

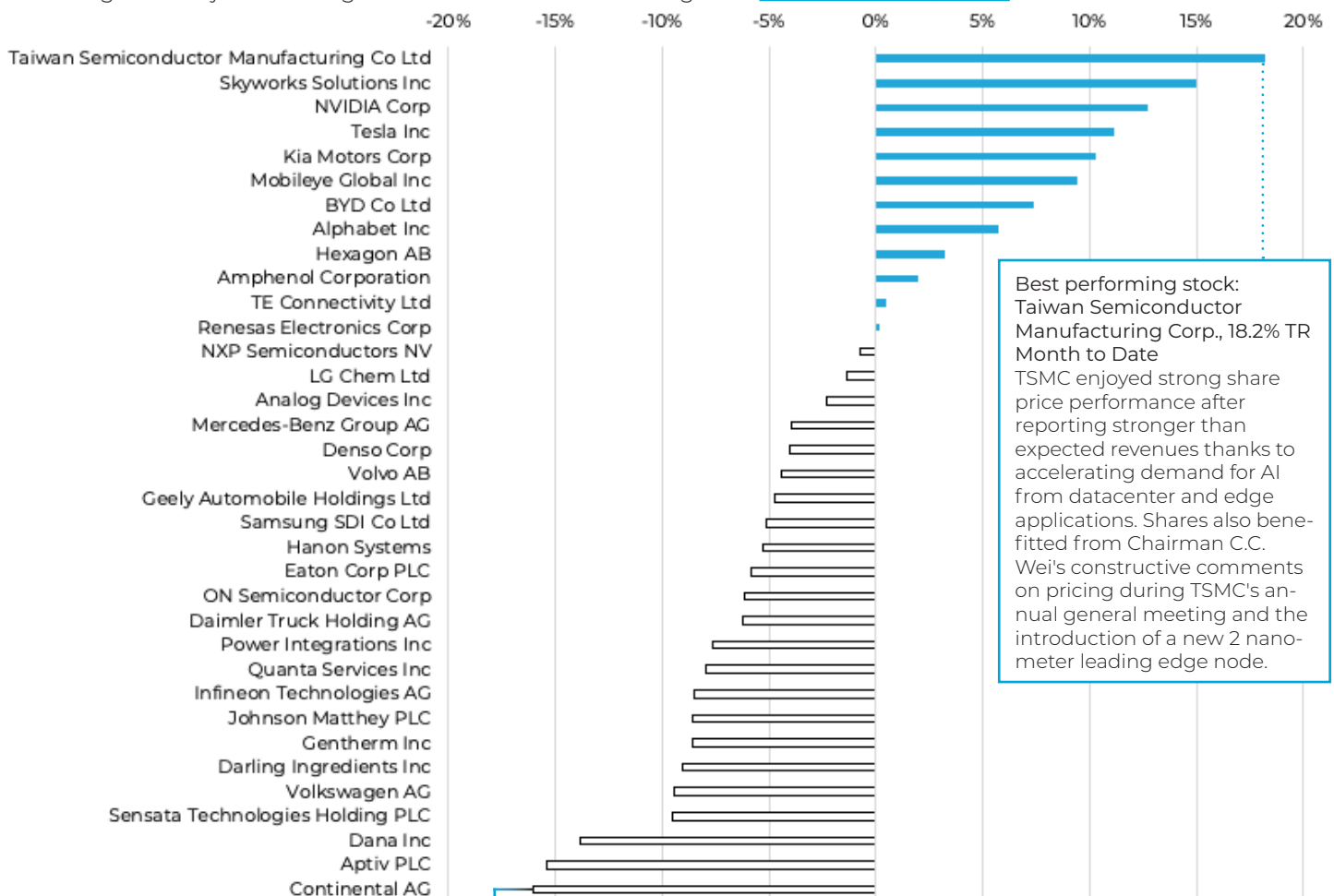


### Portfolio Performance

as of 06/30/2024

MOTO produced a total return of -0.96% on a NAV basis (-1.12% market price), outperforming the MSCI World Index NR, which provided a return of 2.03%. Bloomberg New Energy Finance predicts that electric vehicles (EVs) could make up a third of new car sales in the US by 2027, with strong growth driven by new affordable models from local and foreign manufacturers. On one hand of EV development, Volkswagen announced a \$5 billion partnership with Rivian to enhance its EV software capabilities. On the other hand, Fisker filed for bankruptcy, joining other EV start-ups that have collapsed recently. Continue reading for more in-depth insights into MOTO and for the latest developments in the Smart Transportation Revolution.

