

# THE INVESTMENT CASE FOR ONLINE RETAIL

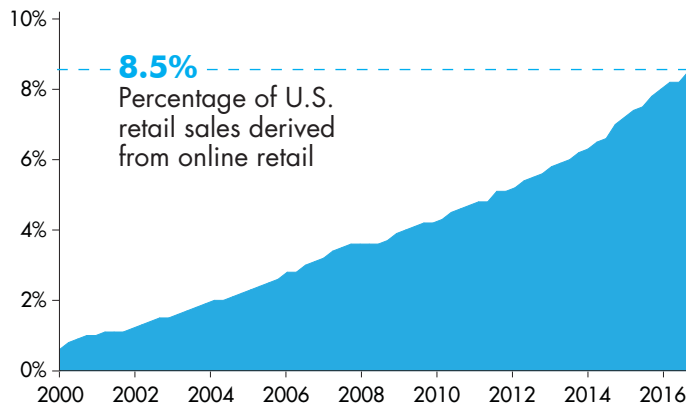
The Amplify Online Retail ETF (IBUY) owns a globally diversified basket of companies that derive significant revenue from online and virtual retail. Why might an investor consider an allocation to online retail?



1

## GROWTH OF U.S. ONLINE RETAIL SALES

Online retail sales continue to gain ground on traditional retail sales. In the U.S. online sales have grown more than 2000% since 1999.



Source<sup>1</sup>: U.S. Department of Commerce Quarterly Retail E-Commerce Sales, 1st Quarter 2017, Reported 5/16/17

20%

COMPOUND ANNUAL GROWTH RATE OF U.S. ONLINE RETAIL SALES FROM 1999 TO 1Q2017<sup>1</sup>

2274%

TOTAL GROWTH OF U.S. ONLINE RETAIL SALES FROM 1999 TO 1Q2017<sup>1</sup>

2

## ONLINE BUYER GROWTH:

The amount of online buyers around the world was estimated to increase by 57% from 2014 to 2019.



2014  
1.32 BILLION

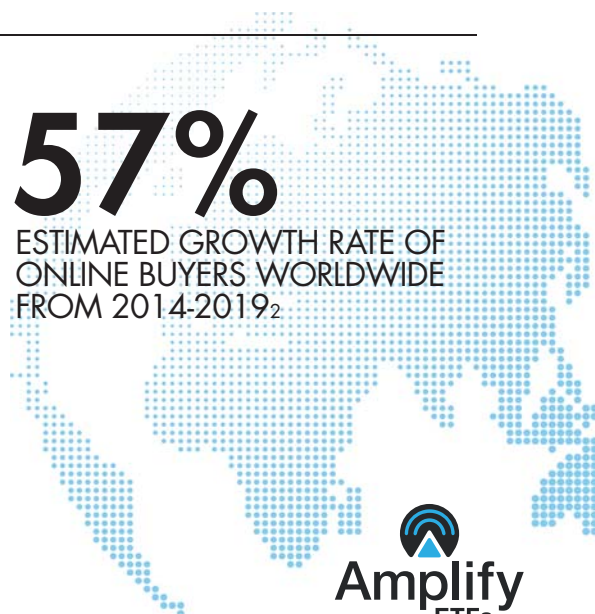
Source2: eMarketer December 2015



2019  
2.07 BILLION  
ESTIMATED

57%

ESTIMATED GROWTH RATE OF ONLINE BUYERS WORLDWIDE FROM 2014-2019<sup>2</sup>



3

## ABSOLUTE GLOBAL INDUSTRY GROWTH

Global online retail sales continue to rise, and that trend is expected to continue. Consider that global online sales were \$1.5 trillion in 2015 and are projected to be \$4.1 trillion in 2020.



Source<sup>3</sup>: eMarketer, August 2016

**\$1.5**  
**TRILLION**

GLOBAL ONLINE  
SALES IN 2015<sup>3</sup>

**\$4.1**  
**TRILLION**

PROJECTED GLOBAL  
ONLINE SALES  
IN 2020<sup>3</sup>

## POTENTIAL PORTFOLIO DIVERSIFICATION:

Companies with significant revenue from online and virtual sales are found in a variety of countries, market capitalizations and industries. An allocation to a basket of these companies may provide additional portfolio diversification within an overall strategy.

**QUESTIONS?** Visit [AmplifyETFs.com/IBUY](http://AmplifyETFs.com/IBUY) for information on the Amplify Online Retail ETF (IBUY).

**ONLINE:** [AmplifyETFs.com](http://AmplifyETFs.com)

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

Investing involves risk, including the possible loss of principal. The fund is new with limited operating history. 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. Brokerage commissions will reduce returns. Narrowly focused investments typically exhibit higher volatility. A portfolio concentrated in a single industry, such as the online retail industry, makes it vulnerable to factors affecting the industry. The Fund may face more risks than if it were diversified broadly over numerous industries or sectors. Investments in consumer discretionary companies are tied closely to the performance of the overall domestic and international economy, interest rates, competition and consumer confidence. Online retail companies are subject to risks of consumer demand and sensitivity to profit margins. Additionally technology and internet companies are subject to rapidly changing technologies; short product life cycles; fierce competition; aggressive pricing and reduced profit margins; the loss of patent, copyright and trademark protections; cyclical market patterns; evolving industry standards; and frequent new product introductions. Information technology companies may be smaller and less experienced companies, with limited product lines, markets or financial resources and fewer experienced management or marketing personnel. Stocks of many internet companies have exceptionally high price-to-earnings ratios with little or no earnings histories. Information technology company stocks, especially those which are internet related, have experienced extreme price and volume fluctuations that are often unrelated to their operating performance. The Fund is non-diversified, meaning it may concentrate its assets in fewer individual holdings than a diversified fund. Investments in smaller companies tend to have limited liquidity and greater price volatility than large-capitalization companies. Investments in foreign securities involve greater volatility and political, economic, and currency risks and differences in accounting methods. The Fund's return may not match or achieve a high degree of correlation with the return of the underlying Index. To the extent the Fund utilizes a sampling approach, it may experience tracking error to a greater extent than if the Fund had sought to replicate the Index.

*Diversification does not assure a profit or protect against a loss in a declining market. Amplify Investments LLC serves as the investment advisor and Penserra Capital Management LLC serves as sub advisor to the fund. Amplify ETFs are distributed by Quasar Distributors LLC.*