

ANNUAL REPORT

DECEMBER 31, 2016

Volatility

VIXY VIX Short-Term Futures ETF
VIXM VIX Mid-Term Futures ETF
SVXY Short VIX Short-Term Futures ETF
UVXY Ultra VIX Short-Term Futures ETF

Geared

Short Commodity

SCO UltraShort Bloomberg Crude Oil
KOLD UltraShort Bloomberg Natural Gas
GLL UltraShort Gold
ZSL UltraShort Silver

Short Currency

EUFX Short Euro
CROC UltraShort Australian Dollar
EUO UltraShort Euro
YCS UltraShort Yen

Ultra Commodity

UCO Ultra Bloomberg Crude Oil
BOIL Ultra Bloomberg Natural Gas
UGL Ultra Gold
AGQ Ultra Silver

Ultra Currency

ULE Ultra Euro
YCL Ultra Yen

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Dear Shareholder:

I am pleased to present the ProShares Trust II Annual Report to shareholders for the 12 months ended December 31, 2016.

Commodities on Path to Recovery

Commodities enjoyed a strong rebound for the 12-month period, breaking a five-year streak of losses. As a group, commodities rose 11.8%, as measured by the Bloomberg Commodity Index. Crude oil and natural gas enjoyed solid gains, with the Bloomberg WTI Crude Oil Subindex up 7.1% and the Bloomberg Natural Gas Subindex up 10.3%. Crude oil prices shot up in 2016, boosted by a decision by OPEC members and other big oil producers to cut production. Natural gas prices also surged in 2016, as a surplus that had depressed prices in prior years disappeared.

Gold rose 8.1%, as measured by the London Gold P.M. Fixing, while silver gained 17.5%, as measured by the London Silver Price. Gold and silver enjoyed strong rebounds through the third quarter of 2016, driven by weakness in global financial markets and macroeconomic uncertainty triggered by the Brexit vote. However, gold and silver declined in the fourth quarter, as expectations of rising interest rates in the United States and President Trump's surprise election victory drove investors into risk assets and away from "safe haven" assets.

Euro, Aussie Dollar Decline

The U.S. dollar was up 2.9% against the basket of major currencies that compose the U.S. Dollar Index[®]. The euro lost 3.1% and the Australian dollar fell 1.0% against the U.S. dollar, while the Japanese yen gained 2.9%.

In the United States, continued economic growth and rising interest rates supported the dollar, while in Europe,

the Brexit vote and continued economic uncertainty depressed the euro. The yen surged against the dollar in the first half of 2016 as investors piled into safe haven assets, but then pulled back as odds of a rate hike by the U.S. Federal Reserve increased.

VIX[®] Futures Languish

Stock market volatility remained very tame for most of the 12-month period, though there were three major spikes, triggered by the commodity crisis in January/February, the Brexit vote in June and the U.S. presidential election in November. VIX futures, which reflect expectations of future volatility, generally declined through the year, except in June, when they rose briefly following the Brexit vote.

Significant Fund Flows

With the spikes in stock market volatility came interest in ProShares VIX futures ETFs, which saw over \$1 billion in net inflows. There were also significant net inflows into our inverse commodity ETFs, notably our short crude oil ETF, as well as net outflows from our leveraged currency ETFs.

ProShares Trust II offers you tools that can help you manage risk or express a view on commodities, currencies or volatility. Thank you for the trust and confidence you have placed in us by investing in ProShares.

Sincerely,

Michael L. Sapir
Chief Executive Officer,
ProShare Capital Management LLC



Report of Independent Registered Public Accounting Firm

To the Sponsor of ProShares Trust II and the Shareholders of each of the eighteen funds listed below, comprising ProShares Trust II

In our opinion, the accompanying combined and individual statements of financial condition, including the individual schedules of investments, and the related combined and individual statements of operations, of changes in shareholders' equity and of cash flows, present fairly, in all material respects, the combined financial position of ProShares Trust II as of December 31, 2016 and 2015, and the individual financial positions of each of the following eighteen funds comprising ProShares Trust II

ProShares VIX Short-Term Futures ETF (a)	ProShares UltraShort Yen (a)
ProShares VIX Mid-Term Futures ETF (a)	ProShares Ultra Bloomberg Crude Oil (a)
ProShares Short VIX Short-Term Futures ETF (a)	ProShares Ultra Bloomberg Natural Gas (a)
ProShares Ultra VIX Short-Term Futures ETF (a)	ProShares Ultra Gold (a)
ProShares UltraShort Bloomberg Crude Oil (a)	ProShares Ultra Silver (a)
ProShares UltraShort Bloomberg Natural Gas (a)	ProShares Ultra Euro (a)
ProShares UltraShort Gold (a)	ProShares Ultra Yen (a)
ProShares UltraShort Silver (a)	
ProShares Short Euro (a)	ProShares Trust II ("combined") (b)
ProShares UltraShort Australian Dollar (a)	
ProShares UltraShort Euro (a)	

(a) A statement of financial condition, including the schedule of investments, is presented as of December 31, 2016 and 2015, and the related statements of operations, of changes in shareholders' equity and of cash flows are presented for each of the three years in the period ended December 31, 2016.

(b) A statement of financial condition is presented as of December 31, 2016 and 2015, and the related statements of operations, of changes in shareholders' equity and of cash flows are presented for each of the three years in the period ended December 31, 2016.

(collectively, the "Trust") as of December 31, 2016 and 2015, and the combined and individual results of their operations and their cash flows, for the respective periods described in (a) and (b) above in conformity with accounting principles generally accepted in the United States of America. Also in our opinion, the combined Trust and each of the individual funds maintained, in all material respects, effective internal control over financial reporting as of December 31, 2016, based on criteria established in *Internal Control - Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). The Trust's management is responsible for these financial statements, for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in Management's Annual Report on Internal Control Over Financial Reporting appearing under Item 9A. Our responsibility is to express opinions on the combined Trust and each of the individual fund's financial statements and on the combined Trust's and each of the individual fund's internal control over financial reporting based on our integrated audits. We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement and whether effective internal control over financial reporting was maintained in all material respects. Our audits of the financial statements included examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. Our audits of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

A trust's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A trust's internal control over financial reporting includes those policies and procedures that (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the trust; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the trust are being made only in accordance with authorizations of management of the trust; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the trust's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Price Waterhouse Coopers LLP

Baltimore, Maryland
February 27, 2017

PROSHARES VIX SHORT-TERM FUTURES ETF

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 4,536,425	\$ 2,124,103
Segregated cash balances with brokers for futures contracts	17,235,855	5,888,545
Short-term U.S. government and agency obligations (Note 3) (cost \$147,990,045 and \$96,075,481, respectively)	147,991,233	96,073,659
Receivable on open futures contracts	4,484,270	1,263,933
Total assets	<u>174,247,783</u>	<u>105,350,240</u>
Liabilities and shareholders' equity		
Liabilities		
Payable to Sponsor	87,637	77,417
Total liabilities	<u>87,637</u>	<u>77,417</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	174,160,146	105,272,823
Total liabilities and shareholders' equity	<u>\$174,247,783</u>	<u>\$105,350,240</u>
Shares outstanding (Note 1)	<u>8,209,451</u>	<u>1,589,962</u>
Net asset value per share (Note 1)	<u>\$ 21.21</u>	<u>\$ 66.21</u>
Market value per share (Note 1) (Note 2)	<u>\$ 21.26</u>	<u>\$ 66.65</u>

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(85% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.382% due 01/12/17 [†]	\$39,000,000	\$ 38,996,151
0.330% due 01/19/17 [†]	9,000,000	8,998,340
0.353% due 01/26/17 [†]	15,500,000	15,495,891
0.409% due 02/02/17 [†]	32,560,000	32,548,741
0.425% due 02/09/17 [†]	5,000,000	4,997,739
0.390% due 02/16/17	10,000,000	9,994,561
0.493% due 03/23/17	37,000,000	<u>36,959,810</u>
Total short-term U.S. government and agency obligations (cost \$147,990,045)		<u>\$147,991,233</u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2017	6,549	\$99,053,625	\$(2,742,526)
VIX Futures – CBOE, expires February 2017	4,560	75,582,000	2,273,874
			<u>\$ (468,652)</u>

^{^^} Rates shown represents discount rate at the time of purchase.

[†] All or partial amount pledged as collateral for futures contracts.

^{††} Cash collateral in the amount of \$17,235,855 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(91% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.087% due 01/07/16	\$ 5,167,000	\$ 5,166,983
0.165% due 01/28/16	4,768,000	4,767,587
0.007% due 02/04/16	44,408,000	44,404,749
0.000% due 02/25/16	6,625,000	6,624,282
0.190% due 03/03/16	2,943,000	2,942,542
0.070% due 03/10/16	2,214,000	2,213,533
0.201% due 03/17/16 [†]	14,428,000	14,425,221
0.060% due 03/24/16 [†]	5,088,000	5,085,965
0.366% due 05/26/16 [†]	10,459,000	10,442,797
Total short-term U.S. government and agency obligations (cost \$96,075,481) ...		<u>\$96,073,659</u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2016	2,821	\$52,259,025	\$ (958,831)
VIX Futures – CBOE, expires February 2016	2,821	53,246,375	(119,794)
			<u>\$(1,078,625)</u>

^{^^} Rates shown represents discount rate at the time of purchase.

[†] All or partial amount pledged as collateral for futures contracts.

^{††} Cash collateral in the amount of \$5,888,545 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 466,392	\$ 42,319	\$ 47,562
Expenses			
Management fee	1,632,880	1,062,171	1,083,189
Brokerage commissions and fees	270,159	130,942	82,921
Total expenses	<u>1,903,039</u>	<u>1,193,113</u>	<u>1,166,110</u>
Net investment income (loss)	<u>(1,436,647)</u>	<u>(1,150,794)</u>	<u>(1,118,548)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(195,475,791)	(19,408,543)	(694,347)
Short-term U.S. government and agency obligations	<u>6,650</u>	<u>1,703</u>	<u>12,242</u>
Net realized gain (loss)	<u>(195,469,141)</u>	<u>(19,406,840)</u>	<u>(682,105)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	609,973	(7,343,245)	22,917,306
Short-term U.S. government and agency obligations	<u>3,010</u>	<u>(3,657)</u>	<u>(6,229)</u>
Change in net unrealized appreciation/depreciation	<u>612,983</u>	<u>(7,346,902)</u>	<u>22,911,077</u>
Net realized and unrealized gain (loss)	<u>(194,856,158)</u>	<u>(26,753,742)</u>	<u>22,228,972</u>
Net income (loss)	<u><u>\$(196,292,805)</u></u>	<u><u>\$(27,904,536)</u></u>	<u><u>\$21,110,424</u></u>

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 105,272,823	\$ 111,459,325	\$ 270,398,554
Addition of 12,265,000, 2,495,000 and 2,115,000 shares, respectively (Note 1)	515,131,303	187,659,682	228,373,046
Redemption of 5,645,511, 1,970,000 and 2,945,000 shares, respectively (Note 1)	<u>(249,951,175)</u>	<u>(165,941,648)</u>	<u>(408,422,699)</u>
Net addition (redemption) of 6,619,489, 525,000 and (830,000) shares, respectively (Note 1)	<u>265,180,128</u>	<u>21,718,034</u>	<u>(180,049,653)</u>
Net investment income (loss)	(1,436,647)	(1,150,794)	(1,118,548)
Net realized gain (loss)	(195,469,141)	(19,406,840)	(682,105)
Change in net unrealized appreciation/depreciation	<u>612,983</u>	<u>(7,346,902)</u>	<u>22,911,077</u>
Net income (loss)	<u>(196,292,805)</u>	<u>(27,904,536)</u>	<u>21,110,424</u>
Shareholders' equity, end of period	<u>\$ 174,160,146</u>	<u>\$ 105,272,823</u>	<u>\$ 111,459,325</u>

See accompanying notes to financial statements.

PROSHARES VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ (196,292,805)	\$ (27,904,536)	\$ 21,110,424
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(11,347,310)	12,551,205	45,580,600
Purchases of short-term U.S. government and agency obligations	(920,726,003)	(599,166,468)	(674,817,750)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	869,284,481	585,220,876	800,418,587
Net amortization and accretion on short-term U.S. government and agency obligations	(466,392)	(41,722)	(46,740)
Net realized gain (loss) on investments	(6,650)	(1,703)	(12,242)
Change in unrealized appreciation/depreciation on investments	(3,010)	3,657	6,229
Decrease (Increase) in receivable on futures contracts	(3,220,337)	8,053,303	(6,138,219)
Increase (Decrease) in payable to Sponsor	10,220	(3,334)	(128,002)
Net cash provided by (used in) operating activities	<u>(262,767,806)</u>	<u>(21,288,722)</u>	<u>185,972,887</u>
Cash flow from financing activities			
Proceeds from addition of shares	515,131,303	187,659,682	228,373,046
Payment on shares redeemed	<u>(249,951,175)</u>	<u>(165,941,648)</u>	<u>(416,984,894)</u>
Net cash provided by (used in) financing activities	<u>265,180,128</u>	<u>21,718,034</u>	<u>(188,611,848)</u>
Net increase (decrease) in cash	2,412,322	429,312	(2,638,961)
Cash, beginning of period	2,124,103	1,694,791	4,333,752
Cash, end of period	<u>\$ 4,536,425</u>	<u>\$ 2,124,103</u>	<u>\$ 1,694,791</u>

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 1,155,115	\$ 671,791
Segregated cash balances with brokers for futures contracts	1,052,615	980,750
Short-term U.S. government and agency obligations (Note 3) (cost \$45,486,489 and \$25,975,462, respectively)	45,486,235	25,976,287
Receivable on open futures contracts	242,541	42,188
Total assets	<u>47,936,506</u>	<u>27,671,016</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	2,085,020	—
Payable to Sponsor	32,572	20,378
Total liabilities	<u>2,117,592</u>	<u>20,378</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	45,818,914	27,650,638
Total liabilities and shareholders' equity	<u>\$47,936,506</u>	<u>\$27,671,016</u>
Shares outstanding	<u>1,087,403</u>	<u>512,404</u>
Net asset value per share	<u>\$ 42.14</u>	<u>\$ 53.96</u>
Market value per share (Note 2)	<u>\$ 42.34</u>	<u>\$ 53.99</u>

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(99% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.281% due 01/05/17	\$ 1,500,000	\$ 1,499,968
0.390% due 01/12/17	18,500,000	18,498,174
0.299% due 01/19/17	2,000,000	1,999,631
0.311% due 01/26/17	1,500,000	1,499,602
0.411% due 02/02/17	2,000,000	1,999,308
0.372% due 02/09/17 [†]	10,000,000	9,995,478
0.390% due 02/16/17	6,000,000	5,996,737
0.491% due 02/23/17 [†]	4,000,000	3,997,337
Total short-term U.S. government and agency obligations (cost \$45,486,489) . . .		<u>\$45,486,235</u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires April 2017	474	\$ 8,733,450	\$ (655,635)
VIX Futures – CBOE, expires May 2017	806	15,172,950	(628,070)
VIX Futures – CBOE, expires June 2017	807	15,393,525	(72,915)
VIX Futures – CBOE, expires July 2017	332	6,523,800	68,375
			<u>\$(1,288,245)</u>

^{^^} Rates shown represents discount rate at the time of purchase.

[†] All or partial amount pledged as collateral for futures contracts.

^{††} Cash collateral in the amount of \$1,052,615 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(94% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.019% due 02/04/16	\$15,119,000	\$15,117,893
0.000% due 02/25/16	1,778,000	1,777,808
0.209% due 03/03/16 [†]	9,082,000	9,080,586
Total short-term U.S. government and agency obligations (cost \$25,975,462) . . .		<u>\$25,976,287</u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires April 2016	235	\$4,547,250	\$(168,335)
VIX Futures – CBOE, expires May 2016	469	9,145,500	10,005
VIX Futures – CBOE, expires June 2016	469	9,262,750	(135,125)
VIX Futures – CBOE, expires July 2016	234	4,691,700	(50,905)
			<u>\$(344,360)</u>

^{^^} Rates shown represents discount rate at the time of purchase.

[†] All or partial amount pledged as collateral for futures contracts.

^{††} Cash collateral in the amount of \$980,750 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 107,409	\$ 8,293	\$ 16,573
Expenses			
Management fee	369,016	233,390	392,120
Brokerage commissions and fees	32,884	15,503	10,931
Total expenses	<u>401,900</u>	<u>248,893</u>	<u>403,051</u>
Net investment income (loss)	<u>(294,491)</u>	<u>(240,600)</u>	<u>(386,478)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(11,085,506)	(3,335,936)	(14,378,810)
Short-term U.S. government and agency obligations	499	1,355	1,742
Net realized gain (loss)	<u>(11,085,007)</u>	<u>(3,334,581)</u>	<u>(14,377,068)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(943,885)	(605,025)	5,157,354
Short-term U.S. government and agency obligations	(1,079)	(327)	187
Change in net unrealized appreciation/depreciation	<u>(944,964)</u>	<u>(605,352)</u>	<u>5,157,541</u>
Net realized and unrealized gain (loss)	<u>(12,029,971)</u>	<u>(3,939,933)</u>	<u>(9,219,527)</u>
Net income (loss)	<u><u>\$(12,324,462)</u></u>	<u><u>\$(4,180,533)</u></u>	<u><u>\$ (9,606,005)</u></u>

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 27,650,638	\$21,459,575	\$ 51,134,323
Addition of 1,100,000, 325,000 and 593,750 shares, respectively	55,230,587	19,318,111	41,886,902
Redemption of 525,001, 150,000 and 918,847 shares, respectively	<u>(24,737,849)</u>	<u>(8,946,515)</u>	<u>(61,955,645)</u>
Net addition (redemption) of 574,999, 175,000 and (325,097) shares, respectively	<u>30,492,738</u>	<u>10,371,596</u>	<u>(20,068,743)</u>
Net investment income (loss)	(294,491)	(240,600)	(386,478)
Net realized gain (loss)	(11,085,007)	(3,334,581)	(14,377,068)
Change in net unrealized appreciation/depreciation	<u>(944,964)</u>	<u>(605,352)</u>	<u>5,157,541</u>
Net income (loss)	<u>(12,324,462)</u>	<u>(4,180,533)</u>	<u>(9,606,005)</u>
Shareholders' equity, end of period	<u><u>\$ 45,818,914</u></u>	<u><u>\$27,650,638</u></u>	<u><u>\$ 21,459,575</u></u>

See accompanying notes to financial statements.

PROSHARES VIX MID-TERM FUTURES ETF

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ (12,324,462)	\$ (4,180,533)	\$ (9,606,005)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(71,865)	926,200	6,547,440
Purchases of short-term U.S. government and agency obligations	(175,738,460)	(95,567,067)	(161,570,392)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	156,335,340	93,706,007	183,523,221
Net amortization and accretion on short-term U.S. government and agency obligations	(107,408)	(8,293)	(16,573)
Net realized gain (loss) on investments	(499)	(1,355)	(1,742)
Change in unrealized appreciation/depreciation on investments	1,079	327	(187)
Decrease (Increase) in receivable on futures contracts	(200,353)	1,741,140	(1,682,594)
Increase (Decrease) in payable to Sponsor	12,194	(2,358)	(22,712)
Net cash provided by (used in) operating activities	<u>(32,094,434)</u>	<u>(3,385,932)</u>	<u>17,170,456</u>
Cash flow from financing activities			
Proceeds from addition of shares	55,230,587	19,318,111	41,886,902
Payment on shares redeemed	<u>(22,652,829)</u>	<u>(16,894,470)</u>	<u>(59,329,673)</u>
Net cash provided by (used in) financing activities	<u>32,577,758</u>	<u>2,423,641</u>	<u>(17,442,771)</u>
Net increase (decrease) in cash	483,324	(962,291)	(272,315)
Cash, beginning of period	671,791	1,634,082	1,906,397
Cash, end of period	<u>\$ 1,155,115</u>	<u>\$ 671,791</u>	<u>\$ 1,634,082</u>

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 1,850,760	\$ 5,150,976
Segregated cash balances with brokers for futures contracts	55,323,984	123,528,405
Short-term U.S. government and agency obligations (Note 3) (cost \$170,391,741 and \$535,381,199, respectively)	170,396,436	535,392,718
Receivable from capital shares sold	—	10,164,157
Receivable on open futures contracts	1,059,418	—
Total assets	<u>228,630,598</u>	<u>674,236,256</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	—	29,497,107
Payable on open futures contracts	325,000	1,420,271
Payable to Sponsor	230,211	507,517
Total liabilities	<u>555,211</u>	<u>31,424,895</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	<u>228,075,387</u>	<u>642,811,361</u>
Total liabilities and shareholders' equity	<u>\$228,630,598</u>	<u>\$674,236,256</u>
Shares outstanding	<u>2,500,000</u>	<u>12,650,040</u>
Net asset value per share	<u>\$ 91.23</u>	<u>\$ 50.81</u>
Market value per share (Note 2)	<u>\$ 90.98</u>	<u>\$ 50.45</u>

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(75% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.471% due 02/09/17	\$47,500,000	\$ 47,478,520
0.437% due 02/16/17 [†]	95,000,000	94,948,330
0.493% due 03/23/17	28,000,000	<u>27,969,586</u>
Total short-term U.S. government and agency obligations (cost		
\$170,391,741)		<u>\$170,396,436</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures – CBOE, expires January 2017	8,491	\$128,426,375	\$ (7,027,685)
VIX Futures – CBOE, expires February 2017	5,974	99,019,050	<u>(3,281,926)</u>
			<u>\$(10,309,611)</u>

^{^^} Rates shown represents discount rate at the time of purchase.

[†] All or partial amount pledged as collateral for futures contracts.

^{††} Cash collateral in the amount of \$55,323,984 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(83% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.065% due 01/07/16	\$ 44,561,000	\$ 44,560,853
0.053% due 01/14/16	13,600,000	13,599,660
0.000% due 01/21/16	10,817,000	10,816,540
0.165% due 01/28/16	22,342,000	22,340,063
0.035% due 02/04/16	36,091,000	36,088,358
0.036% due 02/11/16	85,348,000	85,336,743
0.000% due 02/25/16	10,901,000	10,899,819
0.208% due 03/03/16	63,916,000	63,906,048
0.194% due 03/17/16	74,289,000	74,274,692
0.206% due 03/24/16	35,842,000	35,827,663
0.364% due 05/26/16†	137,956,000	137,742,279
Total short-term U.S. government and agency obligations (cost \$535,381,199)		<u>\$535,392,718</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
VIX Futures - CBOE, expires January 2016	17,150	\$317,703,750	\$10,805,245
VIX Futures - CBOE, expires February 2016	17,151	323,725,125	(58,830)
			<u>\$10,746,415</u>

^^ Rates shown represents discount rate at the time of purchase.

† All or partial amount pledged as collateral for futures contracts.

†† Cash collateral in the amount of \$123,528,405 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 1,126,057	\$ 180,686	\$ 81,544
Expenses			
Management fee	4,448,808	4,043,491	2,785,597
Brokerage commissions and fees	2,074,099	1,935,395	1,581,416
Total expenses	<u>6,522,907</u>	<u>5,978,886</u>	<u>4,367,013</u>
Net investment income (loss)	<u>(5,396,850)</u>	<u>(5,798,200)</u>	<u>(4,285,469)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	440,391,389	69,793,028	76,925,998
Short-term U.S. government and agency obligations	<u>(11,670)</u>	<u>35,629</u>	<u>19,363</u>
Net realized gain (loss)	<u>440,379,719</u>	<u>69,828,657</u>	<u>76,945,361</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(21,056,026)	27,098,564	(24,469,104)
Short-term U.S. government and agency obligations	<u>(6,824)</u>	<u>8,936</u>	<u>(1,764)</u>
Change in net unrealized appreciation/depreciation	<u>(21,062,850)</u>	<u>27,107,500</u>	<u>(24,470,868)</u>
Net realized and unrealized gain (loss)	<u>419,316,869</u>	<u>96,936,157</u>	<u>52,474,493</u>
Net income (loss)	<u>\$413,920,019</u>	<u>\$91,137,957</u>	<u>\$ 48,189,024</u>

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 642,811,361	\$ 506,556,124	\$ 141,751,202
Addition of 52,950,000, 24,100,000 and 16,100,000 shares, respectively	2,867,628,691	1,403,231,166	1,056,547,830
Redemption of 63,100,040, 19,700,000 and 9,950,000 shares, respectively	<u>(3,696,284,684)</u>	<u>(1,358,113,886)</u>	<u>(739,931,932)</u>
Net addition (redemption) of (10,150,040), 4,400,000 and 6,150,000 shares, respectively	<u>(828,655,993)</u>	<u>45,117,280</u>	<u>316,615,898</u>
Net investment income (loss)	(5,396,850)	(5,798,200)	(4,285,469)
Net realized gain (loss)	440,379,719	69,828,657	76,945,361
Change in net unrealized appreciation/depreciation	<u>(21,062,850)</u>	<u>27,107,500</u>	<u>(24,470,868)</u>
Net income (loss)	<u>413,920,019</u>	<u>91,137,957</u>	<u>48,189,024</u>
Shareholders' equity, end of period	<u><u>\$ 228,075,387</u></u>	<u><u>\$ 642,811,361</u></u>	<u><u>\$ 506,556,124</u></u>

See accompanying notes to financial statements.

