



## Income Family: Explore Our Funds

### INCOME

Offering solutions to investors seeking to increase or diversify their portfolio's income, the Income funds consist of the SuperDividend® ETFs, which invest in among the highest dividend yielding securities in the world. It also includes alternative income ETFs, such as MLPs and YieldCos.

#### Dividend

<b>SDIV</b>	SuperDividend® ETF
<b>DIV</b>	SuperDividend® U.S. ETF
<b>SRET</b>	SuperDividend® REIT ETF
<b>SDEM</b>	MSCI SuperDividend® Emerging Markets ETF
<b>ALTY</b>	SuperDividend® Alternatives ETF
<b>EFAS</b>	MSCI SuperDividend® EAFE ETF
<b>QDIV</b>	S&P 500® Quality Dividend ETF

#### MLPs & Energy

<b>MLPA</b>	MLP ETF
<b>MLPX</b>	MLP & Energy Infrastructure ETF
<b>YLCO</b>	YieldCo Index ETF

#### Preferreds

<b>SPFF</b>	SuperIncome™ Preferred ETF
<b>PFFD</b>	U.S. Preferred ETF

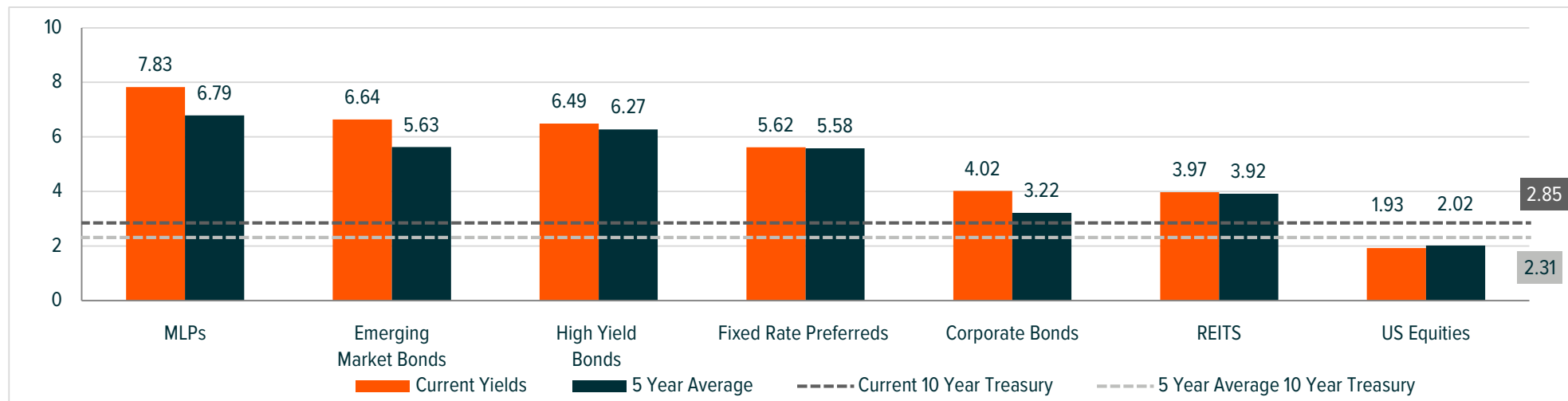
#### TargetIncome

<b>TFIV</b>	TargetIncome 5 ETF
<b>TFLT</b>	TargetIncome Plus 2 ETF



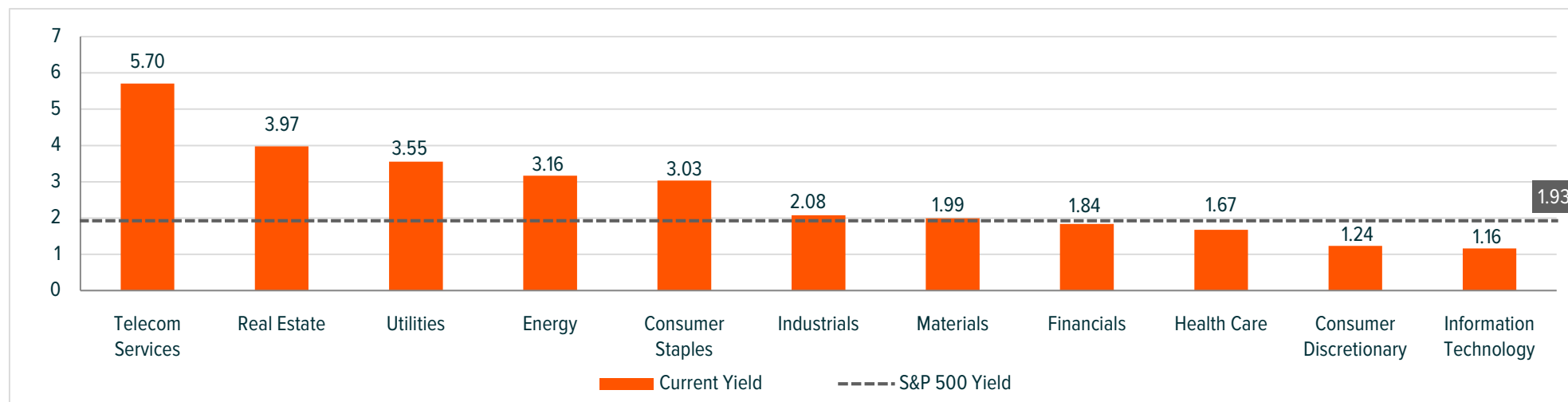
## YIELD BY ASSET CLASS<sup>1</sup> (%)

Source: Bloomberg and Federal Reserve as of 06/30/2018



## S&P 500 SECTOR YIELD (%)

Source: Bloomberg as of 06/30/2018

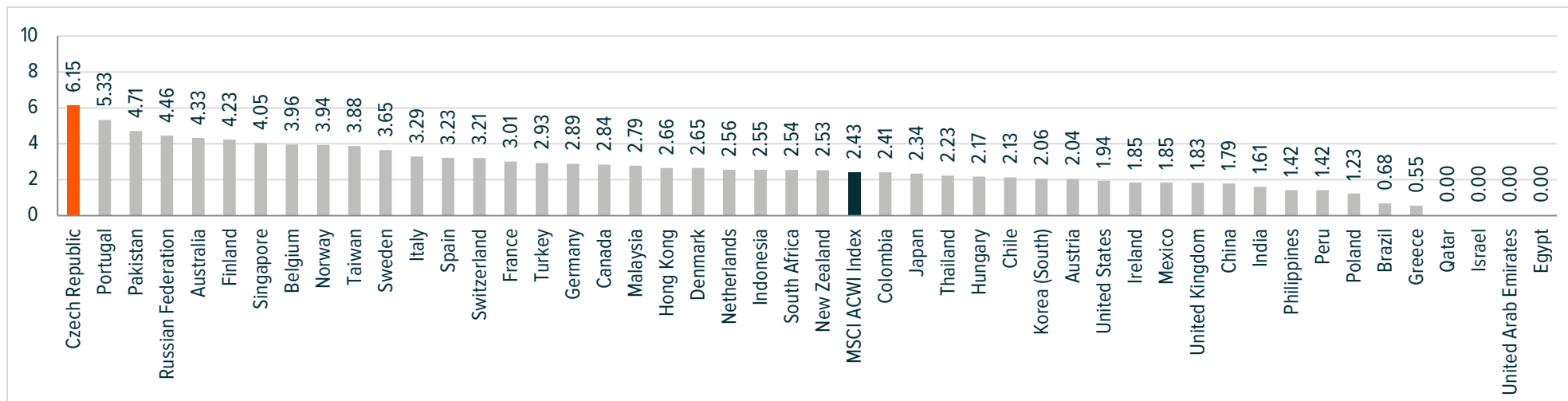


(1) Asset class representations are as follows, MLPs, S&P MLP Index; High Yield Bonds, Bloomberg Barclays US Corporate High Yield Bond Index; Emerging Market (EM) Bonds, J.P. Morgan EMBI Global Core Index; Corporate Bonds, Bloomberg Barclays US Corporate Bond Index; REITS, FTSE NAREIT All Equity REITS Index; Equities, S&P 500 Index; and Preferreds, BofA Merrill Lynch Fixed Rate Preferred Securities Index.