Holdings are subject to change. To view current fund holdings visit [SmartETFs.com/MOTO](https://SmartETFs.com/MOTO)



**Best performing stock:**  
Taiwan Semiconductor Manufacturing Corp., 18.2% TR Month to Date  
TSMC enjoyed strong share price performance after reporting stronger than expected revenues thanks to accelerating demand for AI from datacenter and edge applications. Shares also benefited from Chairman C.C. Wei's constructive comments on pricing during TSMC's annual general meeting and the introduction of a new 2 nanometer leading edge node.

**Worst performing stock: Continental AG, -16.1% TR Month to Date**  
Continental lagged as industry forecaster S&P released its June update, cutting its 2024 volume outlook by 980k units to 89.5m units globally vs 90.4m units prior. This new forecast indicates a 1.1% decline compared to last year, instead of the previously expected flat growth. S&P also lowered its forecasts for 2025 and 2026 by 338,000 and 306,000 units, respectively.

Performance data quoted represents past performance and does not guarantee future results. The investment return and principal value of an investment in the Fund will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance data quoted. Performance data current to the most recent month-end may be obtained by visiting [SmartETFs.com](https://SmartETFs.com), or calling (866) 307-5990. The returns shown are cumulative for the period, not annualized. Market prices return is based on the market price of Fund shares as of the close of trading on the exchange where the shares are listed.

# MOTO

## The SmartETFs Smart Transportation & Technology ETF

July 2024 Update



**SmartETFs**  
by Guinness Atkinson

### Portfolio Performance

As of 06/30/2024	1 Month	6 Months	YTD	1 Year	3 Years	Since Inception (11/15/19)
MOTO at NAV	-0.96%	5.85%	5.85%	4.94%	1.16%	15.26%
MOTO at Market Price	-1.12%	5.69%	5.69%	4.25%	0.99%	15.08%
MSCI World NR	2.03%	11.75%	11.75%	20.19%	6.85%	11.49%

Expense Ratio: 0.68% (net) | 0.96% (gross)

The Adviser has contractually agreed to reduce its fees and/or pay ETF expenses in order to limit the Fund's total annual operating expenses to 0.68% through June 30, 2027.

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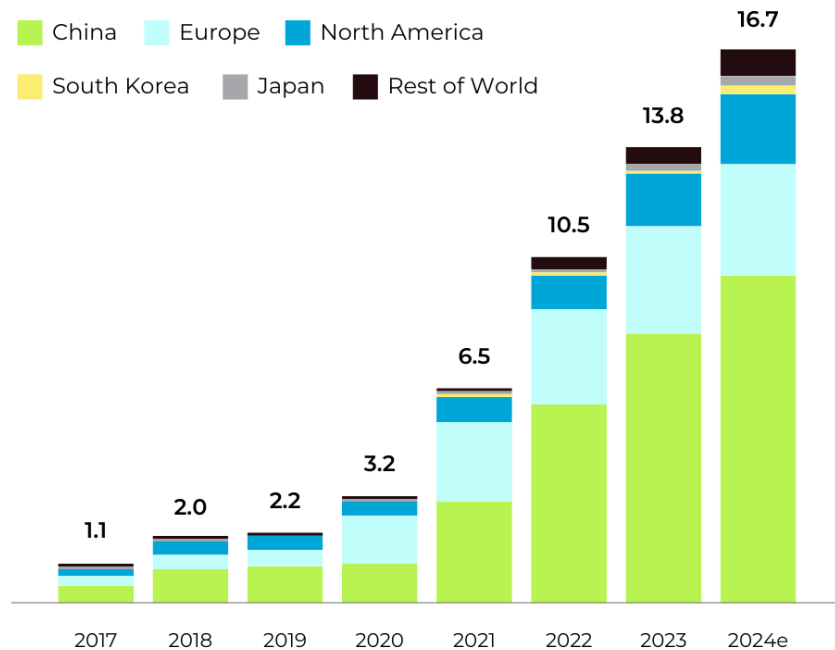
Net Asset Value (NAV) represents the net value of an entity and is calculated as the total value of the entity's assets minus the total value of its liabilities.



