



# O'SHARES GLOBAL INTERNET GIANTS INDEX

Q4 2019

# Index Rationale

- ❑ The O'Shares Global Internet Giants Index (Ticker: OGIGX) is a rules-based index intended to give investors a means of tracking global stocks that exhibit above-average growth potential in the Internet sector.
- ❑ OGIGX includes two main business segments: a) Internet Technology, whose principal business is to provide the technologies that support internet commerce; and b) Internet Commerce, whose principal business is to sell products and services via the Internet.
- ❑ Constituents must pass quality-focused screens for profitability and balance sheet sustainability.
- ❑ Stock allocation and weighting method designed to provide greater investment in stronger revenue growth.

# Index Methodology

## □ Inclusion Criteria

- Constituents are derived from the following GICS Sub-Industries within the S-Network Global Equity 2500 Index (SNG2500):
  - Systems Software
  - Internet & Direct Marketing Retail
  - Interactive Media & Services
  - Movies & Entertainment
  - Application Software
  - Interactive Home Entertainment
  - Internet Services & Infrastructure
  - Integrated Telecommunication Services
- Constituents must acquire more than 50% of their revenues from internet technology and/or internet commerce
- Exclude countries that impose high trading costs, unusual dividend policies or other impediments to portfolio performance
- Constituents must be able to sustain their cash burn rate for at least twelve months and have a positive gross margin.
- Constituents must be traded on recognized stock exchanges in a) the Americas, b) Europe, Middle East & Africa (EMEA) or c) Asia/Pacific