PROSHARES SHORT VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 413,920,019	\$ 91,137,957	\$ 48,189,024
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	68,204,421	(38,283,455)	(51,692,300)
Purchases of short-term U.S. government and agency obligations	(2,915,165,614)	(2,104,319,382)	(1,647,460,143)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	3,281,269,459	2,016,127,119	1,306,143,088
Net amortization and accretion on short-term U.S. government and agency obligations	(1,126,057)	(180,670)	(81,544)
Net realized gain (loss) on investments	11,670	(35,629)	(19,363)
Change in unrealized appreciation/depreciation on investments	6,824	(8,936)	1,764
Decrease (Increase) in receivable on futures contracts	(1,059,418)	—	603,833
Increase (Decrease) in payable to Sponsor	(277,306)	100,052	289,792
Increase (Decrease) in payable on futures contracts	(1,095,271)	(29,599,748)	31,020,019
Net cash provided by (used in) operating activities	<u>844,688,727</u>	<u>(65,062,692)</u>	<u>(313,005,830)</u>
Cash flow from financing activities			
Proceeds from addition of shares	2,877,792,848	1,393,067,009	1,056,547,830
Payment on shares redeemed	<u>(3,725,781,791)</u>	<u>(1,331,975,560)</u>	<u>(736,573,151)</u>
Net cash provided by (used in) financing activities	<u>(847,988,943)</u>	<u>61,091,449</u>	<u>319,974,679</u>
Net increase (decrease) in cash	(3,300,216)	(3,971,243)	6,968,849
Cash, beginning of period	<u>5,150,976</u>	<u>9,122,219</u>	<u>2,153,370</u>
Cash, end of period	<u>\$ 1,850,760</u>	<u>\$ 5,150,976</u>	<u>\$ 9,122,219</u>

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 10,969,955	\$ 9,081,964
Segregated cash balances with brokers for futures contracts	71,363,625	62,348,600
Short-term U.S. government and agency obligations (Note 3) (cost \$434,676,067 and \$438,333,277, respectively)	434,671,795	438,357,849
Receivable from capital shares sold	—	32,987,472
Receivable on open futures contracts	35,967,191	17,995,478
Total assets	<u>552,972,566</u>	<u>560,771,363</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	36,789,539	12,635,235
Payable to Sponsor	424,273	427,388
Total liabilities	<u>37,213,812</u>	<u>13,062,623</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	515,758,754	547,708,740
Total liabilities and shareholders' equity	<u>\$552,972,566</u>	<u>\$560,771,363</u>
Shares outstanding (Note 1) (Note 9)	<u>11,861,530</u>	<u>780,098</u>
Net asset value per share (Note 1) (Note 9)	<u>\$ 43.48</u>	<u>\$ 702.10</u>
Market value per share (Note 1) (Note 2) (Note 9)	<u>\$ 43.75</u>	<u>\$ 708.75</u>

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(84% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.294% due 01/05/17	\$ 20,161,000	\$ 20,160,569
0.307% due 01/12/17	68,063,000	68,056,282
0.336% due 01/19/17†	62,500,000	62,488,475
0.319% due 01/26/17†	66,000,000	65,982,504
0.342% due 02/02/17†	60,092,000	60,071,220
0.442% due 02/09/17†	14,000,000	13,993,669
0.435% due 02/16/17†	133,000,000	132,927,661
0.491% due 02/23/17†	8,000,000	7,994,674
0.493% due 03/23/17	3,000,000	2,996,741
Total short-term U.S. government and agency obligations (cost		
\$434,676,067)		<u>\$434,671,795</u>

Futures Contracts Purchased††

	Number of Contracts	Notional Amount at Value	Unrealized Appreciation (Depreciation)
VIX Futures – CBOE, expires January 2017	38,688	\$585,156,000	\$(21,567,112)
VIX Futures – CBOE, expires February 2017	27,012	447,723,900	13,594,875
			<u>\$ (7,972,237)</u>

^{^^} Rates shown represents discount rate at the time of purchase.

† All or partial amount pledged as collateral for futures contracts.

†† Cash collateral in the amount of \$71,363,625 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(80% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.000% due 01/07/16	\$ 1,000,000	\$ 999,997
0.000% due 01/14/16	9,071,000	9,070,773
0.000% due 01/21/16	1,327,000	1,326,944
0.055% due 01/28/16	3,000,000	2,999,740
0.130% due 02/04/16	2,385,000	2,384,825
0.150% due 02/11/16	15,718,000	15,715,927
0.129% due 02/18/16	8,386,000	8,384,795
0.125% due 02/25/16	62,257,000	62,250,257
0.181% due 03/03/16	71,491,000	71,479,869
0.066% due 03/10/16 [†]	62,525,000	62,511,820
0.207% due 03/17/16 [†]	94,427,000	94,408,813
0.101% due 03/24/16 [†]	29,399,000	29,387,240
0.366% due 05/26/16 [†]	77,557,000	77,436,849
Total short-term U.S. government and agency obligations (cost \$438,333,277)		\$438,357,849

Futures Contracts Purchased^{††}

	Number of Contracts	Notional Amount at Value	Unrealized Appreciation (Depreciation)
VIX Futures – CBOE, expires January 2016	29,321	\$543,171,525	\$10,546,019
VIX Futures – CBOE, expires February 2016	29,320	553,415,000	1,348,447
			\$11,894,466

^{^^} Rates shown represents discount rate at the time of purchase.

[†] All or partial amount pledged as collateral for futures contracts.

^{††} Cash collateral in the amount of \$62,348,600 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 1,639,964	\$ 156,187	\$ 72,700
Expenses			
Management fee	6,417,822	4,362,460	2,868,337
Brokerage commissions and fees	4,158,919	3,203,875	2,563,849
Total expenses	<u>10,576,741</u>	<u>7,566,335</u>	<u>5,432,186</u>
Net investment income (loss)	<u>(8,936,777)</u>	<u>(7,410,148)</u>	<u>(5,359,486)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(1,567,340,688)	(392,174,228)	(139,412,525)
Short-term U.S. government and agency obligations	15,949	(49,718)	9,921
Net realized gain (loss)	<u>(1,567,324,739)</u>	<u>(392,223,946)</u>	<u>(139,402,604)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(19,866,703)	(27,690,787)	63,595,164
Short-term U.S. government and agency obligations	(28,844)	26,647	(4,701)
Change in net unrealized appreciation/depreciation	<u>(19,895,547)</u>	<u>(27,664,140)</u>	<u>63,590,463</u>
Net realized and unrealized gain (loss)	<u>(1,587,220,286)</u>	<u>(419,888,086)</u>	<u>(75,812,141)</u>
Net income (loss)	<u><u>\$(1,596,157,063)</u></u>	<u><u>\$(427,298,234)</u></u>	<u><u>\$ (81,171,627)</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 547,708,740	\$ 351,789,953	\$ 226,233,584
Addition of 28,958,000, 2,887,200 and 408,600 shares, respectively (Note 1) (Note 9)	4,540,375,465	3,192,766,319	1,646,851,705
Redemption of 17,876,568, 2,219,263 and 323,418 shares, respectively (Note 1) (Note 9)	<u>(2,976,168,388)</u>	<u>(2,569,549,298)</u>	<u>(1,440,123,709)</u>
Net addition (redemption) of 11,081,432, 667,937 and 85,182 shares, respectively (Note 1) (Note 9)	<u>1,564,207,077</u>	<u>623,217,021</u>	<u>206,727,996</u>
Net investment income (loss)	(8,936,777)	(7,410,148)	(5,359,486)
Net realized gain (loss)	(1,567,324,739)	(392,223,946)	(139,402,604)
Change in net unrealized appreciation/depreciation	<u>(19,895,547)</u>	<u>(27,664,140)</u>	<u>63,590,463</u>
Net income (loss)	<u>(1,596,157,063)</u>	<u>(427,298,234)</u>	<u>(81,171,627)</u>
Shareholders' equity, end of period	<u><u>\$ 515,758,754</u></u>	<u><u>\$ 547,708,740</u></u>	<u><u>\$ 351,789,953</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$(1,596,157,063)	\$ (427,298,234)	\$ (81,171,627)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(9,015,025)	54,559,100	(9,805,950)
Purchases of short-term U.S. government and agency obligations	(4,242,730,514)	(3,411,109,730)	(2,489,268,812)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	4,248,037,733	3,155,524,185	2,416,241,031
Net amortization and accretion on short-term U.S. government and agency obligations	(1,634,060)	(156,187)	(72,700)
Net realized gain (loss) on investments	(15,949)	49,718	(9,921)
Change in unrealized appreciation/depreciation on investments	28,844	(26,647)	4,701
Decrease (Increase) in receivable on futures contracts	(17,971,713)	24,535,963	(42,531,441)
Increase (Decrease) in payable to Sponsor	(3,115)	124,528	113,369
Increase (Decrease) in payable on futures contracts	—	—	(3,356,803)
Net cash provided by (used in) operating activities	<u>(1,619,460,862)</u>	<u>(603,797,304)</u>	<u>(209,858,153)</u>
Cash flow from financing activities			
Proceeds from addition of shares	4,573,362,937	3,172,328,095	1,645,206,121
Payment on shares redeemed	(2,952,014,084)	(2,563,186,119)	(1,433,851,653)
Net cash provided by (used in) financing activities	<u>1,621,348,853</u>	<u>609,141,976</u>	<u>211,354,468</u>
Net increase (decrease) in cash	1,887,991	5,344,672	1,496,315
Cash, beginning of period	9,081,964	3,737,292	2,240,977
Cash, end of period	<u>\$ 10,969,955</u>	<u>\$ 9,081,964</u>	<u>\$ 3,737,292</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 2,715,772	\$ 598,645
Segregated cash balances with brokers for futures contracts	4,931,520	10,154,430
Short-term U.S. government and agency obligations (Note 3) (cost \$205,694,828 and \$79,694,797, respectively)	205,694,385	79,692,642
Unrealized appreciation on swap agreements	—	6,412,656
Total assets	<u>213,341,677</u>	<u>96,858,373</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	13,602	850,883
Brokerage commissions and fees payable	—	8,453
Payable to Sponsor	162,891	101,143
Unrealized depreciation on swap agreements	12,206,881	—
Total liabilities	<u>12,383,374</u>	<u>960,479</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	<u>200,958,303</u>	<u>95,897,894</u>
Total liabilities and shareholders' equity	<u>\$213,341,677</u>	<u>\$96,858,373</u>
Shares outstanding (Note 9)	<u>6,339,884</u>	<u>1,439,888</u>
Net asset value per share (Note 9)	<u>\$ 31.70</u>	<u>\$ 66.60</u>
Market value per share (Note 2) (Note 9)	<u>\$ 31.65</u>	<u>\$ 66.82</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL

SCHEDULE OF INVESTMENTS
DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(102% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.281% due 01/05/17†	\$14,476,000	\$ 14,475,690
0.353% due 01/12/17†	56,495,000	56,489,424
0.344% due 01/19/17†	38,000,000	37,992,993
0.395% due 01/26/17†	13,300,000	13,296,474
0.406% due 02/02/17	5,500,000	5,498,098
0.441% due 02/09/17†	9,000,000	8,995,930
0.390% due 02/16/17	11,000,000	10,994,017
0.458% due 03/02/17†	50,000,000	49,960,930
0.493% due 03/23/17†	3,000,000	2,996,741
0.516% due 03/30/17†	5,000,000	4,994,088
Total short-term U.S. government and agency obligations (cost \$205,694,828)		<u>\$205,694,385</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
WTI Crude Oil – NYMEX, expires March 2017	1,401	\$76,578,660	\$(1,426,815)

Swap Agreements[^]

	<u>Rate Paid (Received)*</u>	<u>Termination Date</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Citibank N.A. based on Bloomberg WTI Crude Oil Subindex	0.18%	01/10/17	\$(116,603,958)	\$ (4,742,191)
Swap agreement with Goldman Sachs International based on Bloomberg WTI Crude Oil Subindex	0.25	01/10/17	(87,898,388)	(3,061,395)
Swap agreement with Societe Generale S.A. based on Bloomberg WTI Crude Oil Subindex	0.25	01/10/17	(31,195,025)	(1,050,699)
Swap agreement with UBS AG based on Bloomberg WTI Crude Oil Subindex	0.25	01/10/17	(89,698,517)	(3,352,596)
				<u>\$(12,206,881)</u>

† All or partial amount pledged as collateral for swap agreements and/or futures contracts.

†† Cash collateral in the amount of \$4,931,520 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

[^] The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^{^^} Rates shown represents discount rate at the time of purchase.

* Reflects the floating financing rate, as of December 31, 2016, on the notional amount of the swap agreement paid to the counterparty or received from the counterparty, excluding any commissions.

** For swap agreements, a positive amount represents “long” exposure to the benchmark index. A negative amount represents “short” exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(83% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.080% due 01/07/16	\$ 3,329,000	\$ 3,328,989
0.020% due 01/21/16	21,612,000	21,611,082
0.026% due 02/04/16	5,980,000	5,979,562
0.180% due 02/18/16 [†]	5,106,000	5,105,266
0.000% due 02/25/16 [†]	14,974,000	14,972,378
0.200% due 03/10/16	2,835,000	2,834,403
0.172% due 03/17/16 [†]	2,372,000	2,371,543
0.176% due 03/24/16 [†]	14,653,000	14,647,139
0.353% due 05/26/16 [†]	8,856,000	8,842,280
Total short-term U.S. government and agency obligations (cost \$79,694,797)		<u>\$79,692,642</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Crude Oil – NYMEX, expires March 2016	2,367	\$90,348,390	\$2,464,513

Swap Agreements[^]

	<u>Rate Paid (Received)*</u>	<u>Termination Date</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Citibank N.A. based on Bloomberg WTI Crude Oil Subindex	0.18%	01/06/16	\$(19,234,533)	\$1,098,278
Swap agreement with Deutsche Bank AG based on Bloomberg WTI Crude Oil Subindex	0.25	01/06/16	(29,881,854)	1,722,894
Swap agreement with Goldman Sachs International based on Bloomberg WTI Crude Oil Subindex	0.25	01/06/16	(17,799,590)	1,595,552
Swap agreement with Societe Generale S.A. based on Bloomberg WTI Crude Oil Subindex	0.25	01/06/16	(8,303,436)	521,142
Swap agreement with UBS AG based on Bloomberg WTI Crude Oil Subindex	0.25	01/06/16	(26,258,293)	1,474,790
				<u>\$6,412,656</u>

[†] All or partial amount pledged as collateral for swap agreements and/or futures contracts.

^{††} Cash collateral in the amount of \$10,154,430 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

[^] The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^{^^} Rates shown represents discount rate at the time of purchase.

* Reflects the floating financing rate, as of December 31, 2015, on the notional amount of the swap agreement paid to the counterparty or received from the counterparty, excluding any commissions.

** For swap agreements, a positive amount represents “long” exposure to the benchmark index. A negative amount represents “short” exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 500,160	\$ 60,884	\$ 110,620
Expenses			
Management fee	1,755,696	1,978,613	2,448,428
Brokerage commissions and fees	153,428	248,482	78,033
Total expenses	<u>1,909,124</u>	<u>2,227,095</u>	<u>2,526,461</u>
Net investment income (loss)	<u>(1,408,964)</u>	<u>(2,166,211)</u>	<u>(2,415,841)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(12,045,454)	46,904,474	44,472,509
Swap agreements	(55,706,710)	44,765,850	54,854,588
Short-term U.S. government and agency obligations	<u>(4,064)</u>	<u>14,458</u>	<u>20,701</u>
Net realized gain (loss)	<u>(67,756,228)</u>	<u>91,684,782</u>	<u>99,347,798</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(3,891,328)	(13,342,090)	17,039,376
Swap agreements	(18,619,537)	(20,605,421)	29,350,977
Short-term U.S. government and agency obligations	<u>1,712</u>	<u>(4,396)</u>	<u>(8,704)</u>
Change in net unrealized appreciation/depreciation	<u>(22,509,153)</u>	<u>(33,951,907)</u>	<u>46,381,649</u>
Net realized and unrealized gain (loss)	<u>(90,265,381)</u>	<u>57,732,875</u>	<u>145,729,447</u>
Net income (loss)	<u><u>\$(91,674,345)</u></u>	<u><u>\$ 55,566,664</u></u>	<u><u>\$143,313,606</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 95,897,894	\$ 169,210,110	\$ 256,060,149
Addition of 18,500,000, 21,600,000 and 31,400,000 shares, respectively (Note 9)	1,002,034,810	796,070,368	474,919,955
Redemption of 13,600,004, 24,500,000 and 43,200,000 shares, respectively (Note 9)	<u>(805,300,056)</u>	<u>(924,949,248)</u>	<u>(705,083,600)</u>
Net addition (redemption) of 4,899,996, (2,900,000) and (11,800,000) shares, respectively (Note 9)	<u>196,734,754</u>	<u>(128,878,880)</u>	<u>(230,163,645)</u>
Net investment income (loss)	(1,408,964)	(2,166,211)	(2,415,841)
Net realized gain (loss)	(67,756,228)	91,684,782	99,347,798
Change in net unrealized appreciation/depreciation	<u>(22,509,153)</u>	<u>(33,951,907)</u>	<u>46,381,649</u>
Net income (loss)	<u>(91,674,345)</u>	<u>55,566,664</u>	<u>143,313,606</u>
Shareholders' equity, end of period	<u><u>\$ 200,958,303</u></u>	<u><u>\$ 95,897,894</u></u>	<u><u>\$ 169,210,110</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ (91,674,345)	\$ 55,566,664	\$ 143,313,606
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	5,222,910	2,138,235	(4,659,270)
Purchases of short-term U.S. government and agency obligations	(1,099,847,442)	(1,238,357,695)	(1,127,199,240)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	974,343,507	1,290,330,607	1,243,311,872
Net amortization and accretion on short-term U.S. government and agency obligations	(500,160)	(60,884)	(110,620)
Net realized gain (loss) on investments	4,064	(14,458)	(20,701)
Change in unrealized appreciation/depreciation on investments	18,617,825	20,609,817	(29,342,273)
Decrease (Increase) in receivable on futures contracts	—	1,293,531	210,412
Increase (Decrease) in payable to Sponsor	61,748	(27,242)	(73,442)
Increase (Decrease) in brokerage commissions and fees payable	(8,453)	8,453	—
Increase (Decrease) in payable on futures contracts	(837,281)	850,883	—
Net cash provided by (used in) operating activities	<u>(194,617,627)</u>	<u>132,337,911</u>	<u>225,430,344</u>
Cash flow from financing activities			
Proceeds from addition of shares	1,002,034,810	796,070,368	474,919,955
Payment on shares redeemed	(805,300,056)	(928,803,902)	(701,228,946)
Net cash provided by (used in) financing activities	<u>196,734,754</u>	<u>(132,733,534)</u>	<u>(226,308,991)</u>
Net increase (decrease) in cash	2,117,127	(395,623)	(878,647)
Cash, beginning of period	598,645	994,268	1,872,915
Cash, end of period	<u>\$ 2,715,772</u>	<u>\$ 598,645</u>	<u>\$ 994,268</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 326,631	\$ 1,099,140
Segregated cash balances with brokers for futures contracts	710,655	2,046,660
Short-term U.S. government and agency obligations (Note 3) (cost \$2,899,188 and \$8,114,653, respectively)	2,899,151	8,115,004
Receivable on open futures contracts	105,872	—
Total assets	<u>4,042,309</u>	<u>11,260,804</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	—	785,170
Brokerage commissions and fees payable	144	1,908
Payable to Sponsor	3,371	10,870
Total liabilities	<u>3,515</u>	<u>797,948</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	<u>4,038,794</u>	<u>10,462,856</u>
Total liabilities and shareholders' equity	<u>\$4,042,309</u>	<u>\$11,260,804</u>
Shares outstanding (Note 1)	<u>174,832</u>	<u>224,856</u>
Net asset value per share (Note 1)	<u>\$ 23.10</u>	<u>\$ 46.53</u>
Market value per share (Note 1) (Note 2)	<u>\$ 23.05</u>	<u>\$ 46.55</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(72% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.343% due 01/26/17	\$1,900,000	\$1,899,497
0.406% due 02/02/17	1,000,000	999,654
Total short-term U.S. government and agency obligations (cost \$2,899,188)		<u>\$2,899,151</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Natural Gas – NYMEX, expires March 2017	219	\$8,067,960	\$(482,031)

^{^^} Rates shown represents discount rate at the time of purchase.

^{††} Cash collateral in the amount of \$710,655 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(78% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.233% due 03/17/16	\$ 814,000	\$ 813,843
0.185% due 03/24/16	1,294,000	1,293,482
0.386% due 05/26/16	6,017,000	6,007,679
Total short-term U.S. government and agency obligations (cost \$8,114,653)		<u>\$8,115,004</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Natural Gas – NYMEX, expires March 2016	886	\$20,936,180	\$(2,471,164)

^{^^} Rates shown represents discount rate at the time of purchase.

^{††} Cash collateral in the amount of \$2,046,660 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 19,053	\$ 5,830	\$ 16,306
Expenses			
Management fee	81,259	112,277	385,014
Brokerage commissions and fees	59,966	70,677	92,199
Total expenses	<u>141,225</u>	<u>182,954</u>	<u>477,213</u>
Net investment income (loss)	<u>(122,172)</u>	<u>(177,124)</u>	<u>(460,907)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	586,860	15,212,804	8,791,719
Short-term U.S. government and agency obligations	3,139	29	5,163
Net realized gain (loss)	<u>589,999</u>	<u>15,212,833</u>	<u>8,796,882</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	1,989,133	(6,412,629)	2,899,165
Short-term U.S. government and agency obligations	(388)	168	72
Change in net unrealized appreciation/depreciation	<u>1,988,745</u>	<u>(6,412,461)</u>	<u>2,899,237</u>
Net realized and unrealized gain (loss)	<u>2,578,744</u>	<u>8,800,372</u>	<u>11,696,119</u>
Net income (loss)	<u>\$2,456,572</u>	<u>\$ 8,623,248</u>	<u>\$11,235,212</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 10,462,856	\$ 14,688,564	\$ 22,734,767
Addition of 950,000, 1,350,000 and 8,550,000 shares, respectively (Note 1)	40,020,426	37,204,187	119,491,987
Redemption of 1,000,024, 1,650,000 and 9,000,000 shares, respectively (Note 1)	<u>(48,901,060)</u>	<u>(50,053,143)</u>	<u>(138,773,402)</u>
Net addition (redemption) of (50,024), (300,000) and (450,000) shares, respectively (Note 1)	<u>(8,880,634)</u>	<u>(12,848,956)</u>	<u>(19,281,415)</u>
Net investment income (loss)	(122,172)	(177,124)	(460,907)
Net realized gain (loss)	589,999	15,212,833	8,796,882
Change in net unrealized appreciation/depreciation	<u>1,988,745</u>	<u>(6,412,461)</u>	<u>2,899,237</u>
Net income (loss)	<u>2,456,572</u>	<u>8,623,248</u>	<u>11,235,212</u>
Shareholders' equity, end of period	<u>\$ 4,038,794</u>	<u>\$ 10,462,856</u>	<u>\$ 14,688,564</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 2,456,572	\$ 8,623,248	\$ 11,235,212
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	1,336,005	2,359,170	(2,021,030)
Purchases of short-term U.S. government and agency obligations	(46,397,398)	(59,678,558)	(208,007,837)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	51,635,055	60,242,291	217,631,381
Net amortization and accretion on short-term U.S. government and agency obligations	(19,053)	(5,830)	(16,306)
Net realized gain (loss) on investments	(3,139)	(29)	(5,163)
Change in unrealized appreciation/depreciation on investments	388	(168)	(72)
Decrease (Increase) in receivable on futures contracts	(105,872)	923,531	597,017
Increase (Decrease) in payable to Sponsor	(7,499)	620	309
Increase (Decrease) in brokerage commissions and fees payable	(1,764)	1,908	—
Increase (Decrease) in payable on futures contracts	(785,170)	785,170	—
Net cash provided by (used in) operating activities	<u>8,108,125</u>	<u>13,251,353</u>	<u>19,413,511</u>
Cash flow from financing activities			
Proceeds from addition of shares	40,020,426	37,204,187	119,491,987
Payment on shares redeemed	(48,901,060)	(50,053,143)	(138,773,402)
Net cash provided by (used in) financing activities	<u>(8,880,634)</u>	<u>(12,848,956)</u>	<u>(19,281,415)</u>
Net increase (decrease) in cash	<u>(772,509)</u>	<u>402,397</u>	<u>132,096</u>
Cash, beginning of period	<u>1,099,140</u>	<u>696,743</u>	<u>564,647</u>
Cash, end of period	<u>\$ 326,631</u>	<u>\$ 1,099,140</u>	<u>\$ 696,743</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD
STATEMENTS OF FINANCIAL CONDITION

	December 31, 2016	December 31, 2015
Assets		
Cash	\$ 120,840	\$ 151,638
Segregated cash balances with brokers for futures contracts	13,200	91,250
Short-term U.S. government and agency obligations (Note 3) (cost \$60,540,275 and \$72,981,653, respectively)	60,540,555	72,979,905
Unrealized appreciation on forward agreements	3,033,566	1,808,942
Receivable on open futures contracts	1,280	—
Total assets	63,709,441	75,031,735
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	—	80
Payable to Sponsor	55,794	59,891
Total liabilities	55,794	59,971
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	63,653,647	74,971,764
Total liabilities and shareholders' equity	\$63,709,441	\$75,031,735
Shares outstanding	696,978	646,978
Net asset value per share	\$ 91.33	\$ 115.88
Market value per share (Note 2)	\$ 90.54	\$ 115.83

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(95% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.435% due 01/12/17	\$ 1,572,000	\$ 1,571,845
0.308% due 01/19/17†	1,000,000	999,815
0.371% due 01/26/17	10,000,000	9,997,349
0.407% due 02/02/17	13,000,000	12,995,504
0.406% due 02/16/17†	18,000,000	17,990,210
0.491% due 02/23/17†	5,000,000	4,996,671
0.481% due 03/09/17†	10,000,000	9,991,333
0.493% due 03/23/17	2,000,000	1,997,828
Total short-term U.S. government and agency obligations (cost \$60,540,275)		<u>\$60,540,555</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Gold Futures – COMEX, expires February 2017	2	\$230,340	\$18,980

Forward Agreements^

	<u>Rate Paid (Received)*</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Citibank, N.A. based on 0.995 Fine Troy Ounce Gold	(0.85)%	01/10/17	\$(44,500)	\$(51,008,125)	\$1,147,811
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold	(0.70)	01/10/17	(25,498)	(29,227,083)	881,454
Forward agreements with Societe Generale S.A. based on 0.995 Fine Troy Ounce Gold	(0.65)	01/10/17	(14,600)	(16,735,250)	393,006
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold	(0.74)	01/10/17	(26,250)	(30,089,325)	611,295
					<u>\$3,033,566</u>

† All or partial amount pledged as collateral for forward agreements and/or futures contracts.

†† Cash collateral in the amount of \$13,200 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

^ The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^^ Rates shown represents discount rate at the time of purchase.

* Reflects the floating financing rate, as of December 31, 2016, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions.

** For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(97% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.135% due 01/07/16 [†]	\$10,805,000	\$10,804,964
0.040% due 01/14/16 [†]	30,298,000	30,297,243
0.043% due 01/21/16	6,940,000	6,939,705
0.000% due 02/25/16 [†]	10,734,000	10,732,837
0.210% due 03/03/16	1,742,000	1,741,729
0.070% due 03/10/16 [†]	4,806,000	4,804,987
0.181% due 03/17/16 [†]	500,000	499,904
0.203% due 03/24/16 [†]	2,297,000	2,296,081
0.353% due 05/26/16 [†]	4,870,000	4,862,455
Total short-term U.S. government and agency obligations (cost \$72,981,653)		\$72,979,905

Futures Contracts Sold^{††}

	Number of Contracts	Notional Amount at Value	Unrealized Appreciation (Depreciation)
Gold Futures – COMEX, expires February 2016	2	\$212,040	\$5,220

Forward Agreements[^]

	Rate Paid (Received)*	Settlement Date	Commitment to (Deliver)/Receive	Notional Amount at Value**	Unrealized Appreciation (Depreciation)
Forward agreements with Citibank, N.A. based on 0.995 Fine Troy Ounce Gold	0.50%	01/06/16	\$ (6,500)	\$ (6,889,740)	\$ 3,915
Forward agreements with Deutsche Bank AG based on 0.995 Fine Troy Ounce Gold	0.25	01/06/16	(68,100)	(72,186,681)	1,046,664
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold	0.60	01/06/16	(26,298)	(27,874,828)	158,827
Forward agreements with Societe Generale S.A. based on 0.995 Fine Troy Ounce Gold	0.74	01/06/16	(14,000)	(14,839,440)	212,680
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold	0.61	01/06/16	(26,350)	(27,929,946)	386,856
					\$1,808,942

[†] All or partial amount pledged as collateral for forward agreements and/or futures contracts.

