

THE BATTERY CHARGE

STAYING UP-TO-DATE ON ADVANCED BATTERY METALS AND THE ELECTRIFICATION TREND.

BATT

AMPLIFY ADVANCED BATTERY METALS & MATERIALS ETF

Q4 2019 Commentary

The Amplify Advanced Battery Metals and Materials ETF (BATT) gained in the fourth quarter. BATT was down slightly for the year, but the fourth quarter resurgence was encouraging.

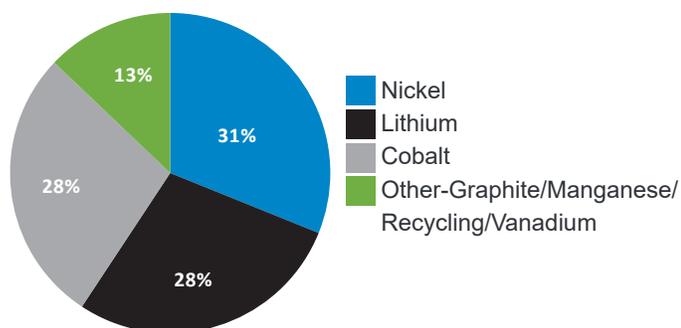
BATT's diversified approach, giving it exposure to multiple critical metals used in the lithium-ion battery supply chain (such as nickel and cobalt), helped performance toward the end of the year as these metals face potential supply shortages. In particular, the ETF's overweight in nickel relative to other metals boosted performance.

The top contributing names for the quarter were China names such as Ganfeng Lithium, Zhejiang Huayou Cobalt, and Tianqi Lithium, which rallied on news of a U.S.-China trade deal. The worst performing name was cobalt miner Katanga, which suffered on the announcement that Glencore was closing its largest mine in the Congo region. Australian hard-rock lithium spodumene producers Altura Mining continued its decline on overcapacity concerns.

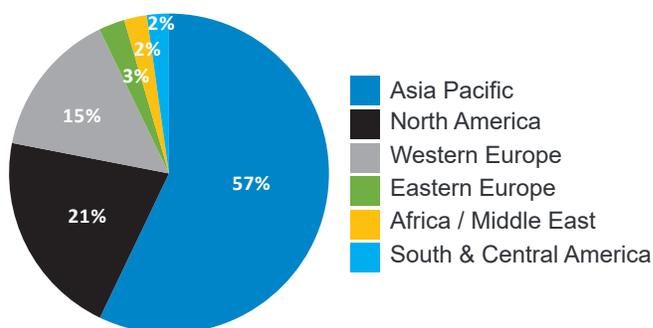
For the year, nickel producer Norilsk was the top performer as nickel prices soared during the year. Conversely, Katanga and Altura were also the worst performers for the year. Despite last year's slowdown in EV demand, accompanied by reduced China subsidies, an abundance of new EV models being launched in 2020 are expected to spur more enthusiasm and demand. The headwind of trade tariffs has also been abated, renewing investor confidence in the space.

BATT ETF Metal & Regional Allocations (as of 12/31/19)

Metal Weightings



Regional Weightings



The Amplify Advanced Battery Metals and Materials ETF – BATT is a professionally managed ETF that seeks to provide exposure to Lithium, Cobalt, Nickel, Manganese and Graphite via publicly-traded stocks. Companies in the portfolio are principally engaged in the business of mining, exploration, production, development, processing or recycling of advanced battery metals and materials. BATTETF.com.

Carefully consider the Fund's investment objectives, risk factors, charges, and expenses before investing. This and additional information can be found in Amplify Funds statutory and summary prospectus, which may be obtained by calling 855-267-3837, or by visiting AmplifyETFs.com. Read the prospectus carefully before investing.

BATT Top 10 Holdings, [click here](#)

Fund holdings and sector allocations are subject to change and are not a recommendation to buy or sell any security. Opinions expressed are subject to change at any time, are not guaranteed and should not be considered investment advice. For the BATT prospectus, [click here](#).

Investing involves risk, including the possible loss of principal. The Fund is subject to management risk because it is actively managed. Shares of any ETF are bought and sold at market price (not NAV), may trade at a discount or premium to NAV and are not individually redeemed from the Fund. Narrowly focused investments typically exhibit higher volatility. A portfolio concentrated in a single industry, such as advanced battery metals and materials, makes it vulnerable to factors affecting the companies. The Fund may face more risks than if it were diversified broadly over numerous industries or sectors. The Fund has become more susceptible to potential operational risks through breaches in cyber security. The Fund will invest in securities that are issued by and/or have exposure to, companies primarily involved in the metals and mining industry. Investments in metals and mining companies may be speculative and subject to greater price volatility than investments in other types of companies. The exploration and development of metals involves significant financial risks over a significant period of time, which even a combination of careful evaluation, experience and knowledge may not eliminate. Rare earth metals have more specialized uses and are often more difficult to extract. The increased demand for these metals has strained supply, which could adversely affect the companies in the Fund's portfolio. Some of the companies in which the Fund will invest are engaged in other lines of business unrelated to the mining, refining and/or manufacturing of metals and these lines of business could adversely affect their operating results.

The Fund's assets will be concentrated in the materials sector, which means the Fund will be more affected by the performance of the materials sector than a fund that is more diversified. The Fund currently has fewer assets than larger funds, and like other relatively new funds, large inflows and outflows may impact the Fund's market exposure for limited periods of time. The Fund will invest in the securities of non-U.S. companies. Investments in emerging market issuers are subject to a greater risk of loss than investments in issuers located or operating in more developed markets. The mining, refining and/or manufacturing of metals may be significantly affected by regulatory action and changes in governments. Small and/or mid-capitalization companies may be more vulnerable to adverse general market or economic developments.

Amplify Investments LLC is the Investment Adviser to the Fund, and Toroso Investments, LLC and Exponential ETFs serve as the Investment SubAdviser.

Amplify ETFs are distributed by Foreside Fund Services, LLC.

QUESTIONS?
Visit AmplifyETFs.com/BATT

ONLINE: AmplifyETFs.com
EMAIL: info@AmplifyETFs.com
PHONE: 855-267-3837 | (855-AMP-ETFS)

