ecommerce sectors of the developing world. Many investors believe that the growth of consumption in emerging markets represents a significant growth opportunity as more than one billion people are expected to enter the consumer class in the coming decades. Increasingly, these consumers are using smartphones and broadband mobile connections to access the internet. EMQQ holds over 40 companies operating in Emerging and Frontier Markets including China, India, Brazil, Russia, South Korea, Taiwan, South Africa, Mexico, Argentina, Malaysia, Thailand, Indonesia, Vietnam, Philippines, Turkey, Czech Republic, Poland and Colombia. To view holdings information, [click here](#).

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### **Important disclosures**

**Carefully consider the Fund's investment objectives, risk factors, charges and expenses before investing. This and additional information can be**

**found in the Fund's prospectus, which may be obtained by visiting [www.emqgetf.com](http://www.emqgetf.com). Read the prospectus carefully before investing.**

*The performance data quoted represents past performance. Past performance does not guarantee future results. The 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 their original cost and current performance may be lower or higher than the performance quoted. For performance current to the most recent month-end, please visit [www.emqgetf.com](http://www.emqgetf.com).*

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 the close of the exchange and does not represent the returns an investor would receive if shares were traded at other times. Brokerage commissions will reduce returns. NAVs are calculated using prices as of 4:00 PM Eastern Time.

Investing involves risk, including the possible loss of principal. Investments in smaller and mid-sized companies typically exhibit higher volatility. The fund is non-diversified. International investing may involve risk of capital loss from unfavorable fluctuations in currency values, from differences in generally accepted accounting principles, or from economic or political instability in other nations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Frontier markets generally have less developed capital markets than traditional emerging market countries, and, consequently, the risks of investing in foreign securities are magnified in such countries. These countries are subject to potentially significant political, social and economic instability, which could materially and adversely affect the companies in which the Fund may invest. The Fund invests in the securities of Internet Companies, including internet services companies and internet retailers, and is subject to risk that market or economic factors impacting technology companies and companies that rely heavily on technology advances could have a major effect on the value of the Fund's investments.

There is no guarantee that the Fund or the index will achieve its investment objective.

Exchange Traded Concepts, LLC serves as the investment advisor, and Penserra Capital Management LLC serves as a sub advisor to the fund. The Funds are distributed by SEI Investments Distribution Co. (1 Freedom Valley Drive, Oaks, PA, 19456), which is not affiliated with Exchange Traded Concepts, LLC or Penserra Capital Management LLC.