## DIVIDEND YIELD BY COUNTRY (%)

Source: MSCI, Bloomberg as of 06/30/2018



## FUNDAMENTALS BY DIVIDEND STYLE<sup>2</sup>

Source: Bloomberg – S&P 500 Index as of 06/30/2018

	Dividend Yield (%)	Dividend Growth (%)	Return on Equity (%)	Price to Earnings	Price to Book	Price to Sales	Dividend Coverage	Earnings Growth (%)	Leverage (Debt to EBITDA)	Average 5 Year Dividend Yield (%)	Top 3 Sectors and Weights <sup>3</sup> (%)
High Dividend	3.73	2.32	10.65	17.66	2.29	2.04	0.92	7.55	4.21	3.38	1. Energy (18.07) 2. Consumer Staples (17.21) 3. Utilities (10.91)
Dividend Growth	2.66	3.20	16.62	21.74	3.29	2.68	1.47	16.90	2.34	2.67	1. Information Technology (19.79) 2. Industrials (18.52) 3. Health Care (14.70)
Quality Dividend	1.86	1.79	39.58	22.12	6.93	2.23	2.25	28.67	2.04	2.03	1. Information Technology (37.89) 2. Industrials (16.57) 3. Consumer Discretionary (15.49)

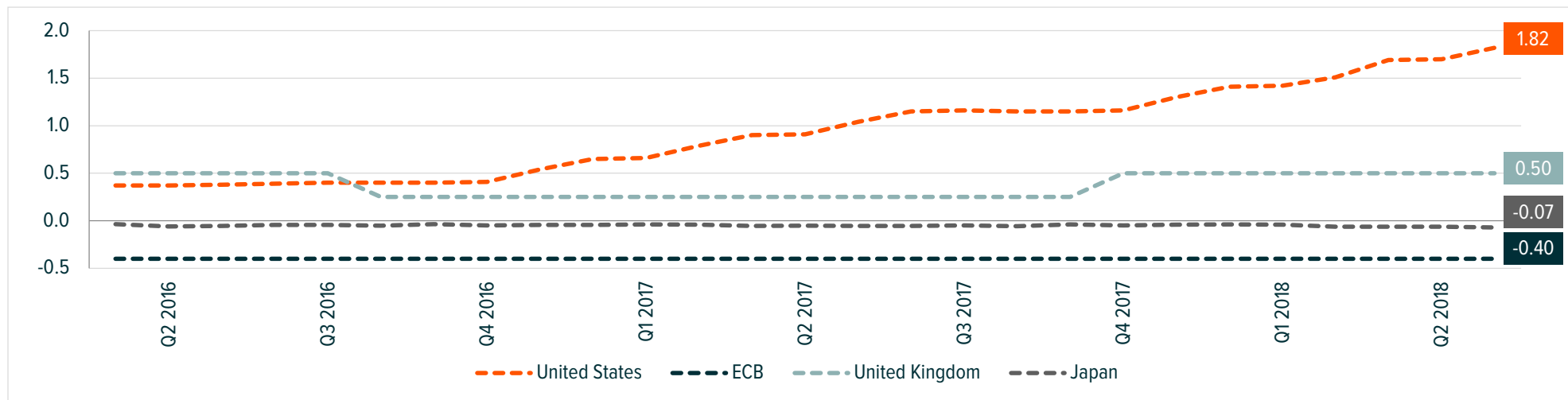
(2) **High Dividend** reflects median of the fundamentals of the top quartile companies in S&P 500 Index sorted by dividend yield form largest to smallest; **Dividend Growth** reflects median of the fundamentals of the top quartile companies in S&P 500 Index sorted by 1 year dividend growth rate form largest to smallest and **Quality Dividend** reflects median of the fundamentals of the top quartile dividend paying companies in S&P 500 Index sorted by return on equity form largest to smallest.

(3) Top 3 Sectors and Weights do not reflect the medians of the top quartile, it reflects the adjusted weights of the companies in S&P 500 Index within the top quartile.



## CENTRAL BANK RATES: Trailing 2 years of Policy Rates (%)

Source: Federal Reserve Bank of St. Louis, Bank of England, European Central Bank, and Bank of Japan as of 06/30/2018



## US CREDIT-DURATION YIELD PREMIUM<sup>4</sup> - demonstrates the additional yield over the risk free rate at specific levels of credit risk (by credit rating) and Duration (by maturity)