^{††} Cash collateral in the amount of \$8,250 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

[^] The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^{^^} Rates shown represents discount rate at the time of purchase.

^{*} Reflects the floating financing rate, as of December 31, 2015, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions.

^{**} For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 164,570	\$ 31,999	\$ 40,675
Expenses			
Management fee	625,950	735,540	898,453
Brokerage commissions and fees	43	41	39
Total expenses	<u>625,993</u>	<u>735,581</u>	<u>898,492</u>
Net investment income (loss)	<u>(461,423)</u>	<u>(703,582)</u>	<u>(857,817)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(29,440)	15,950	23,310
Forward agreements	(12,211,311)	12,691,685	(5,339,792)
Short-term U.S. government and agency obligations	<u>(378)</u>	<u>1,301</u>	<u>3,873</u>
Net realized gain (loss)	<u>(12,241,129)</u>	<u>12,708,936</u>	<u>(5,312,609)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	13,760	9,740	(19,040)
Forward agreements	1,224,624	4,091,720	(7,915,831)
Short-term U.S. government and agency obligations	<u>2,028</u>	<u>(2,950)</u>	<u>868</u>
Change in net unrealized appreciation/depreciation	<u>1,240,412</u>	<u>4,098,510</u>	<u>(7,934,003)</u>
Net realized and unrealized gain (loss)	<u>(11,000,717)</u>	<u>16,807,446</u>	<u>(13,246,612)</u>
Net income (loss)	<u><u>\$(11,462,140)</u></u>	<u><u>\$16,103,864</u></u>	<u><u>\$(14,104,429)</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 74,971,764	\$ 81,861,762	\$139,436,456
Addition of 1,050,000, 150,000 and 550,000 shares, respectively	83,353,994	13,383,255	51,784,693
Redemption of 1,000,000, 350,000 and 1,050,000 shares, respectively	<u>(83,209,971)</u>	<u>(36,377,117)</u>	<u>(95,254,958)</u>
Net addition (redemption) of 50,000, (200,000) and (500,000) shares, respectively	<u>144,023</u>	<u>(22,993,862)</u>	<u>(43,470,265)</u>
Net investment income (loss)	(461,423)	(703,582)	(857,817)
Net realized gain (loss)	(12,241,129)	12,708,936	(5,312,609)
Change in net unrealized appreciation/depreciation	<u>1,240,412</u>	<u>4,098,510</u>	<u>(7,934,003)</u>
Net income (loss)	<u>(11,462,140)</u>	<u>16,103,864</u>	<u>(14,104,429)</u>
Shareholders' equity, end of period	<u><u>\$ 63,653,647</u></u>	<u><u>\$ 74,971,764</u></u>	<u><u>\$ 81,861,762</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT GOLD
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ (11,462,140)	\$ 16,103,864	\$ (14,104,429)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	78,050	(82,450)	7,150
Purchases of short-term U.S. government and agency obligations	(320,273,448)	(254,497,395)	(320,898,147)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	332,879,016	265,587,947	385,891,756
Net amortization and accretion on short-term U.S. government and agency obligations	(164,568)	(31,999)	(40,646)
Net realized gain (loss) on investments	378	(1,301)	(3,873)
Change in unrealized appreciation/depreciation on investments	(1,226,652)	(4,088,770)	7,914,963
Decrease (Increase) in receivable on futures contracts	(1,280)	3,260	(2,960)
Increase (Decrease) in payable to Sponsor	(4,097)	(10,170)	(53,758)
Increase (Decrease) in payable on futures contracts	(80)	80	—
Net cash provided by (used in) operating activities	<u>(174,821)</u>	<u>22,983,066</u>	<u>58,710,056</u>
Cash flow from financing activities			
Proceeds from addition of shares	83,353,994	13,383,255	51,784,693
Payment on shares redeemed	<u>(83,209,971)</u>	<u>(36,377,117)</u>	<u>(110,529,962)</u>
Net cash provided by (used in) financing activities	<u>144,023</u>	<u>(22,993,862)</u>	<u>(58,745,269)</u>
Net increase (decrease) in cash	(30,798)	(10,796)	(35,213)
Cash, beginning of period	<u>151,638</u>	<u>162,434</u>	<u>197,647</u>
Cash, end of period	<u><u>\$ 120,840</u></u>	<u><u>\$ 151,638</u></u>	<u><u>\$ 162,434</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 86,051	\$ 514,784
Segregated cash balances with brokers for futures contracts	14,300	11,440
Short-term U.S. government and agency obligations (Note 3) (cost \$21,549,766 and \$50,730,044, respectively)	21,550,319	50,730,230
Unrealized appreciation on forward agreements	1,384,246	4,778,279
Receivable on open futures contracts	2,290	390
Total assets	<u>23,037,206</u>	<u>56,035,123</u>
Liabilities and shareholders' equity		
Liabilities		
Payable to Sponsor	<u>19,550</u>	<u>47,185</u>
Total liabilities	<u>19,550</u>	<u>47,185</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	<u>23,017,656</u>	<u>55,987,938</u>
Total liabilities and shareholders' equity	<u>\$23,037,206</u>	<u>\$56,035,123</u>
Shares outstanding	<u>616,976</u>	<u>866,978</u>
Net asset value per share	<u>\$ 37.31</u>	<u>\$ 64.58</u>
Market value per share (Note 2)	<u>\$ 38.76</u>	<u>\$ 64.55</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(94% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.339% due 01/12/17†	\$5,759,000	\$ 5,758,432
0.455% due 01/19/17	1,500,000	1,499,723
0.371% due 01/26/17	1,000,000	999,735
0.409% due 02/02/17	1,300,000	1,299,551
0.452% due 02/09/17†	8,000,000	7,996,382
0.491% due 02/23/17†	2,000,000	1,998,668
0.493% due 03/23/17†	2,000,000	1,997,828
Total short-term U.S. government and agency obligations (cost \$21,549,766)		<u>\$21,550,319</u>

Futures Contracts Sold††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Silver Futures – COMEX, expires March 2017	2	\$159,890	\$27,310

Forward Agreements[^]

	<u>Rate Paid (Received)*</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Citibank, N.A. based on 0.999 Fine Troy Ounce Silver	(1.05)%	01/10/17	\$(1,076,000)	\$(17,480,588)	\$ 610,478
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	(0.80)	01/10/17	(934,500)	(15,181,326)	323,829
Forward agreements with Societe Generale based on 0.999 Fine Troy Ounce Silver	(0.80)	01/10/17	(156,000)	(2,534,314)	86,543
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	(0.82)	01/10/17	(657,000)	(10,673,425)	363,396
					<u>\$1,384,246</u>

† All or partial amount pledged as collateral for forward agreements and/or futures contracts.

†† Cash collateral in the amount of \$14,300 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

[^] The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^{^^} Rates shown represents discount rate at the time of purchase.

* Reflects the floating financing rate, as of December 31, 2016, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions.

** For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(91% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.135% due 01/07/16†	\$ 8,744,000	\$ 8,743,971
0.043% due 01/21/16	1,641,000	1,640,930
0.055% due 01/28/16	1,000,000	999,913
0.000% due 02/11/16†	1,982,000	1,981,739
0.138% due 02/18/16†	8,323,000	8,321,804
0.000% due 02/25/16†	4,001,000	4,000,567
0.181% due 03/17/16†	4,573,000	4,572,119
0.163% due 03/24/16†	18,199,000	18,191,721
0.386% due 05/26/16†	2,281,000	2,277,466
Total short-term U.S. government and agency obligations (cost \$50,730,044)		\$50,730,230

Futures Contracts Sold††

	Number of Contracts	Notional Amount at Value	Unrealized Appreciation (Depreciation)
Silver Futures – COMEX, expires March 2016	2	\$138,030	\$5,970

Forward Agreements^

	Rate Paid (Received)*	Settlement Date	Commitment to (Deliver)/Receive	Notional Amount at Value**	Unrealized Appreciation (Depreciation)
Forward agreements with Deutsche Bank AG based on 0.999 Fine Troy Ounce Silver	(0.50)%	01/06/16	\$(3,253,000)	\$(44,962,315)	\$2,500,263
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	(0.10)	01/06/16	(2,047,500)	(28,298,907)	1,044,986
Forward agreements with Societe Generale based on 0.999 Fine Troy Ounce Silver	0.00	01/06/16	(656,000)	(9,066,707)	438,975
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	(0.09)	01/06/16	(2,135,000)	(29,508,262)	794,055
					\$4,778,279

† All or partial amount pledged as collateral for forward agreements and/or futures contracts.

†† Cash collateral in the amount of \$11,440 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

^ The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^^ Rates shown represents discount rate at the time of purchase.

* Reflects the floating financing rate, as of December 31, 2015, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions.

** For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 93,483	\$ 23,831	\$ 30,901
Expenses			
Management fee	349,293	540,253	616,703
Brokerage commissions and fees	43	42	39
Total expenses	<u>349,336</u>	<u>540,295</u>	<u>616,742</u>
Net investment income (loss)	<u>(255,853)</u>	<u>(516,464)</u>	<u>(585,841)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(40,250)	15,575	32,275
Forward agreements	(17,514,464)	10,743,970	15,082,608
Short-term U.S. government and agency obligations	<u>(1,916)</u>	<u>(2,787)</u>	<u>4,234</u>
Net realized gain (loss)	<u>(17,556,630)</u>	<u>10,756,758</u>	<u>15,119,117</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	21,340	4,410	(12,640)
Forward agreements	(3,394,033)	4,183,326	2,822,810
Short-term U.S. government and agency obligations	<u>367</u>	<u>(794)</u>	<u>(2,414)</u>
Change in net unrealized appreciation/depreciation	<u>(3,372,326)</u>	<u>4,186,942</u>	<u>2,807,756</u>
Net realized and unrealized gain (loss)	<u>(20,928,956)</u>	<u>14,943,700</u>	<u>17,926,873</u>
Net income (loss)	<u><u>\$(21,184,809)</u></u>	<u><u>\$14,427,236</u></u>	<u><u>\$17,341,032</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 55,987,938	\$ 53,007,867	\$ 112,989,686
Addition of 1,650,000, 1,650,000 and 1,800,000 shares, respectively (Note 1)	69,113,968	84,272,164	72,497,634
Redemption of 1,900,002, 1,700,000 and 3,400,000 shares, respectively (Note 1)	<u>(80,899,441)</u>	<u>(95,719,329)</u>	<u>(149,820,485)</u>
Net addition (redemption) of (250,002), (50,000) and (1,600,000) shares, respectively (Note 1)	<u>(11,785,473)</u>	<u>(11,447,165)</u>	<u>(77,322,851)</u>
Net investment income (loss)	(255,853)	(516,464)	(585,841)
Net realized gain (loss)	(17,556,630)	10,756,758	15,119,117
Change in net unrealized appreciation/depreciation	<u>(3,372,326)</u>	<u>4,186,942</u>	<u>2,807,756</u>
Net income (loss)	<u>(21,184,809)</u>	<u>14,427,236</u>	<u>17,341,032</u>
Shareholders' equity, end of period	<u><u>\$ 23,017,656</u></u>	<u><u>\$ 55,987,938</u></u>	<u><u>\$ 53,007,867</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT SILVER

STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ (21,184,809)	\$ 14,427,236	\$ 17,341,032
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(2,860)	2,860	7,700
Purchases of short-term U.S. government and agency obligations	(149,552,689)	(220,073,123)	(243,452,982)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	178,824,533	221,589,835	306,085,077
Net amortization and accretion on short-term U.S. government and agency obligations	(93,482)	(23,831)	(30,901)
Net realized gain (loss) on investments	1,916	2,787	(4,234)
Change in unrealized appreciation/depreciation on investments	3,393,666	(4,182,532)	(2,820,396)
Decrease (Increase) in receivable on futures contracts	(1,900)	6,380	(4,320)
Increase (Decrease) in payable to Sponsor	(27,635)	4,831	(51,786)
Net cash provided by (used in) operating activities	<u>11,356,740</u>	<u>11,754,443</u>	<u>77,069,190</u>
Cash flow from financing activities			
Proceeds from addition of shares	69,113,968	84,272,164	72,497,634
Payment on shares redeemed	(80,899,441)	(95,719,329)	(149,820,485)
Net cash provided by (used in) financing activities	<u>(11,785,473)</u>	<u>(11,447,165)</u>	<u>(77,322,851)</u>
Net increase (decrease) in cash	(428,733)	307,278	(253,661)
Cash, beginning of period	514,784	207,506	461,167
Cash, end of period	<u>\$ 86,051</u>	<u>\$ 514,784</u>	<u>\$ 207,506</u>

See accompanying notes to financial statements.

PROSHARES SHORT EURO
STATEMENTS OF FINANCIAL CONDITION

	December 31, 2016	December 31, 2015
Assets		
Cash	\$ 2,292,012	\$ 1,783,802
Segregated cash balances with brokers for futures contracts	402,600	503,745
Short-term U.S. government and agency obligations (Note 3) (cost \$13,164,807 and \$15,153,202, respectively)	13,164,828	15,153,211
Receivable on open futures contracts	—	84,235
Total assets	15,859,440	17,524,993
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	76,666	—
Payable to Sponsor	12,686	14,095
Total liabilities	89,352	14,095
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	15,770,088	17,510,898
Total liabilities and shareholders' equity	\$15,859,440	\$17,524,993
Shares outstanding	350,000	400,005
Net asset value per share	\$ 45.06	\$ 43.78
Market value per share (Note 2)	\$ 45.12	\$ 43.74

See accompanying notes to financial statements.

PROSHARES SHORT EURO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2016

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(83% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.270% due 01/12/17	\$8,168,000	\$ 8,167,194
0.355% due 01/19/17	2,000,000	1,999,631
0.491% due 02/23/17	3,000,000	2,998,003
Total short-term U.S. government and agency obligations (cost \$13,164,807) . . .		<u>\$13,164,828</u>

Futures Contracts Sold^{††}

	Number of Contracts	Notional Amount at Value	Unrealized Appreciation (Depreciation)
Euro Fx Currency Futures - CME, expires March 2017	120	\$15,861,000	\$132,900

^{^^} Rates shown represents discount rate at the time of purchase.

^{††} Cash collateral in the amount of \$402,600 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

See accompanying notes to financial statements.

PROSHARES SHORT EURO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(87% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.000% due 01/07/16	\$5,605,000	\$ 5,604,982
0.027% due 02/04/16	2,555,000	2,554,813
0.000% due 02/25/16	2,962,000	2,961,679
0.200% due 03/10/16	1,635,000	1,634,655
0.181% due 03/17/16	200,000	199,961
0.203% due 03/24/16	2,198,000	2,197,121
Total short-term U.S. government and agency obligations (cost \$15,153,202) . . .		<u>\$15,153,211</u>

Futures Contracts Sold^{††}

	Number of Contracts	Notional Amount at Value	Unrealized Appreciation (Depreciation)
Euro Fx Currency Futures – CME, expires March 2016	129	\$17,553,675	\$243,438

^{^^} Rates shown represents discount rate at the time of purchase.

^{††} Cash collateral in the amount of \$503,745 was pledged to cover margin requirements for open futures contracts as of December 31, 2015

See accompanying notes to financial statements.

PROSHARES SHORT EURO
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 32,959	\$ 4,504	\$ 4,716
Expenses			
Management fee	153,021	179,286	121,126
Brokerage commissions and fees	2,666	3,979	1,837
Total expenses	<u>155,687</u>	<u>183,265</u>	<u>122,963</u>
Net investment income (loss)	<u>(122,728)</u>	<u>(178,761)</u>	<u>(118,247)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	663,774	1,559,425	1,593,048
Short-term U.S. government and agency obligations	33	218	402
Net realized gain (loss)	<u>663,807</u>	<u>1,559,643</u>	<u>1,593,450</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(110,538)	(141,893)	418,562
Short-term U.S. government and agency obligations	12	(170)	(472)
Change in net unrealized appreciation/depreciation	<u>(110,526)</u>	<u>(142,063)</u>	<u>418,090</u>
Net realized and unrealized gain (loss)	<u>553,281</u>	<u>1,417,580</u>	<u>2,011,540</u>
Net income (loss)	<u>\$ 430,553</u>	<u>\$1,238,819</u>	<u>\$1,893,293</u>

See accompanying notes to financial statements.

PROSHARES SHORT EURO

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$17,510,898	\$ 14,021,804	\$ 8,896,842
Addition of 50,000, 550,000 and 250,000 shares, respectively	2,109,382	23,563,492	8,924,282
Redemption of 100,005, 500,000 and 150,000 shares, respectively	<u>(4,280,745)</u>	<u>(21,313,217)</u>	<u>(5,692,613)</u>
Net addition (redemption) of (50,005), 50,000 and 100,000 shares, respectively	<u>(2,171,363)</u>	<u>2,250,275</u>	<u>3,231,669</u>
Net investment income (loss)	(122,728)	(178,761)	(118,247)
Net realized gain (loss)	663,807	1,559,643	1,593,450
Change in net unrealized appreciation/depreciation	<u>(110,526)</u>	<u>(142,063)</u>	<u>418,090</u>
Net income (loss)	<u>430,553</u>	<u>1,238,819</u>	<u>1,893,293</u>
Shareholders' equity, end of period	<u><u>\$15,770,088</u></u>	<u><u>\$ 17,510,898</u></u>	<u><u>\$14,021,804</u></u>

See accompanying notes to financial statements.

PROSHARES SHORT EURO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 430,553	\$ 1,238,819	\$ 1,893,293
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	101,145	(260,865)	(114,180)
Purchases of short-term U.S. government and agency obligations	(53,315,548)	(56,503,913)	(36,652,485)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	55,336,935	53,441,831	32,472,610
Net amortization and accretion on short-term U.S. government and agency obligations	(32,959)	(4,504)	(4,716)
Net realized gain (loss) on investments	(33)	(218)	(402)
Change in unrealized appreciation/depreciation on investments	(12)	170	472
Decrease (Increase) in receivable on futures contracts	84,235	(20,985)	(54,150)
Increase (Decrease) in payable to Sponsor	(1,409)	2,967	4,134
Increase (Decrease) in payable on futures contracts	76,666	—	—
Net cash provided by (used in) operating activities	<u>2,679,573</u>	<u>(2,106,698)</u>	<u>(2,455,424)</u>
Cash flow from financing activities			
Proceeds from addition of shares	2,109,382	23,563,492	8,924,282
Payment on shares redeemed	(4,280,745)	(21,313,217)	(5,692,613)
Net cash provided by (used in) financing activities	<u>(2,171,363)</u>	<u>2,250,275</u>	<u>3,231,669</u>
Net increase (decrease) in cash	508,210	143,577	776,245
Cash, beginning of period	1,783,802	1,640,225	863,980
Cash, end of period	<u>\$ 2,292,012</u>	<u>\$ 1,783,802</u>	<u>\$ 1,640,225</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 2,834,389	\$ 1,958,996
Segregated cash balances with brokers for futures contracts	914,760	57,065
Short-term U.S. government and agency obligations (Note 3) (cost \$12,909,895 and \$18,409,449, respectively)	12,909,619	18,408,894
Receivable on open futures contracts	—	52,491
Total assets	<u>16,658,768</u>	<u>20,477,446</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	32,340	—
Payable to Sponsor	12,955	16,767
Total liabilities	<u>45,295</u>	<u>16,767</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	16,613,473	20,460,679
Total liabilities and shareholders' equity	<u>\$16,658,768</u>	<u>\$20,477,446</u>
Shares outstanding	<u>300,000</u>	<u>350,005</u>
Net asset value per share	<u>\$ 55.38</u>	<u>\$ 58.46</u>
Market value per share (Note 2)	<u>\$ 55.24</u>	<u>\$ 58.15</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(78% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.326% due 01/19/17	\$12,912,000	\$12,909,619
Total short-term U.S. government and agency obligations (cost \$12,909,895) . . .		<u>\$12,909,619</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Australian Dollar Fx Currency Futures – CME, expires March 2017	462	\$33,273,240	\$1,182,340

^{^^} Rates shown represents discount rate at the time of purchase.

^{††} Cash collateral in the amount of \$914,760 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(90% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.048% due 02/04/16	\$ 2,538,000	\$ 2,537,814
0.000% due 02/25/16	415,000	414,955
0.151% due 03/03/16 [†]	1,267,000	1,266,803
0.156% due 03/24/16 [†]	14,195,000	14,189,322
Total short-term U.S. government and agency obligations (cost \$18,409,449) . . .		<u>\$18,408,894</u>

Futures Contracts Sold^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Australian Dollar Fx Currency Futures – CME, expires March 2016	562	\$40,834,920	\$(420,270)

^{^^} Rates shown represents discount rate at the time of purchase.

[†] All or partial amount pledged as collateral for futures contracts.

^{††} Cash collateral in the amount of \$57,065 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 43,459	\$ 5,998	\$ 8,225
Expenses			
Management fee	175,191	199,845	208,597
Brokerage commissions and fees	13,920	16,140	12,811
Total expenses	<u>189,111</u>	<u>215,985</u>	<u>221,408</u>
Net investment income (loss)	<u>(145,652)</u>	<u>(209,987)</u>	<u>(213,183)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(2,787,204)	4,330,463	2,296,216
Short-term U.S. government and agency obligations	495	225	492
Net realized gain (loss)	<u>(2,786,709)</u>	<u>4,330,688</u>	<u>2,296,708</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	1,602,610	(1,163,751)	(174,124)
Short-term U.S. government and agency obligations	279	(553)	(1,463)
Change in net unrealized appreciation/depreciation	<u>1,602,889</u>	<u>(1,164,304)</u>	<u>(175,587)</u>
Net realized and unrealized gain (loss)	<u>(1,183,820)</u>	<u>3,166,384</u>	<u>2,121,121</u>
Net income (loss)	<u><u>\$(1,329,472)</u></u>	<u><u>\$ 2,956,397</u></u>	<u><u>\$1,907,938</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$20,460,679	\$23,120,790	\$27,983,279
Addition of 0, 50,000 and 0 shares, respectively	—	2,764,167	—
Redemption of 50,005, 150,000 and 150,000 shares, respectively	<u>(2,517,734)</u>	<u>(8,380,675)</u>	<u>(6,770,427)</u>
Net addition (redemption) of (50,005), (100,000) and (150,000) shares, respectively	<u>(2,517,734)</u>	<u>(5,616,508)</u>	<u>(6,770,427)</u>
Net investment income (loss)	(145,652)	(209,987)	(213,183)
Net realized gain (loss)	(2,786,709)	4,330,688	2,296,708
Change in net unrealized appreciation/depreciation	<u>1,602,889</u>	<u>(1,164,304)</u>	<u>(175,587)</u>
Net income (loss)	<u>(1,329,472)</u>	<u>2,956,397</u>	<u>1,907,938</u>
Shareholders' equity, end of period	<u>\$16,613,473</u>	<u>\$20,460,679</u>	<u>\$23,120,790</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT AUSTRALIAN DOLLAR
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ (1,329,472)	\$ 2,956,397	\$ 1,907,938
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(857,695)	963,152	121,418
Purchases of short-term U.S. government and agency obligations	(51,162,005)	(61,647,966)	(41,309,385)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	56,705,513	63,512,421	45,247,467
Net amortization and accretion on short-term U.S. government and agency obligations	(43,459)	(5,998)	(8,225)
Net realized gain (loss) on investments	(495)	(225)	(492)
Change in unrealized appreciation/depreciation on investments	(279)	553	1,463
Decrease (Increase) in receivable on futures contracts	52,491	10,043	(62,534)
Increase (Decrease) in payable to Sponsor	(3,812)	(1,630)	(3,620)
Increase (Decrease) in payable on futures contracts	32,340	—	(86,166)
Net cash provided by (used in) operating activities	<u>3,393,127</u>	<u>5,786,747</u>	<u>5,807,864</u>
Cash flow from financing activities			
Proceeds from addition of shares	—	2,764,167	—
Payment on shares redeemed	<u>(2,517,734)</u>	<u>(8,380,675)</u>	<u>(6,770,427)</u>
Net cash provided by (used in) financing activities	<u>(2,517,734)</u>	<u>(5,616,508)</u>	<u>(6,770,427)</u>
Net increase (decrease) in cash	875,393	170,239	(962,563)
Cash, beginning of period	1,958,996	1,788,757	2,751,320
Cash, end of period	<u>\$ 2,834,389</u>	<u>\$ 1,958,996</u>	<u>\$ 1,788,757</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 2,916,502	\$ 10,372,583
Short-term U.S. government and agency obligations (Note 3) (cost \$337,373,566 and \$546,177,230, respectively)	337,375,787	546,166,776
Unrealized appreciation on foreign currency forward contracts	16,519,070	—
Total assets	<u>356,811,359</u>	<u>556,539,359</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	6,771,472	5,108,230
Payable to Sponsor	291,098	414,275
Unrealized depreciation on foreign currency forward contracts	356,139	28,710,336
Total liabilities	<u>7,418,709</u>	<u>34,232,841</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	349,392,650	522,306,518
Total liabilities and shareholders' equity	<u>\$356,811,359</u>	<u>\$556,539,359</u>
Shares outstanding	<u>12,900,000</u>	<u>20,450,014</u>
Net asset value per share	<u>\$ 27.08</u>	<u>\$ 25.54</u>
Market value per share (Note 2)	<u>\$ 27.08</u>	<u>\$ 25.53</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(97% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.286% due 01/05/17†	\$35,000,000	\$ 34,999,251
0.421% due 01/12/17†	39,020,000	39,016,149
0.342% due 01/19/17	4,000,000	3,999,263
0.350% due 01/26/17†	68,000,000	67,981,973
0.391% due 02/02/17†	65,000,000	64,977,523
0.471% due 02/09/17	3,500,000	3,498,417
0.390% due 02/16/17	33,000,000	32,982,051
0.491% due 02/23/17†	45,000,000	44,970,039
0.493% due 03/23/17†	45,000,000	44,951,121
Total short-term U.S. government and agency obligations (cost \$337,373,566)		\$337,375,787

