As of 6/30/2023

MARKET COMMENTARY

The second quarter of 2023 was filled with murky headlines following the U.S. banking crisis, debt ceiling drama, and the Fed signaling its continued rate hikes amid warnings of an imminent recession – a recession that, once again, did not materialize. At quarter end, however, there was still no economic downturn in sight and most major market indices remained in positive territory. Oil and gas prices rose as demand rebounded, fueled by a global recovery from the COVID-19 pandemic. The Dow Jones Industrial Index (TR) returned 3.97%, the tech-heavy Nasdaq climbed 13.05% and the S&P 500 delivered 8.74%. Internationally, markets eked out positive returns as well. The MSCI EAFE International Index* returned 2.95% while the MSCI Emerging Markets Index* returned 0.90%.

In the current inflationary environment of rising energy and commodity prices, natural resource and commodity-related equities find themselves in a "golden age" of free cash flow. Because these companies are not spending money on immediate capacity, balance sheets have become debt free, and free cash flow is being returned to shareholders in the form of 1) increasing fixed dividends, 2) high variable or special dividends, and 3) share repurchases.

Launched in August 2022, NDIV is comprised of dividend-paying U.S. exchange-listed equities operating primarily in the natural resource and commodity-related industries such as energy, chemicals, agriculture, metals & mining, paper products, and timber. The ETF offers the potential for "inflation proof" income and increased top performers shareholder yield. The current distribution yield for the ETF as of 6/30/23 is 8.88%.

Among NDIV's top **performers** were Petroleo Brasileiro (55.65%), Chord Energy Corp (16.86%), and Kinetik Holdings (15.34%). Click HERE for NDIV's top 10 holdings.

Shares of Petroleo Brasileiro or Petrobas rose on positive earnings estimate revisions, which reflected analyst optimism about the company's business and profitability. Brazil, taking tremendous steps to increase oil production, has the potential to become the world's fourth largest oil producer. Petrobras would be the key driver in the expansion of production volumes and has committed to spending $78 billion over the next five years toward the cause.

Shares of Chord Energy Corp rose during the period amid sky-high growth rates and earning per share.

Kinetik Holdibgs came into existence in 2022 following the merger of Altus Midstream and EagleClaw Midstream. Kinetic has the financial flexibility to invest in expansion products and, through its $490-$540 million in projects this year, is expected to grow earnings by 13% next year.

Detractors on performance for the period were ICL Group (-17.47%), BHP Group (-6.86%), and Anglo American PLC (-13.67%).

Shares of Israel-based, specialty mineral company ICL Group fell as the company reported declining profits in its first quarter report.

BHP Group saw its share prices fall amid weak commodity prices that weighed on company performance.

While Anglo American saw its stock price fall for the period, the company appears to be reinvesting in a way that has resulted in sizeable earnings and a dividend that is well covered.

PERFORMANCE

	CUMULATIVE (%)					ANNUALIZED (%)	
	1 Mo.	3 Mo.	6 Mo.	YTD	Since Inception	1 Yr.	Since Inception
Fund NAV	8.60%	3.86%	2.84%	2.84%	4.93%	N/A	N/A
Closing Price	8.51%	3.91%	2.92%	2.92%	4.97%	N/A	N/A
EQM Natural Resources Dividend Income Index	8.72%	4.02%	3.14%	3.14%	5.69%	N/A	N/A

NDIV's gross expense ratio is 0.59%.

Fund inception date: 8/24/2022. ***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 data current to the most recent month-end please call 855-267-3837 or visit AmplifyETFs.com/NDIV. Brokerage commissions will reduce returns. Indexes are unmanaged and it's not possible to invest directly in an index.***

The EQM Natural Resources Dividend Income Index (NDIVITR) is a gross total return index that seeks to provide investment exposure to dividend-paying equity securities of global companies operating primarily in the natural resource and commodity-related industries.

*Index Definitions: The MSCI ACWI captures large and mid-cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. Indexes are unmanaged and it is not possible to invest directly in an index.

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. Read the prospectus carefully before investing.

Investing involves risk, including the possible loss of principal. You could lose money by investing in the Fund. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. There can be no assurance that the Fund's investment objectives will be achieved.

Because the Fund is non-diversified the Fund is subject to the risks associated with companies in the natural resources and commodities-related industries, energy and materials sectors which can cause volatility and affect its value. These industries can be significantly affected by rapid changes in supply and demand, changes in interest rates, government policies and regulations, environmental concerns, worldwide politics, and economic conditions.

The Fund will invest in ADRs which may be subject to certain risks associated with direct investments in the securities of non-U.S. companies, such as currency, political, economic and market risks because their values depend on the performance of the non-dollar denominated underlying non-U.S. securities.

Dividend-Paying Companies are not obligated to pay or continue to pay dividends on their securities. Therefore, there is a possibility that a company could reduce or eliminate the payment of dividends in the future, which could negatively affect the Fund's performance.

The Fund employs a "passive management" or indexing investment approach that seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index. Differences in timing of trades and valuation as well as fees and expenses, may cause the fund to not exactly replicate the index known as tracking error.

Amplify Investments LLC serves as the investment adviser to the Fund, and Toroso Investments, LLC serves as the investment sub-adviser. Amplify ETFs are distributed by Foreside Fund Services, LLC.