Source: Bloomberg and Fed Reserve as of 06/30/2018

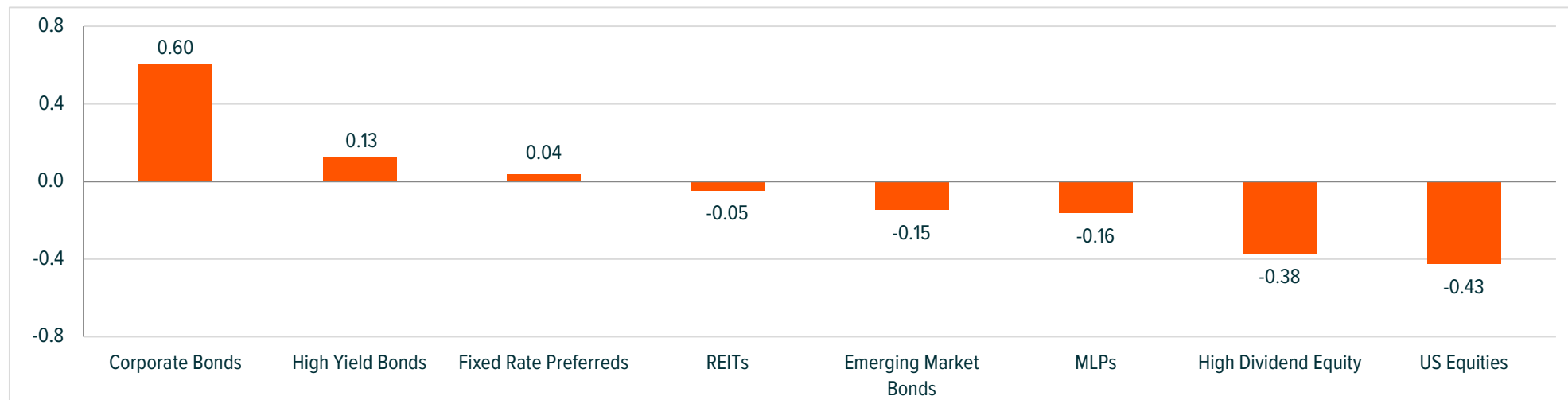
		Duration (years)					
		Current	1	2	5	10	30
Credit Rating	Current	Risk free rate (Rf) =+1.93	+0.40	+0.59	+0.80	+0.92	+1.05
	AAA	+0.34	+0.74	+0.93	+1.14	+1.26	+1.39
	AA	+0.39	+0.79	+0.98	+1.19	+1.31	+1.44
	A	+0.59	+0.99	+1.18	+1.39	+1.51	+1.64
	BBB	+0.80	+1.20	+1.39	+1.60	+1.72	+1.85
	BB	+1.90	+2.30	+2.49	+2.70	+2.82	+2.95

(4) This chart explains the yield premium based on the credit rating by duration to maturity. Current risk-free rate is defined as the 3-month Treasury bill rate. Duration is the time period until maturity and credit rating is the rating assigned by the rating agencies. Historically, the yield premium increases as credit quality decreases, and depending on the economic environment there can be additional yield premium as the time period until maturity increases. Ratings are based on the composite average of the three rating agencies that is Moody's, S&P, & Fitch and are measured on a scale that generally ranges from AAA (highest) to D (lowest). Risk free rate (Rf) refers to the 3 months treasury rate, maturity risk premium for different maturities 1, 2,5,10 and 30 years is arrived by reducing the Rf rate from the respective maturity treasury rates. Credit spread for a specific rating is arrived by reducing the Rf rate from the respective ratings yield rate. Yield rates are for US senior unsecured bonds denominated in USD with Bloomberg composite rating that have BVAL prices at the market close. BVAL prices are as per Bloomberg Valuation Service (BVAL) which is an evaluated pricing service for measuring, monitoring and managing the value of existing fixed income positions. Current refers to quarter ending 30th June, 2018.



## CORRELATION BY ASSET CLASS TO 10-YEAR TREASURIES<sup>5</sup> (1-Year)

Source: Bloomberg as of 06/30/2018



## ASSET CLASS CORRELATION<sup>5</sup> (1-Year)

Source: Bloomberg as of 06/30/2018

Asset Class	High Yield Bonds	Fixed Rate Preferreds	Emerging Market Bonds	REITs	Corporate Bonds	US Equities	High Dividend Equity	MLPs
High Yield Bonds	1.00	-0.41	0.41	-0.24	-0.13	-0.41	-0.39	-0.29
Fixed Rate Preferreds	-0.41	1.00	-0.33	0.33	0.25	0.29	0.28	0.15
Emerging Market Bonds	0.41	-0.33	1.00	-0.32	-0.45	-0.21	-0.26	-0.08
REITs	-0.24	0.33	-0.32	1.00	0.23	0.54	0.57	0.30
Corporate Bonds	-0.13	0.25	-0.45	0.23	1.00	-0.14	-0.07	0.00
US Equities	-0.41	0.29	-0.21	0.54	-0.14	1.00	0.96	0.52
High Dividend Equity	-0.39	0.28	-0.26	0.57	-0.07	0.96	1.00	0.47
MLPs	-0.29	0.15	-0.08	0.30	0.00	0.52	0.47	1.00