Foreign Currency Forward Contracts^

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Euro with Goldman Sachs International	01/13/17	65,899,000	\$ 69,424,004	\$ 295,605
Euro with UBS AG	01/13/17	22,361,500	23,557,639	(356,139)
				\$ (60,534)
Contracts to Sell				
Euro with Goldman Sachs International	01/13/17	(393,278,725)	\$(414,315,600)	\$ 7,813,462
Euro with UBS AG	01/13/17	(356,977,300)	(376,072,375)	8,410,003
				\$16,223,465

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^^ Rates shown represents discount rate at the time of purchase.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(105% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.000% due 01/21/16	\$ 44,995,000	\$ 44,993,088
0.133% due 01/28/16	67,289,000	67,283,166
0.027% due 02/04/16†	98,693,000	98,685,776
0.150% due 02/11/16	29,669,000	29,665,087
0.180% due 02/18/16	7,296,000	7,294,952
0.000% due 02/25/16†	21,719,000	21,716,648
0.167% due 03/03/16†	44,405,000	44,398,086
0.175% due 03/24/16†	143,484,000	143,426,606
0.353% due 05/26/16†	88,841,000	88,703,367
Total short-term U.S. government and agency obligations (cost \$546,177,230)		\$546,166,776

Foreign Currency Forward Contracts^

	Settlement Date	Local Currency	Notional Amount at Value (USD)	Unrealized Appreciation (Depreciation)
Contracts to Purchase				
Euro with Goldman Sachs International	01/08/16	129,386,700	\$ 140,627,935	\$ (1,100,282)
Euro with UBS AG	01/08/16	75,393,200	81,943,430	(865,112)
				\$ (1,965,394)
Contracts to Sell				
Euro with Goldman Sachs International	01/08/16	(602,732,925)	\$(655,098,912)	\$(13,891,742)
Euro with UBS AG	01/08/16	(562,621,100)	(611,502,135)	(12,853,200)
				\$(26,744,942)

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^^ Rates shown represents discount rate at the time of purchase.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 1,012,886	\$ 264,845	\$ 199,596
Expenses			
Management fee	3,777,543	5,265,432	4,193,741
Total expenses	<u>3,777,543</u>	<u>5,265,432</u>	<u>4,193,741</u>
Net investment income (loss)	<u>(2,764,657)</u>	<u>(5,000,587)</u>	<u>(3,994,145)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Foreign currency forward contracts	(25,711,518)	131,651,572	83,678,955
Short-term U.S. government and agency obligations	<u>242</u>	<u>22,509</u>	<u>4,637</u>
Net realized gain (loss)	<u>(25,711,276)</u>	<u>131,674,081</u>	<u>83,683,592</u>
Change in net unrealized appreciation/depreciation on			
Foreign currency forward contracts	44,873,267	(45,473,330)	30,511,501
Short-term U.S. government and agency obligations	<u>12,675</u>	<u>(23,782)</u>	<u>(12,286)</u>
Change in net unrealized appreciation/depreciation	<u>44,885,942</u>	<u>(45,497,112)</u>	<u>30,499,215</u>
Net realized and unrealized gain (loss)	<u>19,174,666</u>	<u>86,176,969</u>	<u>114,182,807</u>
Net income (loss)	<u>\$ 16,410,009</u>	<u>\$ 81,176,382</u>	<u>\$110,188,662</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 522,306,518	\$ 517,191,349	\$418,001,115
Addition of 650,000, 12,600,000 and 4,500,000 shares, respectively	15,418,329	328,253,174	84,751,333
Redemption of 8,200,014, 16,100,000 and 5,050,000 shares, respectively	<u>(204,742,206)</u>	<u>(404,314,387)</u>	<u>(95,749,761)</u>
Net addition (redemption) of (7,550,014), (3,500,000) and (550,000) shares, respectively	<u>(189,323,877)</u>	<u>(76,061,213)</u>	<u>(10,998,428)</u>
Net investment income (loss)	(2,764,657)	(5,000,587)	(3,994,145)
Net realized gain (loss)	(25,711,276)	131,674,081	83,683,592
Change in net unrealized appreciation/depreciation	<u>44,885,942</u>	<u>(45,497,112)</u>	<u>30,499,215</u>
Net income (loss)	<u>16,410,009</u>	<u>81,176,382</u>	<u>110,188,662</u>
Shareholders' equity, end of period	<u><u>\$ 349,392,650</u></u>	<u><u>\$ 522,306,518</u></u>	<u><u>\$517,191,349</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT EURO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 16,410,009	\$ 81,176,382	\$ 110,188,662
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Purchases of short-term U.S. government and agency obligations	(1,535,809,146)	(1,901,774,819)	(1,291,071,881)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	1,745,625,938	1,842,981,707	1,241,999,870
Net amortization and accretion on short-term U.S. government and agency obligations	(1,012,886)	(263,820)	(199,596)
Net realized gain (loss) on investments	(242)	(22,509)	(4,637)
Change in unrealized appreciation/depreciation on investments	(44,885,942)	45,497,112	(30,499,215)
Increase (Decrease) in payable to Sponsor	(123,177)	28,455	40,427
Net cash provided by (used in) operating activities	<u>180,204,554</u>	<u>67,622,508</u>	<u>30,453,630</u>
Cash flow from financing activities			
Proceeds from addition of shares	15,418,329	341,209,778	71,794,729
Payment on shares redeemed	(203,078,964)	(399,206,157)	(101,720,845)
Net cash provided by (used in) financing activities	<u>(187,660,635)</u>	<u>(57,996,379)</u>	<u>(29,926,116)</u>
Net increase (decrease) in cash	(7,456,081)	9,626,129	527,514
Cash, beginning of period	<u>10,372,583</u>	<u>746,454</u>	<u>218,940</u>
Cash, end of period	<u>\$ 2,916,502</u>	<u>\$ 10,372,583</u>	<u>\$ 746,454</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 3,166,988	\$ 276,968
Short-term U.S. government and agency obligations (Note 3) (cost \$257,103,135 and \$260,014,650, respectively)	257,102,313	259,997,001
Unrealized appreciation on foreign currency forward contracts	16,870,357	933,727
Total assets	<u>277,139,658</u>	<u>261,207,696</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	—	8,794,729
Payable to Sponsor	232,491	210,888
Unrealized depreciation on foreign currency forward contracts	125,420	14,829,179
Total liabilities	<u>357,911</u>	<u>23,834,796</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	<u>276,781,747</u>	<u>237,372,900</u>
Total liabilities and shareholders' equity	<u>\$277,139,658</u>	<u>\$261,207,696</u>
Shares outstanding	<u>3,449,290</u>	<u>2,699,294</u>
Net asset value per share	<u>\$ 80.24</u>	<u>\$ 87.94</u>
Market value per share (Note 2)	<u>\$ 80.25</u>	<u>\$ 87.89</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(93% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.286% due 01/05/17†	\$21,383,000	\$ 21,382,543
0.343% due 01/12/17†	32,400,000	32,396,802
0.405% due 01/19/17†	12,500,000	12,497,695
0.346% due 01/26/17†	57,000,000	56,984,889
0.390% due 02/02/17†	30,006,000	29,995,624
0.452% due 02/09/17†	35,000,000	34,984,173
0.393% due 02/16/17	53,000,000	52,971,173
0.491% due 02/23/17†	15,900,000	15,889,414
Total short-term U.S. government and agency obligations (cost \$257,103,135)		\$257,102,313

Foreign Currency Forward Contracts^

	Settlement Date	Local Currency	Notional Amount at Value (USD)	Unrealized Appreciation (Depreciation)
Contracts to Purchase				
Yen with Goldman Sachs International	01/13/17	9,411,824,400	\$ 80,581,067	\$ 215,477
Yen with UBS AG	01/13/17	675,533,300	5,783,703	(125,420)
				\$ 90,057
Contracts to Sell				
Yen with Goldman Sachs International	01/13/17	(41,411,055,600)	\$(354,548,372)	\$ 8,041,302
Yen with UBS AG	01/13/17	(33,192,173,500)	(284,180,901)	8,613,578
				\$16,654,880

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^^ Rates shown represents discount rate at the time of purchase.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(110% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.080% due 01/07/16	\$ 4,417,000	\$ 4,416,985
0.148% due 01/14/16	6,017,000	6,016,850
0.043% due 01/21/16	5,361,000	5,360,772
0.110% due 01/28/16	6,089,000	6,088,472
0.013% due 02/04/16	38,515,000	38,512,181
0.150% due 02/11/16	9,617,000	9,615,732
0.000% due 02/25/16†	142,667,000	142,651,549
0.208% due 03/03/16	8,000,000	7,998,754
0.181% due 03/17/16†	800,000	799,846
0.152% due 03/24/16†	28,369,000	28,357,652
0.366% due 05/26/16†	10,194,000	10,178,208
Total short-term U.S. government and agency obligations (cost \$260,014,650)		\$259,997,001

Foreign Currency Forward Contracts^

	Settlement Date	Local Currency	Notional Amount at Value (USD)	Unrealized Appreciation (Depreciation)
Contracts to Purchase				
Yen with Goldman Sachs International	01/08/16	5,938,040,200	\$ 49,402,434	\$ 319,567
Yen with UBS AG	01/08/16	11,521,875,200	95,858,003	614,160
				\$ 933,727
Contracts to Sell				
Yen with Goldman Sachs International	01/08/16	(33,696,676,000)	\$(280,344,651)	\$ (6,789,972)
Yen with UBS AG	01/08/16	(40,852,769,100)	(339,880,862)	(8,039,207)
				\$(14,829,179)

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^^ Rates shown represents discount rate at the time of purchase.

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 531,771	\$ 135,814	\$ 197,253
Expenses			
Management fee	2,141,333	3,759,492	3,938,854
Total expenses	<u>2,141,333</u>	<u>3,759,492</u>	<u>3,938,854</u>
Net investment income (loss)	<u>(1,609,562)</u>	<u>(3,623,678)</u>	<u>(3,741,601)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Foreign currency forward contracts	(22,220,271)	8,809,464	127,846,225
Short-term U.S. government and agency obligations	<u>(5,910)</u>	<u>(3,035)</u>	<u>13,833</u>
Net realized gain (loss)	<u>(22,226,181)</u>	<u>8,806,429</u>	<u>127,860,058</u>
Change in net unrealized appreciation/depreciation on			
Foreign currency forward contracts	30,640,389	(12,316,677)	(30,965,459)
Short-term U.S. government and agency obligations	<u>16,827</u>	<u>(30,886)</u>	<u>(20,893)</u>
Change in net unrealized appreciation/depreciation	<u>30,657,216</u>	<u>(12,347,563)</u>	<u>(30,986,352)</u>
Net realized and unrealized gain (loss)	<u>8,431,035</u>	<u>(3,541,134)</u>	<u>96,873,706</u>
Net income (loss)	<u>\$ 6,821,473</u>	<u>\$ (7,164,812)</u>	<u>\$ 93,132,105</u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 237,372,900	\$ 531,471,873	\$ 588,121,516
Addition of 2,300,000, 1,350,000 and 2,850,000 shares, respectively	150,763,218	124,524,909	216,403,570
Redemption of 1,550,004, 4,600,000 and 5,200,000 shares, respectively	<u>(118,175,844)</u>	<u>(411,459,070)</u>	<u>(366,185,318)</u>
Net addition (redemption) of 749,996, (3,250,000) and (2,350,000) shares, respectively	<u>32,587,374</u>	<u>(286,934,161)</u>	<u>(149,781,748)</u>
Net investment income (loss)	(1,609,562)	(3,623,678)	(3,741,601)
Net realized gain (loss)	(22,226,181)	8,806,429	127,860,058
Change in net unrealized appreciation/depreciation	<u>30,657,216</u>	<u>(12,347,563)</u>	<u>(30,986,352)</u>
Net income (loss)	<u>6,821,473</u>	<u>(7,164,812)</u>	<u>93,132,105</u>
Shareholders' equity, end of period	<u><u>\$ 276,781,747</u></u>	<u><u>\$ 237,372,900</u></u>	<u><u>\$ 531,471,873</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRASHORT YEN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 6,821,473	\$ (7,164,812)	\$ 93,132,105
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Purchases of short-term U.S. government and agency obligations	(1,044,852,917)	(1,322,695,643)	(1,219,436,703)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	1,048,290,293	1,595,758,281	1,245,266,414
Net amortization and accretion on short-term U.S. government and agency obligations	(531,771)	(135,814)	(197,253)
Net realized gain (loss) on investments	5,910	3,035	(13,833)
Change in unrealized appreciation/depreciation on investments	(30,657,216)	12,347,563	30,986,352
Increase (Decrease) in payable to Sponsor	21,603	(228,916)	2,264
Net cash provided by (used in) operating activities	<u>(20,902,625)</u>	<u>277,883,694</u>	<u>149,739,346</u>
Cash flow from financing activities			
Proceeds from addition of shares	150,763,218	124,524,909	216,403,570
Payment on shares redeemed	(126,970,573)	(402,664,341)	(366,185,318)
Net cash provided by (used in) financing activities	<u>23,792,645</u>	<u>(278,139,432)</u>	<u>(149,781,748)</u>
Net increase (decrease) in cash	2,890,020	(255,738)	(42,402)
Cash, beginning of period	276,968	532,706	575,108
Cash, end of period	<u>\$ 3,166,988</u>	<u>\$ 276,968</u>	<u>\$ 532,706</u>

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG CRUDE OIL

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 1,401,555	\$ 4,008,379
Segregated cash balances with brokers for futures contracts	20,609,600	47,571,810
Short-term U.S. government and agency obligations (Note 3) (cost \$885,046,303 and \$797,652,302, respectively)	885,050,007	797,650,543
Unrealized appreciation on swap agreements	55,358,571	—
Receivable from capital shares sold	—	4,894,509
Receivable on open futures contracts	—	5,150,763
Total assets	<u>962,419,733</u>	<u>859,276,004</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	25,879,004	2,514,956
Payable on open futures contracts	1,993,438	—
Brokerage commissions and fees payable	2,332	25,000
Payable to Sponsor	813,099	636,984
Unrealized depreciation on swap agreements	—	72,176,589
Total liabilities	<u>28,687,873</u>	<u>75,353,529</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	933,731,860	783,922,475
Total liabilities and shareholders' equity	<u>\$962,419,733</u>	<u>\$859,276,004</u>
Shares outstanding (Note 9)	<u>40,013,933</u>	<u>31,163,934</u>
Net asset value per share (Note 9)	<u>\$ 23.34</u>	<u>\$ 25.15</u>
Market value per share (Note 2) (Note 9)	<u>\$ 23.36</u>	<u>\$ 25.08</u>

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG CRUDE OIL

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(95% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.289% due 01/05/17†	\$144,500,000	\$144,496,908
0.270% due 01/12/17†	113,636,000	113,624,784
0.371% due 01/19/17†	48,500,000	48,491,057
0.362% due 01/26/17†	106,000,000	105,971,899
0.418% due 02/02/17†	105,749,000	105,712,432
0.400% due 02/09/17†	108,000,000	107,951,162
0.420% due 02/16/17†	77,000,000	76,958,120
0.491% due 02/23/17†	20,000,000	19,986,684
0.481% due 03/09/17†	150,000,000	149,869,995
0.493% due 03/23/17	12,000,000	11,986,966
Total short-term U.S. government and agency obligations (cost \$885,046,303)		<u>\$885,050,007</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
WTI Crude Oil – NYMEX, expires March 2017	5,855	\$320,034,300	\$5,537,165

Swap Agreements[^]

	<u>Rate Paid (Received)*</u>	<u>Termination Date</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Citibank N.A. based on Bloomberg WTI Crude Oil Subindex	0.18%	01/10/17	\$545,083,669	\$18,427,009
Swap agreement with Goldman Sachs International based on Bloomberg WTI Crude Oil Subindex	0.25	01/10/17	379,451,639	14,016,906
Swap agreement with Societe Generale S.A. based on Bloomberg WTI Crude Oil Subindex	0.25	01/10/17	259,616,766	8,661,821
Swap agreement with UBS AG based on Bloomberg WTI Crude Oil Subindex	0.25	01/10/17	363,331,028	14,252,835
				<u>\$55,358,571</u>

† All or partial amount pledged as collateral for swap agreements and/or futures contracts.

†† Cash collateral in the amount of \$20,609,600 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

[^] The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^{^^} Rates shown represents discount rate at the time of purchase.

* Reflects the floating financing rate, as of December 31, 2016, on the notional amount of the swap agreement paid to the counterparty or received from the counterparty, excluding any commissions.

** For swap agreements, a positive amount represents “long” exposure to the benchmark index. A negative amount represents “short” exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG CRUDE OIL

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(102% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.087% due 01/07/16	\$ 55,485,000	\$ 55,484,817
0.040% due 01/14/16	18,803,000	18,802,530
0.001% due 01/21/16	6,843,000	6,842,709
0.094% due 01/28/16 [†]	91,564,000	91,556,061
0.025% due 02/04/16	80,508,000	80,502,107
0.005% due 02/11/16 [†]	74,430,000	74,420,183
0.119% due 02/18/16 [†]	68,546,000	68,536,150
0.013% due 02/25/16 [†]	38,009,000	38,004,884
0.202% due 03/03/16 [†]	86,544,000	86,530,525
0.200% due 03/10/16 [†]	25,596,000	25,590,604
0.147% due 03/17/16 [†]	73,235,000	73,220,895
0.178% due 03/24/16 [†]	44,753,000	44,735,099
0.356% due 05/26/16 [†]	133,631,000	133,423,979
Total short-term U.S. government and agency obligations (cost \$797,652,302)		<u>\$797,650,543</u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Crude Oil – NYMEX, expires March 2016	11,089	\$423,267,130	\$(17,929,314)

Swap Agreements[^]

	<u>Rate Paid (Received)*</u>	<u>Termination Date</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Swap agreement with Citibank N.A. based on Bloomberg WTI Crude Oil Subindex	0.18%	01/06/16	\$158,594,078	\$ (2,509,989)
Swap agreement with Deutsche Bank AG based on Bloomberg WTI Crude Oil Subindex	0.25	01/06/16	292,553,469	(20,221,872)
Swap agreement with Goldman Sachs International based on Bloomberg WTI Crude Oil Subindex	0.25	01/06/16	298,419,036	(20,806,119)
Swap agreement with Societe Generale S.A. based on Bloomberg WTI Crude Oil Subindex	0.25	01/06/16	100,733,521	(6,357,459)
Swap agreement with UBS AG based on Bloomberg WTI Crude Oil Subindex	0.25	01/06/16	294,338,185	(22,281,150)
				<u>\$(72,176,589)</u>

[†] All or partial amount pledged as collateral for swap agreements and/or futures contracts.

^{††} Cash collateral in the amount of \$47,571,810 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

[^] The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^{^^} Rates shown represents discount rate at the time of the purchase.

^{*} Reflects the floating financing rate, as of December 31, 2015, on the notional amount of the swap agreement paid to the counterparty or received from the counterparty, excluding any commissions.

^{**} For swap agreements, a positive amount represents "long" exposure to the benchmark index. A negative amount represents "short" exposure to the benchmark index.

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG CRUDE OIL
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 2,170,633	\$ 396,158	\$ 68,292
Expenses			
Management fee	8,263,078	8,230,180	1,769,248
Brokerage commissions and fees	538,935	639,133	65,408
Total expenses	<u>8,802,013</u>	<u>8,869,313</u>	<u>1,834,656</u>
Net investment income (loss)	<u>(6,631,380)</u>	<u>(8,473,155)</u>	<u>(1,766,364)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	43,093,616	(297,227,106)	(109,160,069)
Swap agreements	30,967,424	(598,949,990)	(134,165,888)
Short-term U.S. government and agency obligations	(17,374)	22,728	11,806
Net realized gain (loss)	<u>74,043,666</u>	<u>(896,154,368)</u>	<u>(243,314,151)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	23,466,479	28,545,473	(47,101,448)
Swap agreements	127,535,160	4,004,508	(78,138,990)
Short-term U.S. government and agency obligations	5,463	(6,857)	(7,333)
Change in net unrealized appreciation/depreciation	<u>151,007,102</u>	<u>32,543,124</u>	<u>(125,247,771)</u>
Net realized and unrealized gain (loss)	<u>225,050,768</u>	<u>(863,611,244)</u>	<u>(368,561,922)</u>
Net income (loss)	<u>\$218,419,388</u>	<u>\$(872,084,399)</u>	<u>\$(370,328,286)</u>

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG CRUDE OIL

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 783,922,475	\$ 450,562,988	\$ 142,773,429
Addition of 62,875,000, 43,415,000 and 5,040,000 shares, respectively (Note 9)	1,094,604,444	2,505,616,928	1,007,757,253
Redemption of 54,025,001, 16,690,983 and 1,045,000 shares, respectively (Note 9)	<u>(1,163,214,447)</u>	<u>(1,300,173,042)</u>	<u>(329,639,408)</u>
Net addition (redemption) of 8,849,999, 26,724,017 and 3,995,000 shares, respectively (Note 9)	<u>(68,610,003)</u>	<u>1,205,443,886</u>	<u>678,117,845</u>
Net investment income (loss)	(6,631,380)	(8,473,155)	(1,766,364)
Net realized gain (loss)	74,043,666	(896,154,368)	(243,314,151)
Change in net unrealized appreciation/depreciation	<u>151,007,102</u>	<u>32,543,124</u>	<u>(125,247,771)</u>
Net income (loss)	<u>218,419,388</u>	<u>(872,084,399)</u>	<u>(370,328,286)</u>
Shareholders' equity, end of period	<u><u>\$ 933,731,860</u></u>	<u><u>\$ 783,922,475</u></u>	<u><u>\$ 450,562,988</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG CRUDE OIL
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 218,419,388	\$ (872,084,399)	\$ (370,328,286)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	26,962,210	(12,966,690)	(30,783,225)
Purchases of short-term U.S. government and agency obligations	(3,746,504,691)	(4,300,690,737)	(1,059,239,810)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	3,661,263,949	3,970,639,458	729,547,449
Net amortization and accretion on short-term U.S. government and agency obligations	(2,170,633)	(382,657)	(68,292)
Net realized gain (loss) on investments	17,374	(22,728)	(11,806)
Change in unrealized appreciation/depreciation on investments	(127,540,623)	(3,997,651)	78,146,323
Decrease (Increase) in receivable on futures contracts	5,150,763	(5,150,763)	—
Increase (Decrease) in payable to Sponsor	176,115	316,922	185,707
Increase (Decrease) in brokerage commissions and fees payable	(22,668)	25,000	—
Increase (Decrease) in payable on futures contracts	1,993,438	(5,817,266)	4,820,056
Net cash provided by (used in) operating activities	<u>37,744,622</u>	<u>(1,230,131,511)</u>	<u>(647,731,884)</u>
Cash flow from financing activities			
Proceeds from addition of shares	1,099,498,953	2,529,448,592	979,031,080
Payment on shares redeemed	(1,139,850,399)	(1,297,658,086)	(329,639,408)
Net cash provided by (used in) financing activities	<u>(40,351,446)</u>	<u>1,231,790,506</u>	<u>649,391,672</u>
Net increase (decrease) in cash	<u>(2,606,824)</u>	<u>1,658,995</u>	<u>1,659,788</u>
Cash, beginning of period	4,008,379	2,349,384	689,596
Cash, end of period	<u>\$ 1,401,555</u>	<u>\$ 4,008,379</u>	<u>\$ 2,349,384</u>

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG NATURAL GAS

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 971,442	\$ 1,411,137
Segregated cash balances with brokers for futures contracts	7,612,770	7,595,280
Short-term U.S. government and agency obligations (Note 3) (cost \$36,183,384 and \$26,806,648, respectively)	36,183,648	26,807,731
Receivable on open futures contracts	—	3,065,769
Total assets	<u>44,767,860</u>	<u>38,879,917</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	1,528,005	—
Brokerage commissions and fees payable	433	3,623
Payable to Sponsor	36,036	25,110
Total liabilities	<u>1,564,474</u>	<u>28,733</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	43,203,386	38,851,184
Total liabilities and shareholders' equity	<u>\$44,767,860</u>	<u>\$38,879,917</u>
Shares outstanding	<u>2,292,169</u>	<u>2,092,170</u>
Net asset value per share	<u>\$ 18.85</u>	<u>\$ 18.57</u>
Market value per share (Note 2)	<u>\$ 18.96</u>	<u>\$ 18.48</u>

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG NATURAL GAS

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations (84% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.435% due 01/12/17	\$ 1,200,000	\$ 1,199,882
0.345% due 01/19/17	8,000,000	7,998,525
0.311% due 01/26/17	3,000,000	2,999,205
0.403% due 02/02/17	3,000,000	2,998,963
0.425% due 02/09/17	4,000,000	3,998,191
0.440% due 02/16/17	12,000,000	11,993,473
0.491% due 02/23/17	2,000,000	1,998,668
0.493% due 03/23/17	3,000,000	2,996,741
Total short-term U.S. government and agency obligations (cost \$36,183,384) . . .		<u><u>\$36,183,648</u></u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Natural Gas – NYMEX, expires March 2017	2,346	\$86,426,640	\$2,536,720

^{^^} Rates shown represents discount rate at the time of the purchase.

^{††} Cash collateral in the amount of \$7,612,770 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG NATURAL GAS

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(69% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.080% due 01/07/16	\$ 1,137,000	\$ 1,136,996
0.165% due 01/28/16	861,000	860,925
0.035% due 02/04/16	1,316,000	1,315,904
0.000% due 02/25/16	588,000	587,936
0.151% due 03/03/16	3,234,000	3,233,497
0.200% due 03/10/16	1,823,000	1,822,616
0.186% due 03/24/16	17,857,000	17,849,857
Total short-term U.S. government and agency obligations (cost \$26,806,648) . . .		<u>\$26,807,731</u>

Futures Contracts Purchased^{††}

	Number of Contracts	Notional Amount at Value	Unrealized Appreciation (Depreciation)
Natural Gas – NYMEX, expires March 2016	3,288	\$77,695,440	\$6,312,879

^{^^} Rates shown represents discount rate at the time of the purchase.