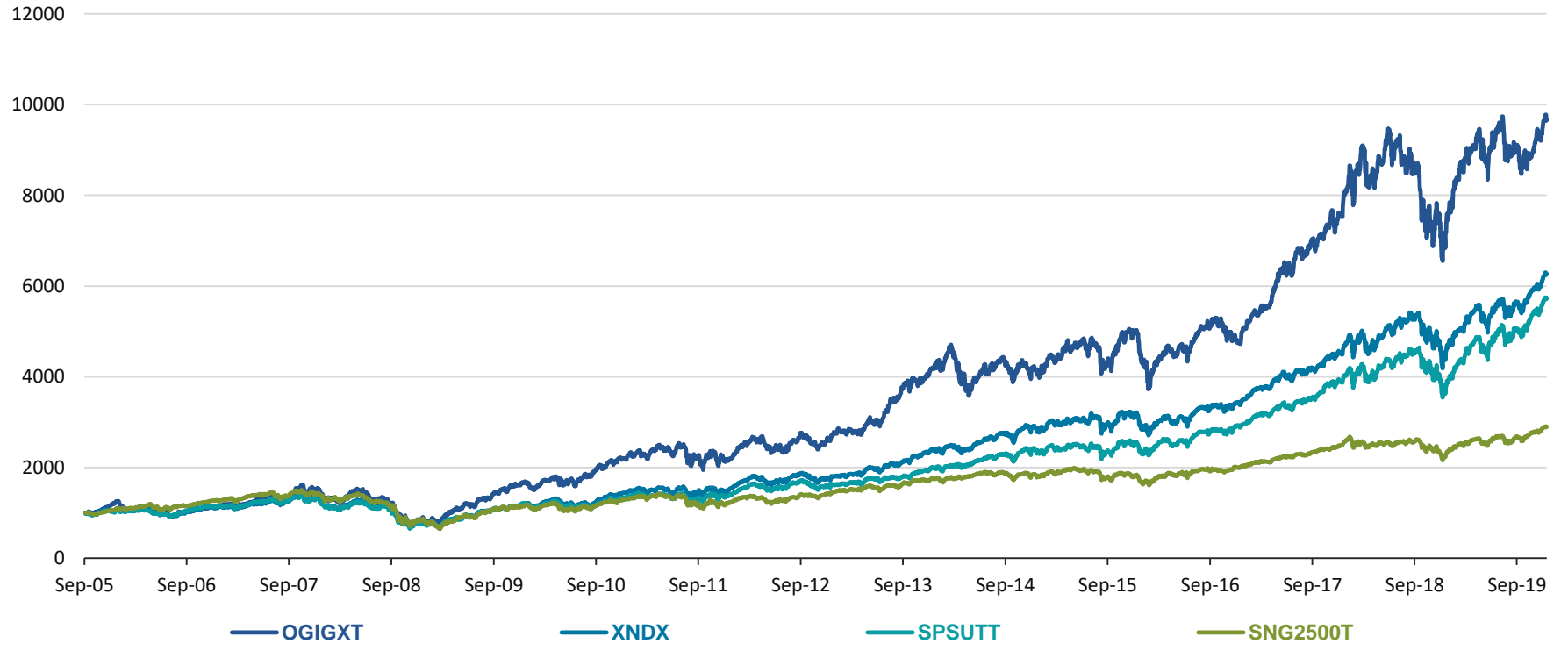
## □ Weighting

- By Full Market Capitalization modified by revenue growth
- Weights Capped at 6%
- Quarterly Rebalances
- Semiannual Reconstitutions (March and September)

# Historical Performance



**O'Shares Global Internet Giants Total Return Index vs. Benchmarks**  
(9/16/2005-12/31/2019)



Source: Bloomberg as of 12/31/2019



# Top 10 Constituents

## O'Shares Global Internet Giants Index

Company Name	Ticker	Country	Weight	Float Market Cap	Revenue Growth Score	2-Yr Revenue Growth %
Amazon.Com Inc	AMZN US	United States	6.01%	769.57 Billion USD	0.50	-1.03%
Alibaba Group Holding Ltd Adr	BABA US	China	5.94%	336.92 Billion USD	0.77	72.39%
Facebook Inc A	FB US	United States	5.82%	493.93 Billion USD	0.60	24.84%
Alphabet Inc A	GOOGL US	United States	5.69%	833.09 Billion USD	0.44	-16.15%
Microsoft Corp	MSFT US	United States	4.67%	1.20 Trillion USD	0.25	-67.12%
Tencent Holdings Ltd.	700 HK	China	4.64%	276.28 Billion USD	0.58	20.36%
Netflix Inc	NFLX US	United States	2.26%	141.81 Billion USD	0.67	42.65%
Salesforce.Com	CRM US	United States	2.15%	144.26 Billion USD	0.64	35.38%
Delivery Hero SE	DHER GR	Germany	1.99%	10.42 Billion USD	0.99	252.32%
Shopify Inc.	SHOP CN	Canada	1.87%	41.27 Billion USD	0.93	145.88%