(5) Asset class representations are as follows, MLPs, S&P MLP Index; High Yield Bonds, Bloomberg Barclays US Corporate High Yield Bond Index; Emerging Market (EM) Bonds, J.P. Morgan EMBI Global Core Index; Corporate Bonds, Bloomberg Barclays US Corporate Bond Index; REITs, FTSE NAREIT All Equity REITS Index; High Dividend Equities, MSCI USA High Dividend Yield Index; US Equities, S&P 500 Index; 10 Year Treasuries, 10-Year Government Bond Note; and Preferreds, BofA Merrill Lynch Fixed Rate Preferred Securities Index.



For more information on high dividend strategies, please visit: [www.globalxfunds.com/superdividend](http://www.globalxfunds.com/superdividend) or [www.globalxfunds.com/sdiv](http://www.globalxfunds.com/sdiv)

## DEFINITIONS

**S&P MLP Index** provides investors with exposure to the leading partnerships that trade on the NYSE and NASDAQ. The index includes both master limited partnerships (MLPs) and publicly traded limited liability companies (LLCs), which have a similar legal structure to MLPs and share the same tax benefits.

**Bloomberg Barclays US Corporate High Yield Bond Index** measures the USD-denominated, high yield, fixed-rate corporate bond market. Securities are classified as high yield if the middle rating of Moody's, Fitch and S&P is Ba1/BB+/BB+ or below. Bonds from issuers with an emerging markets country of risk, based on Barclays EM country definition, are excluded.

**J.P. Morgan EMBI Global Core Index** is a broad, diverse U.S. dollar-denominated emerging markets debt benchmark that tracks the total return of actively traded external debt instruments in emerging market countries.

**FTSE NAREIT All Equity REITS Index** is a free float adjusted market capitalization weighted index that includes all tax qualified equity REITs listed in the NYSE, AMEX, and NASDAQ National Market.

**Bloomberg Barclays US Corporate Bond Index** measures the investment grade, fixed-rate, taxable corporate bond market. It includes USD denominated securities publicly issued by US and non-US industrial, utility and financial issuers.

**MSCI USA High Dividend Yield Index** is based on the MSCI USA Index, its parent index, and includes large and mid cap stocks. The index is designed to reflect the performance of equities in the parent index (excluding REITs) with higher dividend income and quality characteristics than average dividend yields that are both sustainable and persistent. The index also applies quality screens and reviews 12-month past performance to omit stocks with potentially deteriorating fundamentals that could force them to cut or reduce dividends.

**S&P 500 Index** tracks the performance of 500 leading U.S. stocks and captures approximately 80% coverage of available U.S. market capitalization. It is widely regarded as the best single gauge of large-cap U.S. equities.

**BofA Merrill Lynch Fixed Rate Preferred Securities Index** tracks the performance of fixed-rate U.S. dollar-denominated preferred securities issued in the U.S. domestic market.

**MSCI ACWI Index** captures large and mid cap representation across 23 Developed Markets (DM) and 24 Emerging Markets (EM) countries. The index covers approximately 85% of the global investable equity opportunity set. DM countries include: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the UK and the US. EM countries include: Brazil, Chile, China, Colombia, Czech Republic, Egypt, Greece, Hungary, India, Indonesia, Korea, Malaysia, Mexico, Pakistan, Peru, Philippines, Poland, Russia, Qatar, South Africa, Taiwan, Thailand, Turkey and United Arab Emirates.

**10-Year Government Bond Note** is a debt obligation issued by the United States government with a maturity of 10 years upon initial issuance. A 10-year Treasury note pays interest at a fixed rate once every six months, and pays the face value to the holder at maturity.

**Correlation** is a measure that shows how two securities move in relation to each other. A correlation of 1 implies that the securities will exhibit the same price movements. A correlation of 0 means the securities demonstrate completely unrelated price movements.

**Dividend Yield** is a financial ratio that measures the quantum of cash dividends paid out to shareholders relative to the market value per share.