^{††} Cash collateral in the amount of \$7,595,280 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG NATURAL GAS
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 72,943	\$ 20,167	\$ 15,961
Expenses			
Management fee	325,435	574,158	455,794
Brokerage commissions and fees	131,994	207,344	88,748
Total expenses	<u>457,429</u>	<u>781,502</u>	<u>544,542</u>
Net investment income (loss)	<u>(384,486)</u>	<u>(761,335)</u>	<u>(528,581)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	17,571,809	(100,776,817)	(6,464,796)
Short-term U.S. government and agency obligations	(698)	4,341	5,068
Net realized gain (loss)	<u>17,571,111</u>	<u>(100,772,476)</u>	<u>(6,459,728)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(3,776,159)	41,202,162	(31,232,744)
Short-term U.S. government and agency obligations	(819)	(296)	(1,537)
Change in net unrealized appreciation/depreciation	<u>(3,776,978)</u>	<u>41,201,866</u>	<u>(31,234,281)</u>
Net realized and unrealized gain (loss)	<u>13,794,133</u>	<u>(59,570,610)</u>	<u>(37,694,009)</u>
Net income (loss)	<u>\$13,409,647</u>	<u>\$ (60,331,945)</u>	<u>\$(38,222,590)</u>

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG NATURAL GAS
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 38,851,184	\$ 70,433,207	\$ 62,915,779
Addition of 3,450,000, 2,137,500 and 1,437,500 shares, respectively (Note 1)	40,783,818	83,526,876	171,856,215
Redemption of 3,250,001, 1,187,815 and 700,000 shares, respectively (Note 1)	<u>(49,841,263)</u>	<u>(54,776,954)</u>	<u>(126,116,197)</u>
Net addition (redemption) of 199,999, 949,685 and 737,500 shares, respectively (Note 1) . . .	<u>(9,057,445)</u>	<u>28,749,922</u>	<u>45,740,018</u>
Net investment income (loss)	(384,486)	(761,335)	(528,581)
Net realized gain (loss)	17,571,111	(100,772,476)	(6,459,728)
Change in net unrealized appreciation/depreciation	<u>(3,776,978)</u>	<u>41,201,866</u>	<u>(31,234,281)</u>
Net income (loss)	<u>13,409,647</u>	<u>(60,331,945)</u>	<u>(38,222,590)</u>
Shareholders' equity, end of period	<u><u>\$ 43,203,386</u></u>	<u><u>\$ 38,851,184</u></u>	<u><u>\$ 70,433,207</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA BLOOMBERG NATURAL GAS
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 13,409,647	\$ (60,331,945)	\$ (38,222,590)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(17,490)	13,538,800	(14,531,880)
Purchases of short-term U.S. government and agency obligations	(136,277,314)	(262,203,648)	(269,350,242)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	126,972,823	288,829,035	274,880,518
Net amortization and accretion on short-term U.S. government and agency obligations	(72,943)	(18,846)	(15,961)
Net realized gain (loss) on investments	698	(4,341)	(5,068)
Change in unrealized appreciation/depreciation on investments	819	296	1,537
Decrease (Increase) in receivable on futures contracts	3,065,769	(3,065,769)	—
Increase (Decrease) in payable to Sponsor	10,926	(40,680)	(15,937)
Increase (Decrease) in brokerage commissions and fees payable	(3,190)	3,623	—
Increase (Decrease) in payable on futures contracts	1,528,005	(9,552,314)	3,923,782
Net cash provided by (used in) operating activities	<u>8,617,750</u>	<u>(32,845,789)</u>	<u>(43,335,841)</u>
Cash flow from financing activities			
Proceeds from addition of shares	40,783,818	87,380,298	168,002,793
Payment on shares redeemed	(49,841,263)	(54,776,954)	(126,116,197)
Net cash provided by (used in) financing activities	<u>(9,057,445)</u>	<u>32,603,344</u>	<u>41,886,596</u>
Net increase (decrease) in cash	<u>(439,695)</u>	<u>(242,445)</u>	<u>(1,449,245)</u>
Cash, beginning of period	<u>1,411,137</u>	<u>1,653,582</u>	<u>3,102,827</u>
Cash, end of period	<u>\$ 971,442</u>	<u>\$ 1,411,137</u>	<u>\$ 1,653,582</u>

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 1,262,351	\$ 251,524
Segregated cash balances with brokers for futures contracts	13,200	8,250
Short-term U.S. government and agency obligations (Note 3) (cost \$95,356,703 and \$71,908,280, respectively)	95,356,621	71,912,587
Receivable on open futures contracts	—	80
Total assets	<u>96,632,172</u>	<u>72,172,441</u>
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	1,280	—
Payable to Sponsor	72,585	57,031
Unrealized depreciation on forward agreements	4,431,107	2,250,595
Total liabilities	<u>4,504,972</u>	<u>2,307,626</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	<u>92,127,200</u>	<u>69,864,815</u>
Total liabilities and shareholders' equity	<u>\$96,632,172</u>	<u>\$72,172,441</u>
Shares outstanding	<u>2,800,000</u>	<u>2,350,014</u>
Net asset value per share	<u>\$ 32.90</u>	<u>\$ 29.73</u>
Market value per share (Note 2)	<u>\$ 33.20</u>	<u>\$ 29.73</u>

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(104% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.318% due 01/05/17†	\$ 5,340,000	\$ 5,339,886
0.276% due 01/12/17†	15,564,000	15,562,464
0.355% due 01/19/17†	4,395,000	4,394,189
0.360% due 01/26/17†	22,000,000	21,994,168
0.406% due 02/02/17†	6,100,000	6,097,891
0.393% due 02/16/17†	11,006,000	11,000,014
0.491% due 02/23/17†	4,000,000	3,997,337
0.493% due 03/23/17†	27,000,000	26,970,672
Total short-term U.S. government and agency obligations (cost \$95,356,703)		<u>\$95,356,621</u>

Futures Contracts Purchased††

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Gold Futures – COMEX, expires February 2017	2	\$230,340	\$(18,960)

Forward Agreements^

	<u>Rate Paid (Received)*</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Citibank, N.A. based on 0.995 Fine Troy Ounce Gold	1.35%	01/10/17	\$55,100	\$63,158,375	\$(1,464,982)
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold	1.55	01/10/17	42,320	48,509,300	(1,112,916)
Forward agreements with Societe Generale based on 0.995 Fine Troy Ounce Gold	1.55	01/10/17	23,300	26,707,625	(643,587)
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold	1.54	01/10/17	39,800	45,621,148	(1,209,622)
					<u>\$ (4,431,107)</u>

† All or partial amount pledged as collateral for forward agreements and/or futures contracts.

†† Cash collateral in the amount of \$13,200 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

^ The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^^ Rates shown represents discount rate at the time of purchase.

* Reflects the floating financing rate, as of December 31, 2016 on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions.

** For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(103% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.135% due 01/07/16 [†]	\$ 7,778,000	\$ 7,777,974
0.110% due 01/28/16	9,751,000	9,750,155
0.000% due 02/04/16 [†]	1,484,000	1,483,891
0.000% due 02/25/16 [†]	2,659,000	2,658,712
0.208% due 03/03/16	22,780,000	22,776,453
0.240% due 03/17/16	1,450,000	1,449,721
0.184% due 03/24/16 [†]	18,286,000	18,278,686
0.353% due 05/26/16 [†]	7,749,000	7,736,995
Total short-term U.S. government and agency obligations (cost \$71,908,280)		<u>\$71,912,587</u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Gold Futures – COMEX, expires February 2016	2	\$212,040	\$(5,200)

Forward Agreements[^]

	<u>Rate Paid (Received)*</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Citibank, N.A. based on 0.995 Fine Troy Ounce Gold	0.00%	01/06/16	\$ 3,000	\$ 3,179,880	\$ (4,614)
Forward agreements with Deutsche Bank AG based on 0.995 Fine Troy Ounce Gold	0.35	01/06/16	63,900	67,734,639	(1,049,383)
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold	0.25	01/06/16	23,620	25,036,255	(520,730)
Forward agreements with Societe Generale based on 0.995 Fine Troy Ounce Gold	0.26	01/06/16	15,400	16,323,384	(244,992)
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold	0.19	01/06/16	25,700	27,240,972	(430,876)
					<u>\$(2,250,595)</u>

[†] All or partial amount pledged as collateral for forward agreements and/or futures contracts.

^{††} Cash collateral in the amount of \$8,250 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

[^] The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^{^^} Rates shown represents discount rate at the time of purchase.

^{*} Reflects the floating financing rate, as of December 31, 2015, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions.

^{**} For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 249,319	\$ 42,700	\$ 54,755
Expenses			
Management fee	900,227	839,083	1,212,064
Brokerage commissions and fees	43	41	39
Total expenses	<u>900,270</u>	<u>839,124</u>	<u>1,212,103</u>
Net investment income (loss)	<u>(650,951)</u>	<u>(796,424)</u>	<u>(1,157,348)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	29,500	(16,180)	(23,260)
Forward agreements	5,787,065	(18,589,635)	(9,651,073)
Short-term U.S. government and agency obligations	<u>(806)</u>	<u>(393)</u>	<u>1,361</u>
Net realized gain (loss)	<u>5,815,759</u>	<u>(18,606,208)</u>	<u>(9,672,972)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(13,760)	(9,780)	19,140
Forward agreements	(2,180,512)	(4,301,749)	8,864,128
Short-term U.S. government and agency obligations	<u>(4,389)</u>	<u>2,086</u>	<u>5,375</u>
Change in net unrealized appreciation/depreciation	<u>(2,198,661)</u>	<u>(4,309,443)</u>	<u>8,888,643</u>
Net realized and unrealized gain (loss)	<u>3,617,098</u>	<u>(22,915,651)</u>	<u>(784,329)</u>
Net income (loss)	<u>\$ 2,966,147</u>	<u>\$(23,712,075)</u>	<u>\$(1,941,677)</u>

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 69,864,815	\$102,003,345	\$132,017,405
Addition of 1,050,000, 150,000 and 300,000 shares, respectively	41,599,776	5,401,300	13,559,078
Redemption of 600,014, 350,000 and 950,000 shares, respectively	<u>(22,303,538)</u>	<u>(13,827,755)</u>	<u>(41,631,461)</u>
Net addition (redemption) of 449,986, (200,000) and (650,000) shares, respectively	<u>19,296,238</u>	<u>(8,426,455)</u>	<u>(28,072,383)</u>
Net investment income (loss)	(650,951)	(796,424)	(1,157,348)
Net realized gain (loss)	5,815,759	(18,606,208)	(9,672,972)
Change in net unrealized appreciation/depreciation	<u>(2,198,661)</u>	<u>(4,309,443)</u>	<u>8,888,643</u>
Net income (loss)	<u>2,966,147</u>	<u>(23,712,075)</u>	<u>(1,941,677)</u>
Shareholders' equity, end of period	<u>\$ 92,127,200</u>	<u>\$ 69,864,815</u>	<u>\$102,003,345</u>

See accompanying notes to financial statements.

PROSHARES ULTRA GOLD
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 2,966,147	\$ (23,712,075)	\$ (1,941,677)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	(4,950)	550	7,150
Purchases of short-term U.S. government and agency obligations	(406,481,915)	(260,988,119)	(407,203,130)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	383,282,007	291,047,782	446,217,714
Net amortization and accretion on short-term U.S. government and agency obligations	(249,321)	(42,700)	(54,755)
Net realized gain (loss) on investments	806	393	(1,361)
Change in unrealized appreciation/depreciation on investments	2,184,901	4,299,663	(8,869,503)
Decrease (Increase) in receivable on futures contracts	80	(80)	—
Increase (Decrease) in payable to Sponsor	15,554	(28,602)	(25,929)
Increase (Decrease) in payable on futures contracts	1,280	(3,260)	2,960
Net cash provided by (used in) operating activities	<u>(18,285,411)</u>	<u>10,573,552</u>	<u>28,131,469</u>
Cash flow from financing activities			
Proceeds from addition of shares	41,599,776	5,401,300	13,559,078
Payment on shares redeemed	<u>(22,303,538)</u>	<u>(15,827,473)</u>	<u>(41,728,968)</u>
Net cash provided by (used in) financing activities	<u>19,296,238</u>	<u>(10,426,173)</u>	<u>(28,169,890)</u>
Net increase (decrease) in cash	1,010,827	147,379	(38,421)
Cash, beginning of period	251,524	104,145	142,566
Cash, end of period	<u>\$ 1,262,351</u>	<u>\$ 251,524</u>	<u>\$ 104,145</u>

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
STATEMENTS OF FINANCIAL CONDITION

	December 31, 2016	December 31, 2015
Assets		
Cash	\$ 1,664,601	\$ 243,900
Segregated cash balances with brokers for futures contracts	14,300	17,160
Short-term U.S. government and agency obligations (Note 3) (cost \$295,296,440 and \$238,900,176, respectively)	295,300,799	238,899,626
Total assets	296,979,700	239,160,686
Liabilities and shareholders' equity		
Liabilities		
Payable on open futures contracts	2,290	1,875
Payable to Sponsor	221,281	181,068
Unrealized depreciation on forward agreements	20,976,189	22,561,101
Total liabilities	21,199,760	22,744,044
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	275,779,940	216,416,642
Total liabilities and shareholders' equity	\$296,979,700	\$239,160,686
Shares outstanding	8,246,526	7,996,533
Net asset value per share	\$ 33.44	\$ 27.06
Market value per share (Note 2)	\$ 32.09	\$ 27.08

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(107% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.318% due 01/05/17 [†]	\$52,000,000	\$ 51,998,887
0.354% due 01/12/17 [†]	68,895,000	68,888,200
0.339% due 01/19/17 [†]	27,000,000	26,995,021
0.371% due 01/26/17	2,000,000	1,999,470
0.394% due 02/02/17 [†]	9,500,000	9,496,715
0.452% due 02/09/17 [†]	76,000,000	75,965,633
0.423% due 02/16/17 [†]	36,000,000	35,980,420
0.491% due 02/23/17 [†]	6,000,000	5,996,005
0.493% due 03/23/17	18,000,000	17,980,448
Total short-term U.S. government and agency obligations (cost \$295,296,440)		<u>\$295,300,799</u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Silver Futures – COMEX, expires March 2017	2	\$159,890	\$(27,360)

Forward Agreements[^]

	<u>Rate Paid (Received)*</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Citibank, N.A. based on 0.999 Fine Troy Ounce Silver	1.55%	01/10/17	\$12,327,000	\$200,263,209	\$ (6,946,009)
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	1.65	01/10/17	8,498,800	138,066,406	(5,869,092)
Forward agreements with Societe Generale S.A. based on 0.999 Fine Troy Ounce Silver	1.70	01/10/17	4,484,000	72,845,270	(2,532,729)
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	1.72	01/10/17	8,632,000	140,232,882	(5,628,359)
					<u>\$(20,976,189)</u>

[†] All or partial amount pledged as collateral for forward agreements and/or futures contracts.

^{††} Cash collateral in the amount of \$14,300 was pledged to cover margin requirements for open futures contracts as of December 31, 2016.

[^] The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^{^^} Rates shown represents discount rate at the time of purchase.

^{*} Reflects the floating financing rate, as of December 31, 2016, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions.

^{**} For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2015

	<u>Principal Amount</u>	<u>Value</u>
Short-term U.S. government and agency obligations		
(110% of shareholders' equity)		
U.S. Treasury Bills ^{^^} :		
0.135% due 01/07/16 [†]	\$19,913,000	\$ 19,912,934
0.040% due 01/14/16	17,050,000	17,049,574
0.001% due 01/21/16 [†]	34,041,000	34,039,553
0.039% due 02/04/16 [†]	29,869,000	29,866,814
0.115% due 02/18/16	2,811,000	2,810,596
0.000% due 02/25/16 [†]	41,656,000	41,651,489
0.199% due 03/03/16 [†]	40,444,000	40,437,703
0.200% due 03/10/16	2,873,000	2,872,394
0.180% due 03/24/16 [†]	30,018,000	30,005,993
0.356% due 05/26/16 [†]	20,284,000	20,252,576
Total short-term U.S. government and agency obligations (cost \$238,900,176)		<u>\$238,899,626</u>

Futures Contracts Purchased^{††}

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
Silver Futures – COMEX, expires March 2016	3	\$207,045	\$(9,030)

Forward Agreements[^]

	<u>Rate Paid (Received)*</u>	<u>Settlement Date</u>	<u>Commitment to (Deliver)/Receive</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)</u>
Forward agreements with Deutsche Bank AG based on 0.999 Fine Troy Ounce Silver	1.10%	01/06/16	\$13,088,000	\$180,899,718	\$ (9,355,945)
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	0.95	01/06/16	6,855,800	94,755,383	(5,106,853)
Forward agreements with Societe Generale S.A. based on 0.999 Fine Troy Ounce Silver	1.00	01/06/16	3,984,000	55,063,661	(2,704,459)
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	0.99	01/06/16	7,373,000	101,903,708	(5,393,844)
					<u>\$ (22,561,101)</u>

[†] All or partial amount pledged as collateral for forward agreements and/or futures contracts.

^{††} Cash collateral in the amount of \$17,160 was pledged to cover margin requirements for open futures contracts as of December 31, 2015.

[^] The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^{^^} Rates shown represents discount rate at the time of purchase.

^{*} Reflects the floating financing rate, as of December 31, 2015, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions.

^{**} For forward agreements, a positive amount represents “long” exposure to the underlying commodity. A negative amount represents “short” exposure to the underlying commodity.

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 842,215	\$ 156,353	\$ 179,642
Expenses			
Management fee	3,021,562	2,664,160	4,148,207
Brokerage commissions and fees	45	52	43
Total expenses	<u>3,021,607</u>	<u>2,664,212</u>	<u>4,148,250</u>
Net investment income (loss)	<u>(2,179,392)</u>	<u>(2,507,859)</u>	<u>(3,968,608)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	45,750	(19,600)	(52,451)
Forward agreements	62,296,691	(78,289,709)	(155,498,969)
Short-term U.S. government and agency obligations	145	(441)	8,226
Net realized gain (loss)	<u>62,342,586</u>	<u>(78,309,750)</u>	<u>(155,543,194)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(18,330)	(7,470)	12,640
Forward agreements	1,584,912	(10,165,981)	(9,902,240)
Short-term U.S. government and agency obligations	4,909	(9,125)	(11,363)
Change in net unrealized appreciation/depreciation	<u>1,571,491</u>	<u>(10,182,576)</u>	<u>(9,900,963)</u>
Net realized and unrealized gain (loss)	<u>63,914,077</u>	<u>(88,492,326)</u>	<u>(165,444,157)</u>
Net income (loss)	<u>\$61,734,685</u>	<u>\$(91,000,185)</u>	<u>\$(169,412,765)</u>

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 216,416,642	\$291,169,743	\$ 465,479,519
Addition of 2,800,000, 2,700,000 and 2,487,500 shares, respectively	104,165,405	96,078,803	144,929,400
Redemption of 2,550,007, 2,100,000 and 2,440,974 shares, respectively	<u>(106,536,792)</u>	<u>(79,831,719)</u>	<u>(149,826,411)</u>
Net addition (redemption) of 249,993, 600,000 and 46,526 shares, respectively	<u>(2,371,387)</u>	<u>16,247,084</u>	<u>(4,897,011)</u>
Net investment income (loss)	(2,179,392)	(2,507,859)	(3,968,608)
Net realized gain (loss)	62,342,586	(78,309,750)	(155,543,194)
Change in net unrealized appreciation/depreciation	<u>1,571,491</u>	<u>(10,182,576)</u>	<u>(9,900,963)</u>
Net income (loss)	<u>61,734,685</u>	<u>(91,000,185)</u>	<u>(169,412,765)</u>
Shareholders' equity, end of period	<u><u>\$ 275,779,940</u></u>	<u><u>\$216,416,642</u></u>	<u><u>\$ 291,169,743</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA SILVER
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended</u> <u>December 31, 2016</u>	<u>Year ended</u> <u>December 31, 2015</u>	<u>Year ended</u> <u>December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 61,734,685	\$ (91,000,185)	\$ (169,412,765)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	2,860	(2,860)	7,700
Purchases of short-term U.S. government and agency obligations	(1,412,194,485)	(835,846,036)	(1,432,093,309)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	1,356,640,583	902,567,408	1,594,662,608
Net amortization and accretion on short-term U.S. government and agency obligations	(842,217)	(156,353)	(177,671)
Net realized gain (loss) on investments	(145)	441	(8,226)
Change in unrealized appreciation/depreciation on investments	(1,589,821)	10,175,106	9,913,603
Increase (Decrease) in payable to Sponsor	40,213	(72,982)	(125,078)
Increase (Decrease) in payable on futures contracts	415	(4,895)	4,320
Net cash provided by (used in) operating activities	<u>3,792,088</u>	<u>(14,340,356)</u>	<u>2,771,182</u>
Cash flow from financing activities			
Proceeds from addition of shares	104,165,405	96,078,803	144,929,400
Payment on shares redeemed	(106,536,792)	(81,799,551)	(147,858,579)
Net cash provided by (used in) financing activities	<u>(2,371,387)</u>	<u>14,279,252</u>	<u>(2,929,179)</u>
Net increase (decrease) in cash	1,420,701	(61,104)	(157,997)
Cash, beginning of period	243,900	305,004	463,001
Cash, end of period	<u>\$ 1,664,601</u>	<u>\$ 243,900</u>	<u>\$ 305,004</u>

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 606,393	\$ 227,310
Short-term U.S. government and agency obligations (Note 3) (cost \$11,891,729 and \$11,605,665, respectively)	11,891,831	11,605,262
Unrealized appreciation on foreign currency forward contracts	<u>2,548</u>	<u>604,920</u>
Total assets	<u>12,500,772</u>	<u>12,437,492</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	—	1,569,718
Payable to Sponsor	9,629	10,044
Unrealized depreciation on foreign currency forward contracts	<u>576,558</u>	<u>—</u>
Total liabilities	<u>586,187</u>	<u>1,579,762</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	<u>11,914,585</u>	<u>10,857,730</u>
Total liabilities and shareholders' equity	<u>\$12,500,772</u>	<u>\$12,437,492</u>
Shares outstanding	<u>850,000</u>	<u>700,014</u>
Net asset value per share	<u>\$ 14.02</u>	<u>\$ 15.51</u>
Market value per share (Note 2)	<u>\$ 14.09</u>	<u>\$ 15.51</u>

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2016

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(100% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.295% due 01/05/17†	\$1,000,000	\$ 999,979
0.270% due 01/12/17	901,000	900,911
0.299% due 01/19/17†	2,000,000	1,999,631
0.493% due 03/23/17	8,000,000	7,991,310
Total short-term U.S. government and agency obligations (cost \$11,891,729) . . .		<u>\$11,891,831</u>

Foreign Currency Forward Contracts^

	Settlement Date	Local Currency	Notional Amount at Value (USD)	Unrealized Appreciation (Depreciation)
Contracts to Purchase				
Euro with Goldman Sachs International	01/13/17	9,841,725	\$10,368,169	\$(236,099)
Euro with UBS AG	01/13/17	13,774,600	14,511,417	(337,302)
				<u>\$(573,401)</u>
Contracts to Sell				
Euro with Goldman Sachs International	01/13/17	(717,800)	\$ (756,196)	\$ (3,157)
Euro with UBS AG	01/13/17	(264,000)	(278,122)	2,548
				<u>\$ (609)</u>

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^^ Rates shown represents discount rate at the time of purchase.

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(107% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.000% due 01/21/16†	\$7,404,000	\$ 7,403,685
0.035% due 02/04/16	790,000	789,942
0.166% due 03/24/16†	3,413,000	3,411,635
Total short-term U.S. government and agency obligations (cost \$11,605,665) . . .		\$11,605,262

Foreign Currency Forward Contracts^

	Settlement Date	Local Currency	Notional Amount at Value (USD)	Unrealized Appreciation (Depreciation)
Contracts to Purchase				
Euro with Goldman Sachs International	01/08/16	12,451,525	\$13,533,325	\$298,929
Euro with UBS AG	01/08/16	11,518,600	12,519,346	288,302
				\$587,231
Contracts to Sell				
Euro with Goldman Sachs International	01/08/16	(3,430,700)	\$ (3,728,762)	\$ 16,425
Euro with UBS AG	01/08/16	(555,100)	(603,328)	1,264
				\$ 17,689

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^^ Rates shown represents discount rate at the time of purchase.

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 25,015	\$ 2,797	\$ 1,083
Expenses			
Management fee	99,537	106,868	23,330
Total expenses	<u>99,537</u>	<u>106,868</u>	<u>23,330</u>
Net investment income (loss)	<u>(74,522)</u>	<u>(104,071)</u>	<u>(22,247)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Foreign currency forward contracts	138,959	(1,982,208)	(420,533)
Short-term U.S. government and agency obligations	<u>154</u>	<u>(109)</u>	<u>5</u>
Net realized gain (loss)	<u>139,113</u>	<u>(1,982,317)</u>	<u>(420,528)</u>
Change in net unrealized appreciation/depreciation on			
Foreign currency forward contracts	(1,178,930)	708,291	(204,333)
Short-term U.S. government and agency obligations	<u>505</u>	<u>(369)</u>	<u>(182)</u>
Change in net unrealized appreciation/depreciation	<u>(1,178,425)</u>	<u>707,922</u>	<u>(204,515)</u>
Net realized and unrealized gain (loss)	<u>(1,039,312)</u>	<u>(1,274,395)</u>	<u>(625,043)</u>
Net income (loss)	<u><u>\$(1,113,834)</u></u>	<u><u>\$(1,378,466)</u></u>	<u><u>\$(647,290)</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA EURO

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$10,857,730	\$ 2,981,441	\$2,603,827
Addition of 300,000, 950,000 and 50,000 shares, respectively	4,628,749	15,916,613	1,024,904
Redemption of 150,014, 400,000 and 0 shares, respectively	<u>(2,458,060)</u>	<u>(6,661,858)</u>	<u>—</u>
Net addition (redemption) of 149,986, 550,000 and 50,000 shares, respectively	<u>2,170,689</u>	<u>9,254,755</u>	<u>1,024,904</u>
Net investment income (loss)	(74,522)	(104,071)	(22,247)
Net realized gain (loss)	139,113	(1,982,317)	(420,528)
Change in net unrealized appreciation/depreciation	<u>(1,178,425)</u>	<u>707,922</u>	<u>(204,515)</u>
Net income (loss)	<u>(1,113,834)</u>	<u>(1,378,466)</u>	<u>(647,290)</u>
Shareholders' equity, end of period	<u><u>\$11,914,585</u></u>	<u><u>\$10,857,730</u></u>	<u><u>\$2,981,441</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA EURO
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ (1,113,834)	\$ (1,378,466)	\$ (647,290)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Purchases of short-term U.S. government and agency obligations	(48,066,675)	(42,137,395)	(7,297,855)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	47,805,780	32,950,150	7,338,926
Net amortization and accretion on short-term U.S. government and agency obligations	(25,015)	(2,797)	(1,083)
Net realized gain (loss) on investments	(154)	109	(5)
Change in unrealized appreciation/depreciation on investments	1,178,425	(707,922)	204,515
Increase (Decrease) in payable to Sponsor	(415)	8,041	(718)
Net cash provided by (used in) operating activities	<u>(221,888)</u>	<u>(11,268,280)</u>	<u>(403,510)</u>
Cash flow from financing activities			
Proceeds from addition of shares	4,628,749	15,916,613	1,024,904
Payment on shares redeemed	<u>(4,027,778)</u>	<u>(5,092,140)</u>	<u>—</u>
Net cash provided by (used in) financing activities	600,971	10,824,473	1,024,904
Net increase (decrease) in cash	379,083	(443,807)	621,394
Cash, beginning of period	<u>227,310</u>	<u>671,117</u>	<u>49,723</u>
Cash, end of period	<u>\$ 606,393</u>	<u>\$ 227,310</u>	<u>\$ 671,117</u>

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
STATEMENTS OF FINANCIAL CONDITION

	December 31, 2016	December 31, 2015
Assets		
Cash	\$ 604,691	\$ 147,371
Short-term U.S. government and agency obligations (Note 3) (cost \$5,283,104 and \$5,069,206, respectively)	5,282,879	5,069,491
Unrealized appreciation on foreign currency forward contracts	379	267,014
Total assets	5,887,949	5,483,876
Liabilities and shareholders' equity		
Liabilities		
Payable to Sponsor	4,537	4,325
Unrealized depreciation on foreign currency forward contracts	342,455	5,703
Total liabilities	346,992	10,028
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	5,540,957	5,473,848
Total liabilities and shareholders' equity	\$5,887,949	\$5,483,876
Shares outstanding	99,970	99,974
Net asset value per share	\$ 55.43	\$ 54.75
Market value per share (Note 2)	\$ 55.52	\$ 54.70

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2016

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(95% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.210% due 01/05/17†	\$ 150,000	\$ 149,997
0.270% due 01/12/17	480,000	479,953
0.311% due 01/26/17†	1,655,000	1,654,561
0.390% due 02/16/17	3,000,000	2,998,368
Total short-term U.S. government and agency obligations (cost \$5,283,104)		\$5,282,879

Foreign Currency Forward Contracts^

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
Contracts to Purchase				
Yen with Goldman Sachs International	01/13/17	884,408,200	\$7,572,024	\$(220,115)
Yen with UBS AG	01/13/17	470,179,000	4,025,524	(122,340)
				\$(342,455)
Contracts to Sell				
Yen with Goldman Sachs International	01/13/17	(57,041,600)	\$ (488,372)	\$ 379
				\$ 379

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2016. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at anytime.