#### Interesting News

Earlier this month Bloomberg New Energy Finance published its annual Electric Vehicle Outlook for 2024. A key finding was that despite recent news of a slowdown, they believe that EVs could make up a third of new car sales in the US by 2027. Despite plug in vehicles penetration lagging China and Europe at just 10% in 2023, BNEF believes that the modest near-term growth is likely to give way to stronger momentum as new, more affordable EV models are launched by local champions such as Ford and Tesla, while the local manufacturing capacity of foreign automakers like Hyundai, BMW and Toyota also ramps up. Under the forecaster's Economic Transition Scenario, US EV sales are expected to rise to 4.5 million units in 2027, making up just under a third of new car sales, before rising to 48% of new passenger vehicle sales by the end of the decade, just shy of President Biden's target of 50%.

Passenger EV Sales by Region  
(million units)



Source: Bloomberg New Energy Finance.

Tesla shareholders approved Elon Musk's \$56bn pay package last month in a ringing endorsement of the CEO's leadership and what could become the largest payout in US corporate history. The approval of shareholders does not however, resolve an ongoing lawsuit regarding the bumper pay package taking place in a Delaware court, which some legal experts believe could last for months. Earlier this year, a judge invalidated the payout, describing it as "unfathomable" despite investors approving the package back in 2018. In response, Musk sought to move the company's legal headquarters from Delaware to Texas, a motion that was also approved by stockholders at the recent annual general meeting.

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#### Interesting News

- Volkswagen has announced plans to invest up to \$5bn into a partnership with Rivian in an attempt to rapidly improve its software capabilities. The tie-up comes as VW looks to beef up its electric offering in the face of fierce competition from Tesla and Chinese rivals. Upon agreement of a 50/50 joint venture, VW would receive “immediate access” to the EV start-up’s EV software for use in its own cars. Software has become a key focus area for Volkswagen after the company’s in-house software developer Cariad failed to deliver products on time, leading to new model launch delays. The partnership mirrors aspects of a deal struck between the German OEM and Chinese EV start-up Xpeng in 2023 to collaborate on software and a China specific EV platform, though unlike the Xpeng partnership, Rivian and Volkswagen will not jointly develop models.
- US electric vehicle maker Fisker has become the latest electric vehicle startup to file for bankruptcy after a funding deal with a large automaker fell through. This marks the latest in a series of EV SPACs to collapse including Proterra, Lordstown Motors, Arrival, and Electric Last Mile Solutions. Fisker, like many companies at the time, was fueled by cheap money and extreme bullishness around electric vehicle adoption in the United States following the rise of national champion Tesla.
- After the announcement of US tariffs on Chinese electric vehicles in May, the European Union followed suit in June. The European Commission notified automakers that it would provisionally apply additional duties of 17-38% on Chinese EV imports from next month on top of the existing 10% tariff on all Chinese EVs. The final duty to be applied will depend on the extent to which each OEM complied with the EU’s anti-subsidy investigation announced in September 2023, with a maximum all-in tariff of 48%. The EU defended the action, saying in a statement that their investigation had found that the EV supply chain in China “benefits heavily from unfair subsidies in China, and that the influx of subsidized Chinese imports at artificially low prices therefore presents a threat of clearly foreseeable and imminent injury to EU industry.”

#### There’s more where that came from!

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### Disclosure

MSCI World Index captures large and mid cap representation across 23 Developed Markets countries. With 1,583 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

Nasdaq is a global electronic marketplace for buying and selling securities.

Investing involves risk, including possible loss of principal. Smart transportation products are subject to technological, cybersecurity, market, and regulatory risks which could adversely affect the value of companies in which the Fund invests. Investing in foreign companies entails additional potential market and regulatory risk.

**Consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. For a prospectus or summary prospectus with this and other information, please call (866) 307-5990 or visit our website at [www.SmartETFs.com](http://www.SmartETFs.com). Read the prospectus or summary prospectus carefully before investing.**

Shares of the Fund are distributed by Foreside Fund Services, LLC.