**Dividend Growth** rate is the annualized percentage rate of growth that a particular stock's dividend undergoes over a period of time.

**Return on Equity** is the amount of net income returned as a percentage of shareholders equity. It measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested.

**Price to Earnings** is a ratio for valuing a company that measures its current share price relative to its per-share earnings

**Price to Book** is a ratio used to compare a stock's market value to its book value. It is calculated by dividing the current closing price of the stock by the latest quarter's book value per share.

**Price to Sales** is a valuation ratio that compares a company's stock price to its revenues.

**Dividend Coverage** is the ratio of company's earnings (net income) over the dividend paid to shareholders, calculated as net profit or loss attributable to ordinary shareholders by total ordinary dividend.

**Earnings Growth** is the percentage change in a firm's earnings per share (EPS) in a period, as compared with the same period from the previous year

**Leverage (Debt to EBITDA)** ratio is a measurement of leverage, calculated as a company's interest-bearing liabilities minus cash or cash equivalents, divided by its EBITDA. EBITDA is the earnings before interest, taxes, depreciation, and amortization.

**US Composite AAA BVAL yield rates** for US senior unsecured bonds denominated in USD with Bloomberg composite rating AAA that have BVAL prices at the market close.

**US Composite AA BVAL yield rates** for US senior unsecured bonds denominated in USD with Bloomberg composite rating AA that have BVAL prices at the market close.

**US Composite A BVAL yield rates** for US senior unsecured bonds denominated in USD with Bloomberg composite rating A that have BVAL prices at the market close.

**US Composite BBB BVAL yield rates** for US senior unsecured bonds denominated in USD with Bloomberg composite rating BBB that have BVAL prices at the market close.

**US Composite BB BVAL yield rates** for US senior unsecured bonds denominated in USD with Bloomberg composite rating BB that have BVAL prices at the market close.



Global X Management Company, LLC serves as an advisor to the Global X Funds. The Funds are distributed by SEI Investments Distribution Co. (SIDCO, 1 Freedom Valley Drive, Oaks, PA, 19456), which is not affiliated with Global X Management Company, LLC.

Investing involves risk, including possible loss of principal. International investments may involve risk of capital loss from unfavorable fluctuation in currency values, from differences in generally accepted accounting principles or from economic or political instability in other nations. Investments in securities of MLPs involve risk that differ from investments in common stock including risks related to limited control and limited rights to vote on matters affecting the MLP. MLP common units and other equity securities can be affected by macro-economic and other factors affecting the stock market in general, expectations of interest rates, investor sentiment towards MLPs or the energy sector, changes in a particular issuer's financial condition, or unfavorable or unanticipated poor performance of a particular issuer (in the case of MLPs, generally measured in terms of distributable cash flow). Investments in the energy industry, entail significant risk and volatility.

High yielding stocks are often speculative, high-risk investments. These companies can be paying out more than they can support and may reduce their dividends or stop paying dividends at any time, which could have a material adverse effect on the stock price of these companies.

Bonds and bond funds will decrease in value as interest rates rise. High yield bonds involve greater risks of default or downgrade and are more volatile than investment grade securities, due to the speculative nature of their investments. In addition to the normal risks associated with investing, real estate and REIT investments are subject to changes in economic conditions, credit risk and interest rate fluctuations. Emerging markets involve heightened risks related to the same factors as well as increased volatility and lower trading volume. Preferred stock is subject to many of the risks associated with debt securities, including interest rate risk. In addition, preferred stock may not pay a dividend, an issuer may suspend payment of dividends on preferred stock at any time, and in certain situations an issuer may call or redeem its preferred stock or convert it to common stock.

U.S. Treasury securities are considered to be of high credit quality and are backed by the full faith and credit of the U.S. government. U.S. Treasury securities, if held to maturity, guarantee a return of principal while no other securities mentioned in this material offer such a guarantee.

Shares of ETFs are bought and sold at market price (not NAV) and are not individually redeemed from the Fund. Brokerage commissions will reduce returns. The information provided is not intended for trading purposes, and should not be considered investment advice.

Indices are unmanaged and do not include the effect of fees, expenses or sales charges. One cannot 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 fund's full or summary prospectus, which may be obtained by calling 1-888-GX-FUND-1 (1.888.493.8631), or by visiting [globalxfunds.com](http://globalxfunds.com). Read the prospectus carefully before investing.**