^^ Rates shown represents discount rate at the time of purchase.

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
SCHEDULE OF INVESTMENTS
DECEMBER 31, 2015

	Principal Amount	Value
Short-term U.S. government and agency obligations		
(93% of shareholders' equity)		
U.S. Treasury Bills^^:		
0.165% due 01/28/16†	\$3,811,000	\$3,810,670
0.000% due 02/25/16	360,000	359,961
0.208% due 03/03/16	899,000	898,860
Total short-term U.S. government and agency obligations (cost \$5,069,206)		\$5,069,491

Foreign Currency Forward Contracts^

	Settlement Date	Local Currency	Notional Amount at Value (USD)	Unrealized Appreciation (Depreciation)
Contracts to Purchase				
Yen with Goldman Sachs International	01/08/16	866,666,900	\$7,210,368	\$172,891
Yen with UBS AG	01/08/16	488,922,300	4,067,664	94,123
				\$267,014
Contracts to Sell				
Yen with Goldman Sachs International	01/08/16	(18,830,800)	\$ (156,666)	\$ (3,104)
Yen with UBS AG	01/08/16	(21,100,300)	(175,547)	(2,599)
				\$ (5,703)

† All or partial amount pledged as collateral for foreign currency forward contracts.

^ The positions and counterparties herein are as of December 31, 2015. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

^^ Rates shown represents discount rate at the time of purchase.

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 16,858	\$ 3,609	\$ 1,101
Expenses			
Management fee	62,705	48,032	21,963
Total expenses	62,705	48,032	21,963
Net investment income (loss)	<u>(45,847)</u>	<u>(44,423)</u>	<u>(20,862)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Foreign currency forward contracts	717,086	(472,913)	(540,398)
Short-term U.S. government and agency obligations	(34)	6	94
Net realized gain (loss)	<u>717,052</u>	<u>(472,907)</u>	<u>(540,304)</u>
Change in net unrealized appreciation/depreciation on			
Foreign currency forward contracts	(603,387)	276,556	144,064
Short-term U.S. government and agency obligations	(510)	260	(289)
Change in net unrealized appreciation/depreciation	<u>(603,897)</u>	<u>276,816</u>	<u>143,775</u>
Net realized and unrealized gain (loss)	<u>113,155</u>	<u>(196,091)</u>	<u>(396,529)</u>
Net income (loss)	<u>\$ 67,308</u>	<u>\$(240,514)</u>	<u>\$(417,391)</u>

See accompanying notes to financial statements.

PROSHARES ULTRA YEN

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$5,473,848	\$2,118,028	\$2,795,026
Addition of 0, 75,000 and 12,500 shares, respectively (Note 1)	—	4,285,016	716,043
Redemption of 4, 12,530 and 12,500 shares, respectively (Note 1)	<u>(199)</u>	<u>(688,682)</u>	<u>(975,650)</u>
Net addition (redemption) of (4), 62,470 and 0 shares, respectively (Note 1)	<u>(199)</u>	<u>3,596,334</u>	<u>(259,607)</u>
Net investment income (loss)	(45,847)	(44,423)	(20,862)
Net realized gain (loss)	717,052	(472,907)	(540,304)
Change in net unrealized appreciation/depreciation	<u>(603,897)</u>	<u>276,816</u>	<u>143,775</u>
Net income (loss)	67,308	(240,514)	(417,391)
Shareholders' equity, end of period	<u><u>\$5,540,957</u></u>	<u><u>\$5,473,848</u></u>	<u><u>\$2,118,028</u></u>

See accompanying notes to financial statements.

PROSHARES ULTRA YEN
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016</u>	<u>Year ended December 31, 2015</u>	<u>Year ended December 31, 2014</u>
Cash flow from operating activities			
Net income (loss)	\$ 67,308	\$ (240,514)	\$ (417,391)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Purchases of short-term U.S. government and agency obligations	(28,924,289)	(12,557,564)	(5,540,122)
Proceeds from sales or maturities of short-term U.S. government and agency obligations	28,727,215	8,779,817	7,181,715
Net amortization and accretion on short-term U.S. government and agency obligations	(16,858)	(3,609)	(1,101)
Net realized gain (loss) on investments	34	(6)	(94)
Change in unrealized appreciation/depreciation on investments	603,897	(276,816)	(143,775)
Increase (Decrease) in payable to Sponsor	212	2,810	(822)
Net cash provided by (used in) operating activities	<u>457,519</u>	<u>(4,295,882)</u>	<u>1,078,410</u>
Cash flow from financing activities			
Proceeds from addition of shares	—	4,285,016	716,043
Payment on shares redeemed	(199)	(688,682)	(975,650)
Net cash provided by (used in) financing activities	<u>(199)</u>	<u>3,596,334</u>	<u>(259,607)</u>
Net increase (decrease) in cash	457,320	(699,548)	818,803
Cash, beginning of period	<u>147,371</u>	<u>846,919</u>	<u>28,116</u>
Cash, end of period	<u>\$ 604,691</u>	<u>\$ 147,371</u>	<u>\$ 846,919</u>

See accompanying notes to financial statements.

PROSHARES TRUST II

COMBINED STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2016</u>	<u>December 31, 2015</u>
Assets		
Cash	\$ 39,482,473	\$ 48,049,225
Segregated cash balances with brokers for futures contracts	180,212,984	261,083,712
Short-term U.S. government and agency obligations (Note 3) (cost \$3,038,837,465 and \$3,313,585,456, respectively)	3,038,848,441	3,313,591,600
Unrealized appreciation on swap agreements	55,358,571	6,669,519
Unrealized appreciation on forward agreements	4,417,812	6,587,221
Unrealized appreciation on foreign currency forward contracts	33,392,354	1,805,661
Receivable from capital shares sold	—	48,046,138
Receivable on open futures contracts	41,862,862	27,655,327
Total assets	<u>3,393,575,497</u>	<u>3,713,488,403</u>
Liabilities and shareholders' equity		
Liabilities		
Payable for capital shares redeemed	71,525,035	60,119,975
Payable on open futures contracts	3,972,621	3,078,269
Brokerage commissions and fees payable	2,909	39,148
Payable to Sponsor	2,722,696	2,839,305
Unrealized depreciation on swap agreements	12,206,881	72,446,044
Unrealized depreciation on forward agreements	25,407,296	24,811,696
Unrealized depreciation on foreign currency forward contracts	1,400,572	43,545,218
Total liabilities	<u>117,238,010</u>	<u>206,879,655</u>
Commitments and Contingencies (Note 2)		
Shareholders' equity		
Shareholders' equity	<u>3,276,337,487</u>	<u>3,506,608,748</u>
Total liabilities and shareholders' equity	<u>\$3,393,575,497</u>	<u>\$3,713,488,403</u>
Shares outstanding	<u>102,788,942</u>	<u>87,793,127</u>

See accompanying notes to financial statements.

PROSHARES TRUST II
COMBINED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016*</u>	<u>Year ended December 31, 2015**</u>	<u>Year ended December 31, 2014</u>
Investment Income			
Interest	\$ 9,133,928	\$ 1,546,729	\$ 1,151,784
Expenses			
Management fee	34,712,239	35,055,606	27,669,705
Brokerage commissions and fees	7,438,871	6,480,284	4,580,430
Offering costs	—	59,479	16,401
Limitation by Sponsor	—	(11,814)	(9,474)
Total expenses	<u>42,151,110</u>	<u>41,583,555</u>	<u>32,257,062</u>
Net investment income (loss)	<u>(33,017,182)</u>	<u>(40,036,826)</u>	<u>(31,105,278)</u>
Realized and unrealized gain (loss) on investment activity			
Net realized gain (loss) on			
Futures contracts	(1,286,470,453)	(675,706,798)	(136,360,050)
Swap agreements	(25,398,375)	(553,434,721)	(79,470,613)
Forward agreements	38,357,981	(73,443,689)	(155,407,226)
Foreign currency forward contracts	(47,075,744)	138,005,915	210,564,249
Short-term U.S. government and agency obligations	(15,768)	47,732	123,212
Net realized gain (loss)	<u>(1,320,602,359)</u>	<u>(1,164,531,561)</u>	<u>(160,550,428)</u>
Change in net unrealized appreciation/depreciation on			
Futures contracts	(22,030,613)	40,193,356	9,175,329
Swap agreements	108,928,215	(16,849,426)	(48,539,505)
Forward agreements	(2,765,009)	(6,192,684)	(6,131,133)
Foreign currency forward contracts	73,731,339	(56,805,160)	(514,227)
Short-term U.S. government and agency obligations	4,832	(46,135)	(73,469)
Change in net unrealized appreciation/depreciation	<u>157,868,764</u>	<u>(39,700,049)</u>	<u>(46,083,005)</u>
Net realized and unrealized gain (loss)	<u>(1,162,733,595)</u>	<u>(1,204,231,610)</u>	<u>(206,633,433)</u>
Net income (loss)	<u><u>\$(1,195,750,777)</u></u>	<u><u>\$(1,244,268,436)</u></u>	<u><u>\$(237,738,711)</u></u>

* The operations include the activity of: ProShares Managed Futures Strategy through March 30, 2016, and ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity through September 1, 2016, the date of liquidation, respectively. See Note 1.

** The operations include the activity of ProShares Ultra Australian Dollar through June 29, 2015, the date of liquidation, respectively. See Note 1.

See accompanying notes to financial statements.

PROSHARES TRUST II

COMBINED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	<u>Year ended December 31, 2016*</u>	<u>Year ended December 31, 2015**</u>	<u>Year ended December 31, 2014</u>
Shareholders' equity, beginning of period	\$ 3,506,608,748	\$ 3,332,060,486	\$ 3,082,207,084
Addition of 191,098,000, 119,309,700 and 78,857,360 shares, respectively	10,633,008,985	8,943,932,891	5,351,585,350
Redemption of 176,102,185, 94,955,635 and 86,585,739 shares, respectively	<u>(9,667,529,469)</u>	<u>(7,525,116,193)</u>	<u>(4,863,993,237)</u>
Net addition (redemption) of 14,995,815, 24,354,065 and (7,728,379) shares, respectively	<u>965,479,516</u>	<u>1,418,816,698</u>	<u>487,592,113</u>
Net investment income (loss)	(33,017,182)	(40,036,826)	(31,105,278)
Net realized gain (loss)	(1,320,602,359)	(1,164,531,561)	(160,550,428)
Change in net unrealized appreciation/ depreciation	<u>157,868,764</u>	<u>(39,700,049)</u>	<u>(46,083,005)</u>
Net income (loss)	<u>(1,195,750,777)</u>	<u>(1,244,268,436)</u>	<u>(237,738,711)</u>
Shareholders' equity, end of period	<u><u>\$ 3,276,337,487</u></u>	<u><u>\$ 3,506,608,748</u></u>	<u><u>\$ 3,332,060,486</u></u>

* The operations include the activity of: ProShares Managed Futures Strategy through March 30, 2016, and ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity through September 1, 2016, the date of liquidation, respectively. See Note 1.

** The operations include the activity of ProShares Ultra Australian Dollar through June 29, 2015, the date of liquidation, respectively. See Note 1.

See accompanying notes to financial statements.

PROSHARES TRUST II

COMBINED STATEMENTS OF CASH FLOWS FOR THE YEARS ENDED DECEMBER 31, 2016, 2015 AND 2014

	Year ended December 31, 2016*	Year ended December 31, 2015**	Year ended December 31, 2014
Cash flow from operating activities			
Net income (loss)	\$ (1,195,750,777)	\$ (1,244,268,436)	\$ (237,738,711)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for futures contracts	80,870,728	35,477,903	(61,515,085)
Purchases of short-term U.S. government and agency obligations	(18,373,450,463)	(17,070,603,480)	(12,667,505,150)
Proceeds from sales or maturities of short-term U.S government and agency obligations	18,657,310,693	16,764,420,326	12,509,293,100
Net amortization and accretion on short-term U.S government and agency obligations	(9,128,007)	(1,530,269)	(1,148,962)
Net realized gain (loss) on investments	15,768	(47,732)	(123,212)
Change in unrealized appreciation/depreciation on investments	(179,899,377)	79,893,405	55,258,334
Decrease (Increase) in receivable on futures contracts	(14,207,535)	28,346,999	(49,071,751)
Decrease (Increase) in Limitation by Sponsor	—	9,474	(9,474)
Change in offering cost	—	49,384	(49,384)
Increase (Decrease) in payable to Sponsor	(116,609)	181,800	134,637
Increase (Decrease) in brokerage commissions and fees payable	(36,239)	39,148	—
Increase (Decrease) in payable on futures contracts	894,352	(43,327,729)	36,334,537
Increase (Decrease) in payable for offering costs	—	(65,785)	65,785
Net cash provided by (used in) operating activities	(1,033,497,466)	(1,451,424,992)	(416,075,336)
Cash flow from financing activities			
Proceeds from addition of shares	10,681,055,123	8,953,972,200	5,304,403,567
Payment on shares redeemed	(9,656,124,409)	(7,490,397,088)	(4,875,819,732)
Net cash provided by (used in) financing activities	1,024,930,714	1,463,575,112	428,583,835
Net increase (decrease) in cash	(8,566,752)	12,150,120	12,508,499
Cash, beginning of period	48,049,351	35,899,231	23,390,732
Cash, end of period	\$ 39,482,599	\$ 48,049,351	\$ 35,899,231

* The operations include the activity of: ProShares Managed Futures Strategy through March 30, 2016, and ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity through September 1, 2016, the date of liquidation, respectively. See Note 1.

** The operations include the activity of ProShares Ultra Australian Dollar through June 29, 2015, the date of liquidation, respectively. See Note 1.

See accompanying notes to financial statements.

PROSHARES TRUST II

NOTES TO FINANCIAL STATEMENTS

December 31, 2016

NOTE 1 – ORGANIZATION

ProShares Trust II (formerly known as the Commodities and Currencies Trust) (the “Trust”) is a Delaware statutory trust formed on October 9, 2007 and is currently organized into separate series (each, a “Fund” and collectively, the “Funds”). As of December 31, 2016, the following eighteen series of the Trust have commenced investment operations: (i) ProShares VIX Short-Term Futures ETF and ProShares VIX Mid-Term Futures ETF (each, a “Matching VIX Fund” and collectively, the “Matching VIX Funds”); (ii) ProShares Short VIX Short-Term Futures ETF and ProShares Ultra VIX Short-Term Futures ETF (each, a “Geared VIX Fund” and collectively, the “Geared VIX Funds”); (iii) ProShares UltraShort Bloomberg Crude Oil, ProShares UltraShort Bloomberg Natural Gas, ProShares UltraShort Gold, ProShares UltraShort Silver, ProShares UltraShort Australian Dollar, ProShares UltraShort Euro, ProShares UltraShort Yen, ProShares Ultra Bloomberg Crude Oil, ProShares Ultra Bloomberg Natural Gas, ProShares Ultra Gold, ProShares Ultra Silver, ProShares Ultra Euro and ProShares Ultra Yen (each, a “Leveraged Fund” and collectively, the “Leveraged Funds”); and (iv) ProShares Short Euro (the “Short Euro Fund”). Each of the Funds listed above issues common units of beneficial interest (“Shares”), which represent units of fractional undivided beneficial interest in and ownership of only that Fund. The Shares of each Fund are listed on the New York Stock Exchange Archipelago (“NYSE Arca”). The Leveraged Funds, the Short Euro Fund and the Geared VIX Funds, are collectively referred to as the “Geared Funds” in these Notes to Financial Statements. The Geared VIX Funds and the Matching VIX Funds are collectively referred to as the “VIX Funds” in these Notes to Financial Statements.

On February 18, 2016, the Trust announced plans to liquidate ProShares Managed Futures Strategy (ticker symbol: FUTS). ProShares Managed Futures Strategy was closed to purchases and redemptions as of the close of regular trading on the NYSE Arca on March 18, 2016. Beginning March 21, 2016, no secondary market for ProShares Managed Futures Strategy’s Shares remained. Proceeds of the liquidation were distributed to shareholders on March 30, 2016. Any shareholders remaining in the fund on March 30, 2016 automatically had their shares redeemed for cash at ProShares Managed Futures Strategy’s net asset value per Share as of March 21, 2016. On March 31, 2016, the NYSE Arca filed a Form 25 removing the listing of ProShares Managed Futures Strategy on the NYSE Arca. On April 11, 2016 a Form 15 was filed with the SEC terminating the registration of ProShares Managed Futures Strategy.

On July 25, 2016, the Trust announced plans to liquidate ProShares Ultra Bloomberg Commodity (ticker symbol: UCD) and ProShares UltraShort Bloomberg Commodity (ticker symbol: CMD). ProShares Ultra Bloomberg Commodity and UltraShort Bloomberg Commodity were closed to purchases and redemptions as of the close of regular trading on the NYSE Arca on August 25, 2016. Beginning August 26, 2016, no secondary market for ProShares Ultra Bloomberg Commodity’s and ProShares UltraShort Bloomberg Commodity’s Shares remained. Proceeds of the liquidation were distributed to shareholders on September 1, 2016. Any shareholders remaining in each liquidating Fund on September 1, 2016 automatically had their shares redeemed for cash at each liquidating Fund’s net asset value per Share as of August 26, 2016. On September 2, 2016, the NYSE Arca filed a Form 25 removing the listing of ProShares Ultra Bloomberg Commodity and UltraShort Bloomberg Commodity on the NYSE Arca. On September 27, 2016, a Form 15 was filed with the SEC terminating the registration of ProShares Ultra Bloomberg Commodity and ProShares UltraShort Bloomberg Commodity.

The Trust had no operations prior to November 24, 2008, other than matters relating to its organization, the registration of each series under the Securities Act of 1933, as amended, and the sale and issuance to ProShare Capital Management LLC (the “Sponsor”) of fourteen Shares at an aggregate purchase price of \$350 in each of the following Funds: ProShares UltraShort Bloomberg Crude Oil, ProShares UltraShort Gold, ProShares UltraShort Silver, ProShares UltraShort Euro, ProShares UltraShort Yen, ProShares Ultra Bloomberg Crude Oil, ProShares Ultra Gold, ProShares Ultra Silver, ProShares Ultra Euro and ProShares Ultra Yen.

Groups of Funds are collectively referred to in several different ways. References to “Short Funds,” “UltraShort Funds,” or “Ultra Funds” refer to the different Funds based upon their investment objectives, but without distinguishing among the Funds’ benchmarks.

References to “Commodity Index Funds,” “Commodity Funds” and “Currency Funds” refer to the different Funds according to their general benchmark categories without distinguishing among the Funds’ investment objectives or Fund-specific benchmarks. References to “VIX Funds” refer to the different Funds based upon their investment objective and their general benchmark categories.

Each “Short” Fund seeks daily investment results (before fees and expenses) that correspond to the inverse (-1x) of the daily performance of its corresponding benchmark. Each “UltraShort” Fund seeks daily investment results (before fees and expenses) that correspond to two times the inverse (-2x) of the daily performance of its corresponding benchmark. Each “Ultra” Fund seeks daily investment results (before fees and expenses) that correspond to two times (2x) the daily performance of its corresponding benchmark. Each Matching VIX Fund seeks investment results (before fees and expenses), both over a single day and over time, that match the performance of its corresponding benchmark. Daily performance is measured from the calculation of one NAV to the next.

The Geared Funds do not seek to achieve their stated investment objective over a period of time greater than a single day because mathematical compounding prevents the Geared Funds from achieving such results. Accordingly, results over periods of time greater than a single day should not be expected to be a simple multiple (e.g., -1x, -2x or 2x) of the period return of the corresponding benchmark and will likely differ significantly.

Each of the Funds generally invests in Financial Instruments (i.e., instruments whose value is derived from the value of an underlying asset, rate or index, including futures contracts, swap agreements, forward contracts and other instruments) as a substitute for investing directly in commodities, currencies, or spot volatility products in order to gain exposure to its applicable underlying commodity futures index, commodity, currency exchange rate or equity volatility index. Financial Instruments also are used to produce economically “inverse,” “inverse leveraged” or “leveraged” investment results for the Geared Funds.

Share Splits and Reverse Share Splits

The table below includes Share splits and reverse Share splits for the Funds during the years ended December 31, 2014, 2015 and 2016. The ticker symbols for these Funds did not change, and each Fund continues to trade on the NYSE Arca.

Fund	Execution Date (Prior to Opening of Trading)	Type of Split	Date Trading Resumed at Post- Split Price
ProShares Short VIX Short-Term Futures ETF	January 21, 2014	2-for-1 Share split	January 24, 2014
ProShares Ultra VIX Short-Term Futures ETF	January 21, 2014	1-for-4 reverse Share split	January 24, 2014
ProShares Ultra Silver	January 21, 2014	1-for-4 reverse Share split	January 24, 2014
ProShares VIX Mid-Term Futures ETF	November 6, 2014	1-for-4 reverse Share split	November 6, 2014
ProShares Ultra VIX Short-Term Futures ETF	May 20, 2015	1-for-5 reverse Share split	May 20, 2015
ProShares Ultra Bloomberg Crude Oil	May 20, 2015	1-for-5 reverse Share split	May 20, 2015
ProShares Ultra Bloomberg Natural Gas	May 20, 2015	1-for-4 reverse Share split	May 20, 2015
ProShares Ultra Yen	May 20, 2015	1-for-4 reverse Share split	May 20, 2015
ProShares UltraShort Silver	November 13, 2015	2-for-1 Share split	November 13, 2015
ProShares UltraShort Bloomberg Natural Gas	July 20, 2016	3-for-1 Share split	July 25, 2016
ProShares VIX Short-Term Futures ETF	July 25, 2016	1-for-5 reverse Share split	July 25, 2016
ProShares Ultra VIX Short-Term Futures ETF	July 25, 2016	1-for-5 reverse Share split	July 25, 2016

The reverse splits were applied retroactively for all periods presented, reducing the number of Shares outstanding for each of the Funds, and resulted in a proportionate increase in the price per Share and per Share information of each such Fund. Therefore, the reverse splits did not change the aggregate net asset value of a shareholder's investment at the time of the reverse split.

The splits were applied retroactively for all periods presented, increasing the number of Shares outstanding for each of the Funds, and resulted in a proportionate decrease in the price per Share and per Share information of each such Fund. Therefore, the splits did not change the aggregate net asset value of a shareholder's investment at the time of the split.

NOTE 2 – SIGNIFICANT ACCOUNTING POLICIES

Each Fund is an investment company, as defined by Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 946 "Financial Services — Investment Companies." As such, the Funds follow the investment company accounting and reporting guidance. The following is a summary of significant accounting policies followed by each Fund, as applicable, in preparation of its financial statements. These policies are in conformity with accounting principles generally accepted in the United States of America ("GAAP").

Use of Estimates & Indemnifications

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

In the normal course of business, the Trust enters into contracts that contain a variety of representations which provide general indemnifications. The Trust's maximum exposure under these arrangements cannot be known; however, the Trust expects any risk of loss to be remote.

Basis of Presentation

Pursuant to rules and regulations of the U.S. Securities and Exchange Commission ("SEC"), audited financial statements are presented for the Trust as a whole, as the SEC registrant, and for each Fund individually. The debts, liabilities, obligations and expenses incurred, contracted for or otherwise existing with respect to a particular Fund shall be enforceable only against the assets of such Fund and not against the assets of the Trust generally or any other Fund. Accordingly, the assets of one Fund of the Trust include only those funds and other assets that are paid to, held by or distributed to the Trust for the purchase of Shares in that Fund.

Statement of Cash Flows

The cash amount shown in the Statements of Cash Flows is the amount reported as cash in the Statement of Financial Condition dated December 31, 2016 and 2015, and represents non-segregated cash with the custodian and does not include short-term investments.