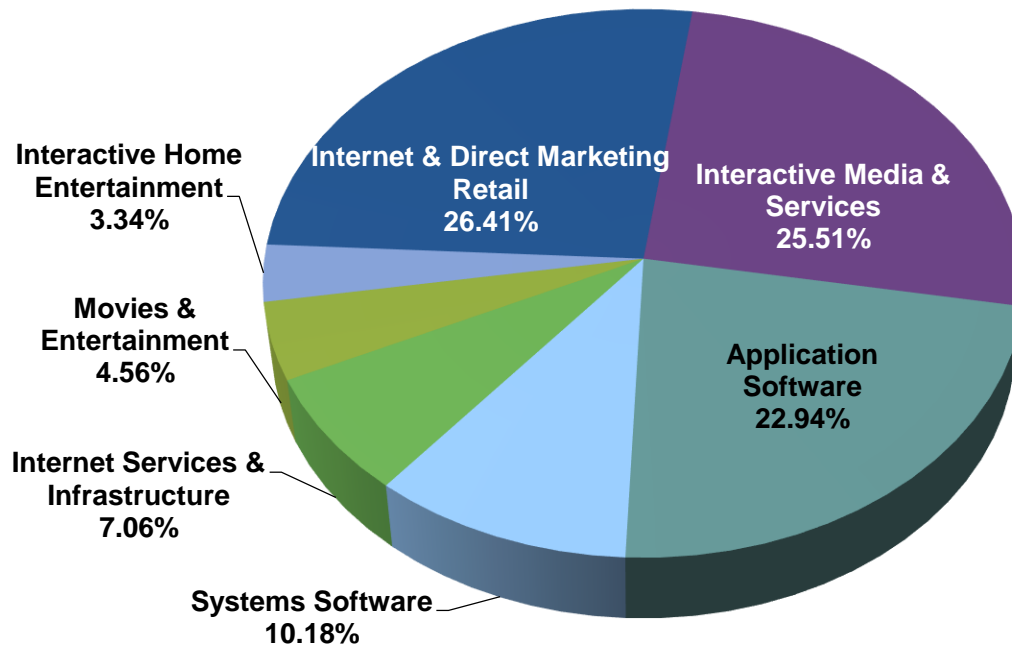
Source: S-Network as of 12/31/2019

# Market Capitalization Profile

O'Shares Global Internet Giants Index	
Number of Constituents	71
Total Market Capitalization	6.43 Trillion USD
Largest Market Capitalization	1.20 Trillion USD
Smallest Market Capitalization	4.16 Billion USD
Average Market Capitalization	90.60 Billion USD
Median Market Capitalization	18.63 Billion USD

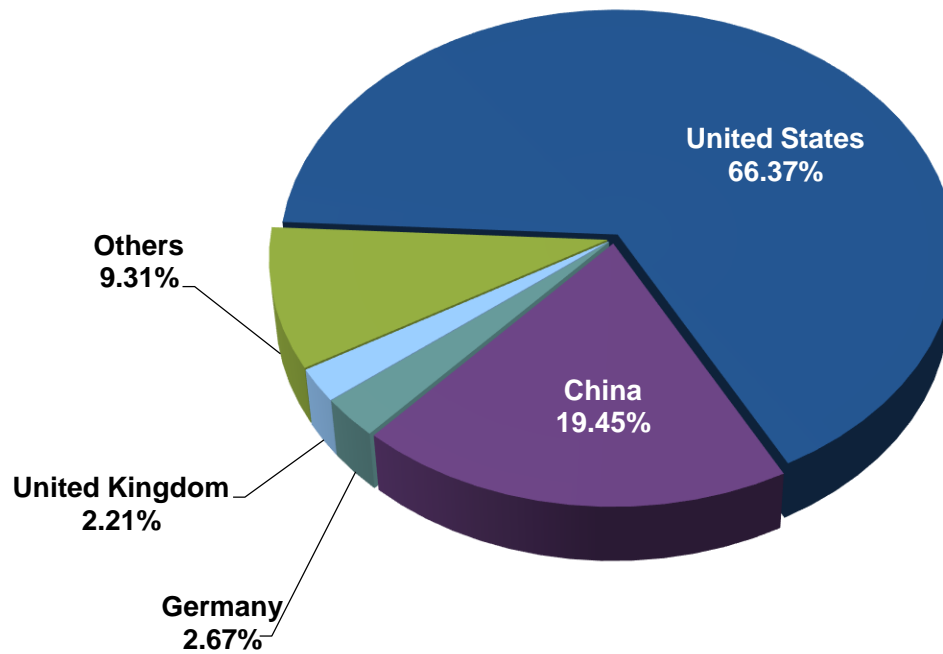
Source: Bloomberg as of 12/31/2019

## O'Shares Global Internet Giants Index



Source: Bloomberg as of 12/31/2019

## O'Shares Global Internet Giants Index



Source: Bloomberg as of 12/31/2019



# Statistical Profile I

## Total Return Appreciation

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR	S-Network Global 2500 TR
<b>10 Year</b>	483.90%	426.36%	379.24%	153.93%
<b>5 Year</b>	133.46%	118.44%	141.62%	57.52%
<b>3 Year</b>	104.59%	85.54%	99.07%	45.23%
<b>1 Year</b>	37.43%	39.46%	50.30%	27.96%

