

# THE BATTERY CHARGE

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

# BATT

AMPLIFY ADVANCED BATTERY  
METALS & MATERIALS ETF

## RECENT NEWS:

### The U.S. and Europe Are Getting More Anxious About EV Battery Shortages

ARTICLE

### Can Metals Supply Keep Up With Electric Vehicle Demand?

ARTICLE

### EV Battery Reuse & Recycling Markets Outlook

ARTICLE

## COMMENTARY

The Amplify Advanced Battery Metals & Materials ETF's diversified approach, giving it exposure to a variety of critical metals used in lithium-ion batteries (such as Graphite and Manganese), helped buffer some of the negative performance during the 2Q 2019, as these metals were less impacted by tariffs and weaker global demand concerns. The ETF's overweight in Nickel relative to other metals also helped performance, as Lithium and Cobalt names were hit the hardest during the 2nd quarter.

Headwinds remain for battery metals and mining stocks in the second half of 2019, including bearish analyst sentiment for lithium on oversupply concerns relative to weaker global demand, and soft pricing linked to tariffs and reduced China subsidies for electric vehicles (EVs).

However, there are signs that we may be at an inflection point as many of these headwinds are dissipating, especially if a trade resolution is negotiated. EV demand is expected to ramp up over the next few years, going from 1.6mil EVs sold in 2018 to an estimated 20mil EVs by 2025 (according to Research and Markets).

Another interesting element with lithium-ion batteries (and part of the BATT ETF) is battery reuse and recycling, which stands at \$61.5mil in 2018, and is estimated to reach \$7.8bil by 2025 (according to Research and Markets). Finally, with limited battery metal supply coming online, metal shortages should help spur pricing and sales growth among companies in the battery metal supply chain.

***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](http://BATTETF.com)***

BATT Top 10 Holdings

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](#).

***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](http://AmplifyETFs.com). Read the prospectus carefully before investing.***

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 Sub-Adviser.

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