Final Net Asset Value for Fiscal Period

The cut-off times and the times of the calculation of the Funds' final net asset value for creation and redemption of fund Shares for the year ended December 31, 2016 were as follows. All times are Eastern Standard Time:

	<u>Create/Redeem Cut-off*</u>	<u>NAV Calculation Time</u>	<u>NAV Calculation Date</u>
UltraShort Silver, Ultra Silver	6:30 a.m.	7:00 a.m.	December 30
UltraShort Gold, Ultra Gold	9:30 a.m.	10:00 a.m.	December 30
UltraShort Bloomberg Crude Oil, Ultra Bloomberg Crude Oil	2:00 p.m.	2:30 p.m.	December 30
UltraShort Bloomberg Natural Gas, Ultra Bloomberg Natural Gas	2:00 p.m.	2:30 p.m.	December 30
UltraShort Australian Dollar	3:00 p.m.	4:00 p.m.	December 30
Short Euro,	3:00 p.m.	4:00 p.m.	December 30
UltraShort Euro, Ultra Euro			
UltraShort Yen, Ultra Yen	3:00 p.m.	4:00 p.m.	December 30
VIX Short-Term Futures ETF, Ultra VIX Short-Term Futures ETF, Short VIX Short-Term Futures ETF . . .	2:00 p.m.	4:15 p.m.	December 30
VIX Mid-Term Futures ETF	2:00 p.m.	4:15 p.m.	December 30

* Although the Funds' shares may continue to trade on secondary markets subsequent to the calculation of the final NAV, these times represent the final opportunity to transact in creation or redemption units for the year ended December 31, 2016.

Market value per Share is determined at the close of the NYSE Arca and may be later than when the Funds' NAV per Share is calculated.

For financial reporting purposes, the Funds value transactions based upon the final closing price in their primary markets. Accordingly, the investment valuations in these financial statements may differ from those used in the calculation of certain of the Funds' final creation/redemption NAV for the year ended December 31, 2016.

Investment Valuation

Short-term investments are valued at amortized cost which approximates fair value for daily NAV purposes. For financial reporting purposes, short-term investments are valued at their market price using information provided by a third-party pricing service or market quotations. In each of these situations, valuations are typically categorized as Level I in the fair value hierarchy.

Derivatives (*e.g.*, futures contracts, swap agreements, forward agreements and foreign currency forward contracts) are generally valued using independent sources and/or agreements with counterparties or other procedures as determined by the Sponsor. Futures contracts, except for those entered into by the Gold, Silver, Australian Dollar and Short Euro Funds, are generally valued at the last settled price on the applicable exchange on which that future trades. Futures contracts entered into by the Gold, Silver, Australian Dollar and Short Euro Funds are valued at the last sales price prior to the time at which the NAV per Share of a Fund is determined. For financial reporting purposes, all futures contracts are valued at the last settled price. Futures contracts valuations are typically categorized as Level I in the fair value hierarchy. Swap agreements, forward agreements and foreign currency forward contracts valuations are typically categorized as Level II in the fair value hierarchy. If there was no sale on that day, and for non-exchange-traded derivatives, the Sponsor may in its sole discretion choose

to determine a fair value price as the basis for determining the market value of such position for such day. Such fair value prices would generally be determined based on available inputs about the current value of the underlying financial instrument or commodity and would be based on principles that the Sponsor deems fair and equitable so long as such principles are consistent with industry standards. When market closing prices are not available, the Sponsor may fair value an asset of a Fund pursuant to the policies the Sponsor has adopted, which are consistent with normal industry standards. Depending on the source and relevant significance of valuation inputs, these instruments may be classified as Level II or Level III in the fair value hierarchy.

Fair value pricing may require subjective determinations about the value of an investment. While the Funds' policies are intended to result in a calculation of its respective Fund's NAV that fairly reflects investment values as of the time of pricing, such Fund cannot ensure that fair values determined by the Sponsor or persons acting at their direction would accurately reflect the price that a Fund could obtain for an investment if it were to dispose of that investment as of the time of pricing (for instance, in a forced or distressed sale). The prices used by such Fund may differ from the value that would be realized if the investments were sold and the differences could be material to the financial statements.

Fair Value of Financial Instruments

The Funds disclose the fair value of their investments in a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The disclosure requirements establish a fair value hierarchy that distinguishes between: (1) market participant assumptions developed based on market data obtained from sources independent of the Funds (observable inputs); and (2) the Funds' own assumptions about market participant assumptions developed based on the best information available under the circumstances (unobservable inputs). The three levels defined by the disclosure requirements hierarchy are as follows:

Level I – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date.

Level II – Inputs other than quoted prices included within Level I that are observable for the asset or liability, either directly or indirectly. Level II assets include the following: quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the asset or liability, and inputs that are derived principally from or corroborated by observable market data by correlation or other means (market-corroborated inputs).

Level III – Unobservable pricing input at the measurement date for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that observable inputs are not available.

In some instances, the inputs used to measure fair value might fall in different levels of the fair value hierarchy. The level in the fair value hierarchy within which the fair value measurement in its entirety falls is determined based on the lowest input level that is significant to the fair value measurement in its entirety.

Fair value measurements also require additional disclosure when the volume and level of activity for the asset or liability have significantly decreased, as well as when circumstances indicate that a transaction is not orderly.

The following table summarizes the valuation of investments at December 31, 2016 using the fair value hierarchy:

	Level I - Quoted Prices		Level II - Other Significant Observable Inputs				Total
	Short-Term U.S. Government and Agencies	Futures Contracts*	Forward Agreements	Foreign Currency Forward Contracts	Swap Agreements		
VIX Short-Term Futures ETF	\$ 147,991,233	\$ (468,652)	\$ —	\$ —	\$ —	\$ 147,522,581	
VIX Mid-Term Futures ETF	45,486,235	(1,288,245)	—	—	—	44,197,990	
Short VIX Short-Term Futures ETF	170,396,436	(10,309,611)	—	—	—	160,086,825	
Ultra VIX Short-Term Futures ETF	434,671,795	(7,972,237)	—	—	—	426,699,558	
UltraShort Bloomberg Crude Oil	205,694,385	(1,426,815)	—	—	(12,206,881)	192,060,689	
UltraShort Bloomberg Natural Gas	2,899,151	(482,031)	—	—	—	2,417,120	
UltraShort Gold	60,540,555	18,980	3,033,566	—	—	63,593,101	
UltraShort Silver	21,550,319	27,310	1,384,246	—	—	22,961,875	
Short Euro	13,164,828	132,900	—	—	—	13,297,728	
UltraShort Australian Dollar	12,909,619	1,182,340	—	—	—	14,091,959	
UltraShort Euro	337,375,787	—	—	16,162,931	—	353,538,718	
UltraShort Yen	257,102,313	—	—	16,744,937	—	273,847,250	
Ultra Bloomberg Crude Oil ..	885,050,007	5,537,165	—	—	55,358,571	945,945,743	
Ultra Bloomberg Natural Gas	36,183,648	2,536,720	—	—	—	38,720,368	
Ultra Gold	95,356,621	(18,960)	(4,431,107)	—	—	90,906,554	
Ultra Silver	295,300,799	(27,360)	(20,976,189)	—	—	274,297,250	
Ultra Euro	11,891,831	—	—	(574,010)	—	11,317,821	
Ultra Yen	5,282,879	—	—	(342,076)	—	4,940,803	
Total Trust	\$3,038,848,441	\$(12,558,496)	\$(20,989,484)	\$31,991,782	\$ 43,151,690	\$3,080,443,933	

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures.

At December 31, 2016, there were no Level III portfolio investments for which significant unobservable inputs were used to determine fair value.

The Funds' policy is to recognize transfers between valuation levels at the end of the reporting period.

At December 31, 2016, there were no significant transfers in or out of Level I and Level II fair value measurements.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those securities.

The following table summarizes the valuation of investments at December 31, 2015 using the fair value hierarchy:

	Level I - Quoted Prices		Level II - Other Significant Observable Inputs			
	Short-Term U.S. Government and Agencies	Futures Contracts*	Forward Agreements	Foreign Currency Forward Contracts	Swap Agreements	Total
VIX Short-Term Futures ETF . . .	\$ 96,073,659	\$ (1,078,625)	\$ —	\$ —	\$ —	\$ 94,995,034
VIX Mid-Term Futures ETF . . .	25,976,287	(344,360)	—	—	—	25,631,927
Short VIX Short-Term Futures ETF	535,392,718	10,746,415	—	—	—	546,139,133
Ultra VIX Short-Term Futures ETF	438,357,849	11,894,466	—	—	—	450,252,315
UltraShort Bloomberg Crude Oil	79,692,642	2,464,513	—	—	6,412,656	88,569,811
UltraShort Bloomberg Natural Gas	8,115,004	(2,471,164)	—	—	—	5,643,840
UltraShort Gold	72,979,905	5,220	1,808,942	—	—	74,794,067
UltraShort Silver	50,730,230	5,970	4,778,279	—	—	55,514,479
Short Euro	15,153,211	243,438	—	—	—	15,396,649
UltraShort Australian Dollar . . .	18,408,894	(420,270)	—	—	—	17,988,624
UltraShort Euro	546,166,776	—	—	(28,710,336)	—	517,456,440
UltraShort Yen	259,997,001	—	—	(13,895,452)	—	246,101,549
Ultra Bloomberg Crude Oil	797,650,543	(17,929,314)	—	—	(72,176,589)	707,544,640
Ultra Bloomberg Natural Gas . . .	26,807,731	6,312,879	—	—	—	33,120,610
Ultra Gold	71,912,587	(5,200)	(2,250,595)	—	—	69,656,792
Ultra Silver	238,899,626	(9,030)	(22,561,101)	—	—	216,329,495
Ultra Euro	11,605,262	—	—	604,920	—	12,210,182
Ultra Yen	5,069,491	—	—	261,311	—	5,330,802
Total Trust**	\$3,298,989,416	\$ 9,414,938	\$(18,224,475)	\$(41,739,557)	\$(65,763,933)	\$3,182,676,389

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures.

** Amounts exclude the activity of: ProShares Managed Futures Strategy which liquidated on March 30, 2016, ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity which liquidated on September 1, 2016.

At December 31, 2015, there were no Level III portfolio investments for which significant unobservable inputs were used to determine fair value.

The Funds' policy is to recognize transfers between valuation levels at the end of the reporting period.

At December 31, 2015, there were no significant transfers in or out of Level I and Level II fair value measurements.

The inputs or methodology used for valuing investments are not necessarily an indication of the risk associated with investing in those securities.

Investment Transactions and Related Income

Investment transactions are recorded on the trade date. All such transactions are recorded on the identified cost basis and marked to market daily. Unrealized appreciation/depreciation on open contracts are reflected in the Statements of Financial Condition and changes in the unrealized appreciation/depreciation between periods are reflected in the Statements of Operations. Discounts on short-term securities purchased are amortized and reflected as Interest Income in the Statements of Operations.

Brokerage Commissions and Fees

Each Fund pays its respective brokerage commissions, including applicable exchange fees, National Futures Association (“NFA”) fees, give-up fees, pit brokerage fees and other transaction related fees and expenses charged in connection with trading activities for each Fund’s investment in U.S. Commodity Futures Trading Commission (“CFTC”) regulated investments. The effects of trading spreads, financing costs/fees associated with Financial Instruments, and costs relating to the purchase of U.S. Treasury securities or similar high credit quality short-term fixed-income securities would also be borne by the Funds. Brokerage commissions on futures contracts are recognized on a half-turn basis (e.g., the first half is recognized when the contract is purchased (opened) and the second half is recognized when the transaction is closed). Through July 30, 2014, the Sponsor paid brokerage commissions on VIX futures contracts for the Matching VIX Funds. On July 31, 2014, the Sponsor began paying, and is currently paying, brokerage commissions on VIX futures contracts for the Matching VIX Funds that exceed variable create/redeem fees collected by more than 0.02% of the Matching VIX Fund’s average net assets annually.

Federal Income Tax

Each Fund is registered as a series of a Delaware statutory trust and is treated as a partnership for U.S. federal income tax purposes. Accordingly, no Fund expects to incur U.S. federal income tax liability; rather, each beneficial owner of a Fund’s Shares is required to take into account its allocable share of its Fund’s income, gain, loss, deductions and other items for its Fund’s taxable year ending with or within the beneficial owner’s taxable year.

Management of the Funds has reviewed all open tax years and major jurisdictions (*i.e.*, the last four tax year ends and the interim tax period since then, as applicable) and concluded that there is no tax liability resulting from unrecognized tax benefits relating to uncertain income tax positions taken or expected to be taken in future tax returns. The Funds are also not aware of any tax positions for which it is reasonably possible that the total amounts of unrecognized tax benefits will significantly change in the next twelve months. On an ongoing basis, management will monitor its tax positions taken under the interpretation to determine if adjustments to conclusions are necessary based on factors including, but not limited to, on-going analysis of tax law, regulation, and interpretations thereof.

NOTE 3 – INVESTMENTS

Short-Term Investments

The Funds may purchase U.S. Treasury Bills, agency securities, and other high-credit quality short-term fixed income or similar securities with original maturities of one year or less. A portion of these investments may be posted as collateral in connection with swap agreements and/or used as collateral for a Fund’s trading in futures and forward contracts.

Accounting for Derivative Instruments

In seeking to achieve each Fund’s investment objective, the Sponsor uses a mathematical approach to investing. Using this approach, the Sponsor determines the type, quantity and mix of investment positions, including derivative positions, which the Sponsor believes in combination, should produce returns consistent with a Fund’s objective.

All open derivative positions at period end are reflected on each respective Fund’s Schedule of Investments. Certain Funds utilized a varying level of derivative instruments in conjunction with investment securities in seeking to meet their investment objective during the period. While the volume of open positions may vary on a daily basis as each Fund transacts derivatives contracts in order to achieve the appropriate exposure to meet its investment objective, the volume of these open positions relative to the net assets of each respective Fund at the date of this report is generally representative of open positions throughout the reporting period.

Following is a description of the derivative instruments used by the Funds during the reporting period, including the primary underlying risk exposures related to each instrument type.

Futures Contracts

The Funds enter into futures contracts to gain exposure to changes in the value of, or as a substitute for investing directly in (or shorting), an underlying index, currency or commodity. A futures contract obligates the seller to deliver (and the purchaser to accept) the future delivery of a specified quantity and type of asset at a specified time and place. The contractual obligations of a buyer or seller may generally be satisfied by taking or making physical delivery of the underlying commodity, if applicable, or by making an offsetting sale or purchase of an identical futures contract on the same or linked exchange before the designated date of delivery, or by cash settlement at expiration of contract.

Upon entering into a futures contract, each Fund is required to deposit and maintain as collateral at least such initial margin as required by the exchange on which the transaction is affected. The initial margin is segregated as cash and/or securities balances with brokers for futures contracts, as disclosed in the Statements of Financial Condition, and is restricted as to its use. The Funds that enter into futures contracts maintain collateral at the broker in the form of cash and/or securities. Pursuant to the futures contract, each Fund generally agrees to receive from or pay to the broker(s) an amount of cash equal to the daily fluctuation in value of the futures contract. Such receipts or payments are known as variation margin and are recorded by each Fund as unrealized gains or losses. Each Fund will realize a gain or loss upon closing of a futures transaction.

Futures contracts involve, to varying degrees, elements of market risk (specifically commodity price risk or equity market volatility risk) and exposure to loss in excess of the amount of variation margin. The face or contract amounts reflect the extent of the total exposure each Fund has in the particular classes of instruments. Additional risks associated with the use of futures contracts are imperfect correlation between movements in the price of the futures contracts and the market value of the underlying index or commodity and the possibility of an illiquid market for a futures contract. With futures contracts, there is minimal but some counterparty risk to the Funds since futures contracts are exchange-traded and the exchange's clearinghouse, as counterparty to all exchange-traded futures contracts, guarantees the futures contracts against default. Many futures exchanges and boards of trade limit the amount of fluctuation permitted in futures contract prices during a single trading day. Once the daily limit has been reached in a particular contract, no trades may be made that day at a price beyond that limit or trading may be suspended for specified times during the trading day. Futures contracts prices could move to the limit for several consecutive trading days with little or no trading, thereby preventing prompt liquidation of futures positions and potentially subjecting a Fund to substantial losses. If trading is not possible, or if a Fund determines not to close a futures position in anticipation of adverse price movements, the Fund will be required to make daily cash payments of variation margin. The risk the Fund will be unable to close out a futures position will be minimized by entering into such transactions on a national exchange with an active and liquid secondary market.

Swap Agreements

Certain of the Funds enter into swap agreements for purposes of pursuing their investment objectives or as a substitute for investing directly in (or shorting) an underlying index, currency or commodity, or to create an economic hedge against a position. Swap agreements are two-party contracts that have traditionally been entered into primarily with institutional investors in over-the-counter ("OTC") markets for a specified period, ranging from a day to more than one year. However, the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") provides for significant reforms of the OTC derivative markets, including a requirement to execute certain swap transactions on a CFTC-regulated market and/or to clear such transactions through a CFTC-regulated central clearing organization. In a standard swap transaction, two parties agree to exchange the returns earned or realized on a particular predetermined investment, instrument or index in exchange for a fixed

or floating rate of return in respect of a predetermined notional amount. Transaction or commission costs are reflected in the benchmark level at which the transaction is entered into. The gross returns to be exchanged are calculated with respect to a notional amount and the benchmark returns to which the swap is linked. Swap agreements do not involve the delivery of underlying instruments.

Generally, swap agreements entered into by the Funds calculate and settle the obligations of the parties to the agreement on a “net basis” with a single payment. Consequently, each Fund’s current obligations (or rights) under a swap agreement will generally be equal only to the net amount to be paid or received under the agreement based on the relative values of such obligations (or rights) (the “net amount”). In a typical swap agreement entered into by a Matching VIX Fund or an Ultra Fund, the Matching VIX Fund or Ultra Fund would be entitled to settlement payments in the event the level of the benchmark increases and would be required to make payments to the swap counterparties in the event the level of the benchmark decreases, adjusted for any transaction costs or trading spreads on the notional amount the Funds may pay. In a typical swap agreement entered into by a Short Fund or an UltraShort Fund, the Short Fund or UltraShort Fund would be required to make payments to the swap counterparties in the event the level of the benchmark increases and would be entitled to settlement payments in the event the level of the benchmark decreases, adjusted for any transaction costs or trading spreads on the notional amount the Funds may pay.

The net amount of the excess, if any, of each Fund’s obligations over its entitlements with respect to each uncleared swap agreement is accrued on a daily basis and an amount of cash and/or securities having an aggregate value at least equal to such accrued excess is maintained for the benefit of the counterparty in a segregated account by the Funds’ Custodian. The net amount of the excess, if any, of each Fund’s entitlements over its obligations with respect to each uncleared swap agreement is accrued on a daily basis and an amount of cash and/or securities having an aggregate value at least equal to such accrued excess is maintained for the benefit of the Fund in a segregated account by the Fund’s Custodian. Until a swap agreement is settled in cash, the gain or loss on the notional amount less any transaction costs or trading spreads payable by each Fund on the notional amount are recorded as “unrealized appreciation or depreciation on swap agreements” and, when cash is exchanged, the gain or loss realized is recorded as “realized gains or losses on swap agreements.” Swap agreements are generally valued at the last settled price of the benchmark referenced asset.

The Trust, on behalf of a Fund, may enter into agreements with certain counterparties for derivative transactions. These agreements contain various conditions, events of default, termination events, covenants and representations. The triggering of certain events or the default on certain terms of the agreement could allow a party to terminate a transaction under the agreement and request immediate payment in an amount equal to the net positions owed the party under the agreement. This could cause a Fund to have to enter into a new transaction with the same counterparty, enter into a transaction with a different counterparty or seek to achieve its investment objective through any number of different investments or investment techniques.

Swap agreements involve, to varying degrees, elements of market risk and exposure to loss in excess of the unrealized gain/loss reflected. The notional amounts reflect the extent of the total investment exposure each Fund has under the swap agreement, which may exceed the NAV of each Fund. Additional risks associated with the use of swap agreements are imperfect correlations between movements in the notional amount and the price of the underlying reference index and the inability of counterparties to perform. Each Fund bears the risk of loss of the amount expected to be received under a swap agreement in the event of the default or bankruptcy of a swap agreement counterparty. A Fund will typically enter into swap agreements only with major global financial institutions. The creditworthiness of each of the firms that is a party to a swap agreement is monitored by the Sponsor. The Sponsor may use various techniques to minimize credit risk including early termination and payment, using different counterparties, limiting the net amount due from any individual counterparty and generally requiring collateral to be posted by the counterparty in an amount approximately equal to that owed to the Funds. All of the outstanding swap agreements at December 30, 2016 contractually terminate within one month but may be terminated without penalty by either party daily. Upon termination, the Fund is entitled to pay or receive the “unrealized appreciation or depreciation” amount.

The Funds, as applicable, collateralize swap agreements by segregating or designating cash and/or certain securities as indicated on the Statements of Financial Condition or Schedules of Investments. As noted above, collateral posted in connection with uncleared derivative transactions is held for the benefit of the counterparty in a segregated tri-party account at the Custodian to protect the counterparty against non-payment by the Funds. In the event of a default by the counterparty, the Funds will seek withdrawal of this collateral from the segregated account and may incur certain costs in exercising its right with respect to the collateral. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Funds may experience significant delays in obtaining any recovery in a bankruptcy or other reorganizational proceeding. The Funds may obtain only limited recovery or may obtain no recovery in such circumstances.

The Funds remain subject to credit risk with respect to the amount they expect to receive from counterparties. However, the Funds have sought to mitigate these risks in connection with uncleared swaps by generally requiring that the counterparties for each Fund agree to post collateral for the benefit of the Fund, marked to market daily, in an amount approximately equal to what the counterparty owes the Fund, subject to certain minimum thresholds. In the event of the bankruptcy of a counterparty, the Fund will have direct access to the collateral received from the counterparty, generally as of the day prior to the bankruptcy, because there is a one day time lag between the Fund's request for collateral and the delivery of such collateral. To the extent any such collateral is insufficient, the Funds will be exposed to counterparty risk as described above, including the possible delays in recovering amounts as a result of bankruptcy proceedings. As of December 31, 2016, the collateral posted by counterparties consisted of cash and/or U.S. Treasury securities.

The counterparty/credit risk for cleared derivative transactions is generally lower than for uncleared OTC derivatives since generally a clearing organization becomes substituted for each counterparty to a cleared derivative contract and, in effect, guarantees the parties' performance under the contract as each party to a trade looks only to the clearing organization for performance of financial obligations. In addition, cleared derivative transactions benefit from daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

Forward Contracts

Certain of the Funds enter into forward contracts for purposes of pursuing their investment objectives and as a substitute for investing directly in (or shorting) commodities and/or currencies. A forward contract is an agreement between two parties to purchase or sell a specified quantity of an asset at or before a specified date in the future at a specified price. Forward contracts are typically traded in OTC markets and all details of the contract are negotiated between the counterparties to the agreement. Accordingly, the forward contracts are valued by reference to the contracts traded in the OTC markets.

The contractual obligations of a buyer or seller may generally be satisfied by taking or making physical delivery of the underlying commodity or currency, establishing an opposite position in the contract and recognizing the profit or loss on both positions simultaneously on the delivery date or, in some instances, paying a cash settlement before the designated date of delivery. The forward contracts are adjusted by the daily fluctuation of the underlying commodity or currency and any gains or losses are recorded for financial statement purposes as unrealized gains or losses until the contract settlement date.

Forward contracts have traditionally not been cleared or guaranteed by a third party. As a result of the Dodd-Frank Act, the CFTC now regulates non-deliverable forwards (including deliverable forwards where the parties do not take delivery). Certain non-deliverable forward contracts, such as non-deliverable foreign exchange forwards, may be subject to regulation as swap agreements, including mandatory clearing. Changes in the forward markets may entail increased costs and result in burdensome reporting requirements.

The Funds may collateralize uncleared forward commodity contracts by segregating or designating cash and/or certain securities as indicated on their Statements of Financial Condition or Schedules of Investments. Such collateral is held for the benefit of the counterparty in a segregated tri-party account at the Custodian to

protect the counterparty against non-payment by the Funds. In the event of a default by the counterparty, the Funds will seek withdrawal of this collateral from the segregated account and may incur certain costs in exercising its right with respect to the collateral. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, the Funds may experience significant delays in obtaining any recovery in a bankruptcy or other reorganizational proceeding. The Funds may obtain only limited recovery or may obtain no recovery in such circumstances.

The Funds remain subject to credit risk with respect to the amount they expect to receive from counterparties. However, the Funds have sought to mitigate these risks by generally requiring that the counterparties for each Fund agree to post collateral for the benefit of the Fund, marked to market daily, in an amount approximately equal to what the counterparty owes the Fund, subject to minimum thresholds. In the event of the bankruptcy of counterparty, the Fund will have direct access to the collateral received from the counterparty, generally as of the day prior to the bankruptcy, because there is a one day time lag between the Fund's request for collateral and the delivery of such collateral. To the extent any such collateral is insufficient, the Fund will be exposed to counterparty risk as described above, including the possible delays in recovering amounts as a result of bankruptcy proceedings. As of December 31, 2016, the collateral posted by counterparties consisted of cash and/or U.S. Treasury securities.

Participants in trading foreign exchange forward contracts often do not require margin deposits, but rely upon internal credit limitations and their judgments regarding the creditworthiness of their counterparties. In recent years, however, many OTC market participants in foreign exchange trading have begun to require their counterparties to post margin.

A Fund will typically enter into forward contracts only with major global financial institutions. The creditworthiness of each of the firms that is a party to a forward contract is monitored by the Sponsor.

The counterparty/credit risk for cleared derivative transactions is generally lower than for uncleared OTC derivatives since generally a clearing organization becomes substituted for each counterparty to a cleared derivative contract and, in effect, guarantees the parties' performance under the contract as each party to a trade looks only to the clearing organization for performance of financial obligations. In addition, cleared derivative transactions benefit from daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries.

The following tables indicate the location of derivative related items on the Statement of Financial Condition as well as the effect of derivative instruments on the Statement of Operations during the reporting period.

**Fair Value of Derivative Instruments
as of December 31, 2016**

Derivatives not accounted for as hedging instruments	Assets Derivatives			Liability Derivatives		
	Statements of Financial Condition Location	Fund	Unrealized Appreciation	Statements of Financial Condition Location	Fund	Unrealized Depreciation
VIX Futures Contracts	Receivables on open futures contracts	ProShares VIX Short-Term Futures ETF	\$ 2,273,874*	Payable on open futures contracts	ProShares VIX Short-Term Futures ETF	\$ 2,742,526*
		ProShares VIX Mid- Term Futures ETF	68,375*		ProShares VIX Mid-Term Futures ETF	1,356,620*
		ProShares Ultra VIX Short-Term Futures ETF	13,594,875*		ProShares Short VIX Short-Term Futures ETF	10,309,611*
					ProShares Ultra VIX Short-Term Futures ETF	21,567,112*
Commodities Contracts	Receivables on open futures contracts, unrealized appreciation on swap and/or forward agreements	ProShares UltraShort Gold	3,052,546*	Payable on open futures contracts, unrealized depreciation on swap and/or forward agreements	ProShares UltraShort Bloomberg Crude Oil	13,633,696*
		ProShares UltraShort Silver	1,411,556*		ProShares UltraShort Bloomberg Natural Gas	482,031*
		ProShares Ultra Bloomberg Crude Oil	60,895,736*		ProShares Ultra Gold	4,450,067*
		ProShares Ultra Bloomberg Natural Gas	2,536,720*		ProShares Ultra Silver	21,003,549*
Foreign Exchange Contracts	Unrealized appreciation on foreign currency forward contracts and receivables on open futures contracts	ProShares Short Euro	132,900*	Unrealized depreciation on foreign currency forward contracts and payable on open futures contracts	ProShares UltraShort Euro	356,139
		ProShares UltraShort Australian Dollar	1,182,340*		ProShares UltraShort Yen	125,420
		ProShares UltraShort Euro	16,519,070		ProShares Ultra Euro	576,558
		ProShares UltraShort Yen	16,870,357		ProShares Ultra Yen	342,455
		ProShares Ultra Euro	2,548			
		ProShares Ultra Yen	379			
	Total Trust	\$118,541,276*		Total Trust	\$76,945,784*	

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures contracts.