## Compound Annual Growth Rate (CAGR)

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR	S-Network Global 2500 TR
<b>10 Year</b>	19.30%	18.07%	16.96%	9.77%
<b>5 Year</b>	18.48%	16.91%	19.30%	9.51%
<b>3 Year</b>	26.95%	22.88%	25.80%	13.24%
<b>1 Year</b>	37.43%	39.46%	50.30%	27.96%

Source: Bloomberg as of 12/31/2019

# Statistical Profile II

## Annualized Monthly Standard Deviation

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR	S-Network Global 2500 TR
<b>10 Year</b>	19.82%	15.03%	14.75%	13.33%
<b>5 Year</b>	19.88%	15.11%	15.31%	11.95%
<b>3 Year</b>	19.96%	15.00%	15.34%	11.64%
<b>1 Year</b>	21.79%	15.72%	16.45%	12.94%

## Sharpe Ratio

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR	S-Network Global 2500 TR
<b>10 Year</b>	0.9655	1.1483	1.1030	0.7246
<b>5 Year</b>	0.9015	1.0433	1.1646	0.7314
<b>3 Year</b>	1.2196	1.3468	1.4756	0.9865
<b>1 Year</b>	1.4786	2.0836	2.4668	1.8204

Source: Bloomberg as of 12/31/2019

# Statistical Profile III

## Downside Risk (vs. S-Network Global 2500 TR Index)

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR
<b>10 Year</b>	12.64%	6.22%	7.07%
<b>5 Year</b>	11.93%	5.65%	7.11%
<b>3 Year</b>	10.25%	5.63%	5.77%
<b>1 Year</b>	10.88%	6.30%	5.95%

## Sortino Ratio (vs. S-Network Global 2500 TR Index)

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR
<b>10 Year</b>	0.2165	0.3526	0.2696
<b>5 Year</b>	0.2222	0.3590	0.3692
<b>3 Year</b>	0.3619	0.4467	0.5581
<b>1 Year</b>	0.2299	0.4214	0.8256

Source: Bloomberg as of 12/31/2019

# Statistical Profile IV

## Tracking Error (vs. S-Network Global 2500 TR Index)

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR
<b>10 Year</b>	11.80%	6.85%	7.49%
<b>5 Year</b>	11.66%	6.68%	7.89%
<b>3 Year</b>	11.97%	6.68%	8.08%
<b>1 Year</b>	12.37%	4.92%	7.09%

## Correlation (vs. S-Network Global 2500 TR Index)

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR
<b>10 Year</b>	0.8162	0.8902	0.8622
<b>5 Year</b>	0.8462	0.9040	0.8610
<b>3 Year</b>	0.8405	0.9045	0.8558
<b>1 Year</b>	0.8677	0.9594	0.9110

Source: Bloomberg as of 12/31/2019

# Statistical Profile V

## Beta (vs. S-Network Global 2500 TR Index)

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR
<b>10 Year</b>	1.2138	1.0037	0.9541
<b>5 Year</b>	1.4082	1.1431	1.1036
<b>3 Year</b>	1.4408	1.1653	1.1278
<b>1 Year</b>	1.4611	1.1653	1.1582

## R-Squared (vs. S-Network Global 2500 TR Index)

	O'Shares Global Internet Giants TR	NASDAQ-100 TR	S&P Tech Select Sector TR
<b>10 Year</b>	0.6661	0.7924	0.7435
<b>5 Year</b>	0.7161	0.8172	0.7413
<b>3 Year</b>	0.7064	0.8180	0.7324
<b>1 Year</b>	0.7528	0.9205	0.8298

Source: Bloomberg as of 12/31/2019