**Fair Value of Derivative Instruments
as of December 31, 2015**

Derivatives not accounted for as hedging instruments	Assets Derivatives			Liability Derivatives		
	Statements of Financial Condition Location	Fund	Unrealized Appreciation	Statements of Financial Condition Location	Fund	Unrealized Depreciation
VIX Futures Contracts	Receivables on open futures contracts	ProShares VIX Mid- Term Futures ETF	\$ 10,005*	Payable on open futures contracts	ProShares VIX Short- Term Futures ETF	\$1,078,625*
		ProShares Short VIX Short-Term Futures ETF	10,805,245*		ProShares VIX Mid-Term Futures ETF	354,365*
		ProShares Ultra VIX Short-Term Futures ETF	11,894,466*		ProShares Short VIX Short-Term Futures ETF	58,830*
Commodities Contracts	Receivables on open futures contracts, unrealized appreciation on swap and/or forward agreements	ProShares UltraShort Bloomberg Crude Oil	8,877,169*	Payable on open futures contracts, unrealized depreciation on swap and/or forward agreements	ProShares UltraShort Bloomberg Natural Gas	2,471,164*
		ProShares Ultra Bloomberg Natural Gas	6,312,879*		ProShares Ultra Bloomberg Crude Oil	90,105,903*
		ProShares UltraShort Gold	1,814,162*		ProShares Ultra Gold	2,255,795*
		ProShares UltraShort Silver	4,784,249*		ProShares Ultra Silver	22,570,131*
Foreign Exchange Contracts	Unrealized appreciation on foreign currency forward contracts and receivables on open futures contracts	ProShares Short Euro	243,438*	Unrealized depreciation on foreign currency forward contracts and payable on open futures contracts	ProShares UltraShort Australian Dollar	420,270*
		ProShares UltraShort Yen	933,727		ProShares UltraShort Euro	28,710,336
		ProShares Ultra Euro	604,920		ProShares UltraShort Yen	14,829,179
		ProShares Ultra Yen	267,014		ProShares Ultra Yen	5,703
			Total Trust**		\$46,547,274*	

* Includes cumulative appreciation/depreciation of futures contracts as reported in the Schedules of Investments. Only current day's variation margin is reported within the Statements of Financial Condition in receivable/payable on open futures contracts.

** Amounts exclude the activity of: ProShares Managed Futures Strategy which liquidated on March 30, 2016, ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity which liquidated on September 1, 2016.

The Effect of Derivative Instruments on the Statements of Operations
For the year ended December 31, 2016

Derivatives not accounted for as hedging instruments	Location of Gain (Loss) on Derivatives Recognized in Income	Fund	Realized Gain (Loss) on Derivatives Recognized in Income	Change in Unrealized Appreciation/ Depreciation on Derivatives Recognized in Income
VIX Futures Contracts	Net realized gain (loss) on futures contracts/ changes in unrealized appreciation/ depreciation on futures contracts	ProShares VIX Short-Term Futures ETF	\$ (195,475,791)	\$ 609,973
		ProShares VIX Mid-Term Futures ETF	(11,085,506)	(943,885)
		ProShares Short VIX Short-Term Futures ETF	440,391,389	(21,056,026)
		ProShares Ultra VIX Short-Term Futures ETF	(1,567,340,688)	(19,866,703)
Commodity Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation/ depreciation on futures contracts, swap and/or forward agreements	ProShares UltraShort Bloomberg Crude Oil	(67,752,164)	(22,510,865)
		ProShares UltraShort Bloomberg Natural Gas	586,860	1,989,133
		ProShares UltraShort Gold	(12,240,751)	1,238,384
		ProShares UltraShort Silver	(17,554,714)	(3,372,693)
		ProShares Ultra Bloomberg Crude Oil	74,061,040	151,001,639
		ProShares Ultra Bloomberg Natural Gas	17,571,809	(3,776,159)
		ProShares Ultra Gold	5,816,565	(2,194,272)
		ProShares Ultra Silver	62,342,441	1,566,582
Foreign Exchange Contracts	Net realized gain (loss) on futures and/or foreign currency forward contracts/changes in unrealized appreciation/ depreciation on futures and/or foreign currency forward contracts	ProShares Short Euro	663,774	(110,538)
		ProShares UltraShort Australian Dollar	(2,787,204)	1,602,610
		ProShares UltraShort Euro	(25,711,518)	44,873,267
		ProShares UltraShort Yen	(22,220,271)	30,640,389
		ProShares Ultra Euro	138,959	(1,178,930)
		ProShares Ultra Yen	717,086	(603,387)
		Total Trust	\$(1,319,878,684)	\$157,908,519

The Effect of Derivative Instruments on the Statements of Operations
For the year ended December 31, 2015

Derivatives not accounted for as hedging instruments	Location of Gain or (Loss) on Derivatives Recognized in Income	Fund	Realized Gain or (Loss) on Derivatives Recognized in Income	Change in Unrealized Appreciation or Depreciation on Derivatives Recognized in Income
VIX Futures Contracts	Net realized gain (loss) on futures contracts / changes in unrealized appreciation/ depreciation on futures contracts	ProShares VIX Short-Term Futures ETF	\$ (19,408,543)	\$ (7,343,245)
		ProShares VIX Mid-Term Futures ETF	(3,335,936)	(605,025)
		ProShares Short VIX Short-Term Futures ETF	69,793,028	27,098,564
		ProShares Ultra VIX Short-Term Futures ETF	(392,174,228)	(27,690,787)
Commodity Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation/ depreciation on futures contracts, swap and/or forward agreements	ProShares UltraShort Bloomberg Crude Oil	91,670,324	(33,947,511)
		ProShares UltraShort Bloomberg Natural Gas	15,212,804	(6,412,629)
		ProShares UltraShort Gold	12,707,635	4,101,460
		ProShares UltraShort Silver	10,759,545	4,187,736
		ProShares Ultra Bloomberg Crude Oil	(896,177,096)	32,549,981
		ProShares Ultra Bloomberg Natural Gas	(100,776,817)	41,202,162
		ProShares Ultra Gold	(18,605,815)	(4,311,529)
		ProShares Ultra Silver	(78,309,309)	(10,173,451)
Foreign Exchange Contracts	Net realized gain (loss) on futures and/or foreign currency forward contracts/changes in unrealized appreciation/ depreciation on futures and/or foreign currency forward contracts	ProShares Short Euro	1,559,425	(141,893)
		ProShares UltraShort Australian Dollar	4,330,463	(1,163,751)
		ProShares UltraShort Euro	131,651,572	(45,473,330)
		ProShares UltraShort Yen	8,809,464	(12,316,677)
		ProShares Ultra Euro	(1,982,208)	708,291
		ProShares Ultra Yen	(472,913)	276,556
		Total Trust*	\$(1,164,748,605)	\$(39,455,078)

* Amounts exclude the activity of: ProShares Managed Futures Strategy which liquidated on March 30, 2016, ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity which liquidated on September 1, 2016.

The Effect of Derivative Instruments on the Statements of Operations
For the year ended December 31, 2014

Derivatives not accounted for as hedging instruments	Location of Gain or (Loss) on Derivatives Recognized in Income	Fund	Realized Gain or (Loss) on Derivatives Recognized in Income	Change in Unrealized Appreciation or Depreciation on Derivatives Recognized in Income
VIX Futures Contracts	Net realized gain (loss) on futures contracts / changes in unrealized appreciation/ depreciation on futures contracts	ProShares VIX Short-Term Futures ETF	\$ (694,347)	\$ 22,917,306
		ProShares VIX Mid-Term Futures ETF	(14,378,810)	5,157,354
		ProShares Short VIX Short-Term Futures ETF	76,925,998	(24,469,104)
		ProShares Ultra VIX Short-Term Futures ETF	(139,412,525)	63,595,164
Commodity Contracts	Net realized gain (loss) on futures contracts, swap and/or forward agreements/changes in unrealized appreciation/ depreciation on futures contracts, swap and/or forward agreements	ProShares UltraShort Bloomberg Crude Oil	99,327,097	46,390,353
		ProShares UltraShort Bloomberg Natural Gas	8,791,719	2,899,165
		ProShares UltraShort Gold	(5,316,482)	(7,934,871)
		ProShares UltraShort Silver	15,114,883	2,810,170
		ProShares Ultra Bloomberg Crude Oil	(243,325,957)	(125,240,438)
		ProShares Ultra Bloomberg Natural Gas	(6,464,796)	(31,232,744)
		ProShares Ultra Gold	(9,674,333)	8,883,268
		ProShares Ultra Silver	(155,551,420)	(9,889,600)
Foreign Exchange Contracts	Net realized gain (loss) on futures and/or foreign currency forward contracts/changes in unrealized appreciation/ depreciation on futures and/or foreign currency forward contracts	ProShares Short Euro	1,593,048	418,562
		ProShares UltraShort Australian Dollar	2,296,216	(174,124)
		ProShares UltraShort Euro	83,678,955	30,511,501
		ProShares UltraShort Yen	127,846,225	(30,965,459)
		ProShares Ultra Euro	(420,533)	(204,333)
		ProShares Ultra Yen	(540,398)	144,064
	Total Trust*	\$(160,205,460)	\$ (46,383,766)	

* Amounts exclude the activity of ProShares Ultra Australian Dollar which liquidated on June 29, 2015, ProShares Managed Futures Strategy which liquidated on March 30, 2016, ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity which liquidated on September 1, 2016.

Offsetting Assets and Liabilities

Each Fund is subject to master netting agreements or similar arrangements that allow for amounts owed between each Fund and the counterparty to be netted upon an early termination. The party that has the larger payable pays the excess of the larger amount over the smaller amount to the other party. The master netting agreements or similar arrangements do not apply to amounts owed to/from different counterparties. As described above, the Funds utilize derivative instruments to achieve their investment objective during the year. The amounts shown in the Statements of Financial Condition do not take into consideration the effects of legally enforceable master netting agreements or similar arrangements.

For financial reporting purposes, the Funds do not offset derivative assets and derivative liabilities that are subject to netting arrangements in the Statements of Financial Condition. The following table presents each Fund's derivatives by investment type and by counterparty net of amounts available for offset under a master netting agreement and the related collateral received or pledged by the Funds as of December 31, 2016:

Fair Values of Derivative Instruments as of December 31, 2016						
	Assets			Liabilities		
	Gross Amounts of Recognized Assets presented in the Statements of Financial Condition	Gross Amounts Offset in the Statements of Financial Condition	Net Amounts of Assets presented in the Statements of Financial Condition	Gross Amounts of Recognized Liabilities presented in the Statements of Financial Condition	Gross Amounts Offset in the Statements of Financial Condition	Net Amounts of Liabilities presented in the Statements of Financial Condition
ProShares UltraShort Bloomberg						
Crude Oil Swap agreements	\$ —	\$—	\$ —	\$12,206,881	\$—	\$12,206,881
ProShares UltraShort Gold						
Forward agreements	3,033,566	—	3,033,566	—	—	—
ProShares UltraShort Silver						
Forward agreements	1,384,246	—	1,384,246	—	—	—
ProShares UltraShort Euro						
Foreign currency						
forward contracts	16,519,070	—	16,519,070	356,139	—	356,139
ProShares UltraShort Yen						
Foreign currency						
forward contracts	16,870,357	—	16,870,357	125,420	—	125,420
ProShares Ultra						
Bloomberg Crude						
Oil Swap agreements	55,358,571	—	55,358,571	—	—	—
ProShares Ultra Gold						
Forward agreements	—	—	—	4,431,107	—	4,431,107
ProShares Ultra Silver						
Forward agreements	—	—	—	20,976,189	—	20,976,189
ProShares Ultra Euro						
Foreign currency						
forward contracts	2,548	—	2,548	576,558	—	576,558
ProShares Ultra Yen						
Foreign currency						
forward contracts	379	—	379	342,455	—	342,455

Asset (Liability) amounts shown in the table below represent amounts owed to (by) the Funds for the derivative-related investments at December 31, 2016. These amounts may be collateralized by cash or financial instruments, segregated for the benefit of the Funds or the counterparties, depending on whether the related contracts are in an appreciated or depreciated position at period end. Amounts shown in the column labeled “Net Amount” represent the uncollateralized portions of these amounts at period end. These amounts may be un-collateralized due to timing differences related to market movements or due to minimum thresholds for collateral movement, as further described above under the caption “Accounting for Derivative Instruments”.

Gross Amounts Not Offset in the Statements of Financial Condition as of December 31, 2016

	Amounts of Recognized Assets / (Liabilities) presented in the Statements of Financial Condition	Financial Instruments for the Benefit of (the Funds) / the Counterparties	Cash Collateral for the Benefit of (the Funds) / the Counterparties	Net Amount
ProShares UltraShort Bloomberg Crude Oil				
Citibank N.A.	\$ (4,742,191)	\$ 4,742,191	\$ —	\$ —
Goldman Sachs International	(3,061,395)	3,061,395	—	—
Societe Generale S.A.	(1,050,699)	1,050,699	—	—
UBS AG	(3,352,596)	3,352,596	—	—
ProShares UltraShort Gold				
Citibank N.A.	1,147,811	—	—	1,147,811
Goldman Sachs International	881,454	(874,948)	—	6,506
Societe Generale S.A.	393,006	(393,006)	—	—
UBS AG	611,295	—	(611,295)	—
ProShares UltraShort Silver				
Citibank N.A.	610,478	—	—	610,478
Goldman Sachs International	323,829	(323,829)	—	—
Societe Generale S.A.	86,543	(86,543)	—	—
UBS AG	363,396	—	(363,396)	—
ProShares UltraShort Euro				
Goldman Sachs International	8,109,067	(8,109,067)	—	—
UBS AG	8,053,864	—	(8,053,864)	—
ProShares UltraShort Yen				
Goldman Sachs International	8,256,779	(7,771,819)	—	484,960
UBS AG	8,488,158	—	(7,980,000)	508,158
ProShares Ultra Bloomberg Crude Oil				
Citibank N.A.	18,427,009	—	—	18,427,009
Goldman Sachs International	14,016,906	(14,016,906)	—	—
Societe Generale S.A.	8,661,821	(8,661,821)	—	—
UBS AG	14,252,835	—	(14,252,835)	—
ProShares Ultra Gold				
Citibank N.A.	(1,464,982)	1,464,982	—	—
Goldman Sachs International	(1,112,916)	1,112,916	—	—
Societe Generale S.A.	(643,587)	643,587	—	—
UBS AG	(1,209,622)	1,209,622	—	—
ProShares Ultra Silver				
Citibank N.A.	(6,946,009)	6,946,009	—	—
Goldman Sachs International	(5,869,092)	5,869,092	—	—
Societe Generale S.A.	(2,532,729)	2,532,729	—	—
UBS AG	(5,628,359)	5,628,359	—	—
ProShares Ultra Euro				
Goldman Sachs International	(239,256)	239,256	—	—
UBS AG	(334,754)	334,754	—	—
ProShares Ultra Yen				
Goldman Sachs International	(219,736)	219,736	—	—
UBS AG	(122,340)	122,340	—	—

The following table presents each Fund’s derivatives by investment type and by counterparty net of amounts available for offset under a master netting agreement and the related collateral received or pledged by the Funds as of December 31, 2015:

Fair Values of Derivative Instruments as of December 31, 2015

	Assets			Liabilities		
	Gross Amounts of Recognized Assets presented in the Statements of Financial Condition	Gross Amounts Offset in the Statements of Financial Condition	Net Amounts of Assets presented in the Statements of Financial Condition	Gross Amounts of Recognized Liabilities presented in the Statements of Financial Condition	Gross Amounts Offset in the Statements of Financial Condition	Net Amounts of Liabilities presented in the Statements of Financial Condition
ProShares UltraShort						
Bloomberg Crude Oil						
Swap agreements	\$6,412,656	\$—	\$6,412,656	\$ —	\$—	\$ —
ProShares UltraShort Gold						
Forward agreements . .	1,808,942	—	1,808,942	—	—	—
ProShares UltraShort Silver						
Forward agreements . .	4,778,279	—	4,778,279	—	—	—
ProShares UltraShort Euro						
Foreign currency						
forward contracts . . .	—	—	—	28,710,336	—	28,710,336
ProShares UltraShort Yen						
Foreign currency						
forward contracts . . .	933,727	—	933,727	14,829,179	—	14,829,179
ProShares Ultra Bloomberg						
Crude Oil Swap						
agreements	—	—	—	72,176,589	—	72,176,589
ProShares Ultra Gold						
Forward agreements . .	—	—	—	2,250,595	—	2,250,595
ProShares Ultra Silver						
Forward agreements . .	—	—	—	22,561,101	—	22,561,101
ProShares Ultra Euro						
Foreign currency						
forward contracts . . .	604,920	—	604,920	—	—	—
ProShares Ultra Yen						
Foreign currency						
forward contracts . . .	267,014	—	267,014	5,703	—	5,703

Asset (Liability) amounts shown in the table below represent amounts owed to (by) the Funds for the derivative-related investments at December 31, 2015. These amounts may be collateralized by cash or financial instruments, segregated for the benefit of the Funds or the counterparties, depending on whether the related contracts are in an appreciated or depreciated position at period end. Amounts shown in the column labeled “Net Amount” represent the uncollateralized portions of these amounts at period end. These amounts may be un-collateralized due to timing differences related to market movements or due to minimum thresholds for collateral movement, as further described above under the caption “Accounting for Derivative Instruments”.

Gross Amounts Not Offset in the Statements of Financial Condition as of December 31, 2015

	Amounts of Recognized Assets / (Liabilities) presented in the Statements of Financial Condition	Financial Instruments for the Benefit of (the Funds) / the Counterparties	Cash Collateral for the Benefit of (the Funds) / the Counterparties	Net Amount
ProShares UltraShort Bloomberg Crude Oil				
Citibank N.A.	\$ 1,098,278	\$ —	\$ —	\$1,098,278
Deutsche Bank AG	1,722,894	—	(1,722,894)	—
Goldman Sachs International	1,595,552	(1,595,552)	—	—
Societe Generale S.A.	521,142	(521,142)	—	—
UBS AG	1,474,790	(1,474,790)	—	—
ProShares UltraShort Gold				
Citibank N.A.	3,915	—	—	3,915
Deutsche Bank AG	1,046,664	—	(1,046,664)	—
Goldman Sachs International	158,827	—	—	158,827
Societe Generale S.A.	212,680	(212,680)	—	—
UBS AG	386,856	(386,856)	—	—
ProShares UltraShort Silver				
Deutsche Bank AG	2,500,263	—	(2,500,000)	263
Goldman Sachs International	1,044,986	(858,460)	—	186,526
Societe Generale S.A.	438,975	(438,975)	—	—
UBS AG	794,055	(582,692)	—	211,363
ProShares UltraShort Euro				
Goldman Sachs International	(14,992,024)	14,992,024	—	—
UBS AG	(13,718,312)	13,718,312	—	—
ProShares UltraShort Yen				
Goldman Sachs International	(6,470,405)	6,470,405	—	—
UBS AG	(7,425,047)	7,425,047	—	—
ProShares Ultra Bloomberg Crude Oil				
Citibank N.A.	(2,509,989)	2,509,989	—	—
Deutsche Bank AG	(20,221,872)	20,221,872	—	—
Goldman Sachs International	(20,806,119)	20,806,119	—	—
Societe Generale S.A.	(6,357,459)	6,357,459	—	—
UBS AG	(22,281,150)	22,281,150	—	—
ProShares Ultra Gold				
Citibank N.A.	(4,614)	—	—	(4,614)
Deutsche Bank AG	(1,049,383)	1,049,383	—	—
Goldman Sachs International	(520,730)	520,730	—	—
Societe Generale S.A.	(244,992)	244,992	—	—
UBS AG	(430,876)	430,876	—	—
ProShares Ultra Silver				
Deutsche Bank AG	(9,355,945)	9,355,945	—	—
Goldman Sachs International	(5,106,853)	5,106,853	—	—
Societe Generale S.A.	(2,704,459)	2,704,459	—	—
UBS AG	(5,393,844)	5,393,844	—	—
ProShares Ultra Euro				
Goldman Sachs International	315,354	(315,354)	—	—
UBS AG	289,566	(289,566)	—	—
ProShares Ultra Yen				
Goldman Sachs International	169,787	—	—	169,787
UBS AG	91,524	—	—	91,524

NOTE 4 – AGREEMENTS

Management Fee

Each Leveraged Fund, the Short Euro Fund and each Geared VIX Fund pays the Sponsor a Management Fee, monthly in arrears, in an amount equal to 0.95% per annum of its average daily NAV of such Fund. Each Matching VIX Fund pays the Sponsor a Management Fee, monthly in arrears, in an amount equal to 0.85% per annum of its average daily NAV of such Fund. The Sponsor did not and will not charge the Management Fee in the first year of operation of each Fund in an amount equal to the offering costs. The Sponsor reimbursed each Fund, to the extent that its offering costs exceed the Management Fee, for the first year of operations.

The Management Fee is paid in consideration of the Sponsor's services as commodity pool operator, and for managing the business and affairs of the Funds. From the Management Fee, the Sponsor pays all of the routine operational, administrative and other ordinary expenses of each Fund, generally as determined by the Sponsor, including but not limited to the Administrator, Custodian, Distributor, ProFunds Distributors, Inc. ("PDI"), an affiliated broker-dealer of the Sponsor, Transfer Agent, accounting and auditing fees and expenses, any index licensors for the Funds, and the normal and expected expenses incurred in connection with the continuous offering of Shares of each Fund after the commencement of its trading operations, including, but not limited to, expenses such as tax preparation expenses, legal fees not in excess of \$100,000 per annum, ongoing SEC registration fees not exceeding 0.021% per annum of the NAV of a Fund and Financial Industry Regulatory Authority ("FINRA") filing fees, individual Schedule K-1 preparation and mailing fees not exceeding 0.10% per annum of the net assets of a Fund, and report preparation and mailing expenses.

Non-Recurring Fees and Expenses

Each Fund pays all its non-recurring and unusual fees and expenses, if any, as determined by the Sponsor. Non-recurring and unusual fees and expenses are fees and expenses that are unexpected or unusual in nature, such as legal claims and liabilities, litigation costs or indemnification or other material expenses which are not currently anticipated obligations of the Funds.

The Administrator

The Sponsor and the Trust, for itself and on behalf of each Fund, has appointed Brown Brothers Harriman & Co. ("BBH&Co.") as the Administrator of the Funds, and the Sponsor, and the Trust, on its own behalf and on behalf of each Fund, and BBH&Co. have entered into an Administrative Agency Agreement (the "Administration Agreement") in connection therewith. Pursuant to the terms of the Administration Agreement and under the supervision and direction of the Sponsor and the Trust, BBH&Co. prepares and files certain regulatory filings on behalf of the Funds. BBH&Co. may also perform other services for the Funds pursuant to the Administration Agreement as mutually agreed upon by the Sponsor, the Trust and BBH&Co. from time to time. Pursuant to the terms of the Administration Agreement, BBH&Co. also serves as the Transfer Agent of the Funds. The Administrator's fees are paid on behalf of the Funds by the Sponsor.

The Custodian

BBH&Co. serves as the Custodian of the Funds, and the Trust, on its own behalf and on behalf of each Fund, and BBH&Co. have entered into a Custodian Agreement in connection therewith. Pursuant to the terms of the Custodian Agreement, BBH&Co. is responsible for the holding and safekeeping of assets delivered to it by the Funds, and performing various administrative duties in accordance with instructions delivered to BBH&Co. by the Funds. The Custodian's fees are paid on behalf of the Funds by the Sponsor.

The Distributor

SEI Investments Distribution Co. ("SEI"), serves as Distributor of the Funds and assists the Sponsor and the Administrator with certain functions and duties relating to distribution and marketing, including taking creation and redemption orders, consulting with the marketing staff of the Sponsor and its affiliates with respect to

compliance with the requirements of FINRA and/or the NFA in connection with marketing efforts, and reviewing and filing of marketing materials with FINRA and/or the NFA. SEI retains all marketing materials separately for each Fund, at c/o SEI, One Freedom Valley Drive, Oaks, PA 19456. The Sponsor, on behalf of each Fund, has entered into a Distribution Services Agreement with SEI. The Sponsor pays SEI for performing its duties on behalf of the Funds.

NOTE 5 – OFFERING COSTS

Offering costs will be amortized by the Funds over a twelve month period on a straight-line basis beginning once the fund commences operations. The Sponsor will not charge its Management Fee in the first year of operations of a Fund in an amount equal to the offering costs. Normal and expected expenses incurred in connection with the continuous offering of Shares of a Fund after the commencement of its trading operations will be paid by the Sponsor.

NOTE 6 – CREATION AND REDEMPTION OF CREATION UNITS

Each Fund issues and redeems shares from time to time, but only in one or more Creation Units. A Creation Unit is a block of 50,000 Shares of a Geared Fund and 25,000 Shares of a Matching VIX Fund. Creation Units may be created or redeemed only by Authorized Participants. As a result of the Share splits and reverse Share splits as described in Note 1, certain redemptions as disclosed in the Statements of Changes in Shareholders' Equity reflect payment of fractional share balances on beneficial shareholder accounts.

Except when aggregated in Creation Units, the Shares are not redeemable securities. Retail investors, therefore, generally will not be able to purchase or redeem Shares directly from or with a Fund. Rather, most retail investors will purchase or sell Shares in the secondary market with the assistance of a broker. Thus, some of the information contained in these Notes to Financial Statements—such as references to the Transaction Fees imposed on purchases and redemptions—is not relevant to retail investors.

Transaction Fees on Creation and Redemption Transactions

The manner by which Creation Units are purchased or redeemed is dictated by the terms of the Authorized Participant Agreement and Authorized Participant Handbook. By placing a purchase order, an Authorized Participant agrees to: (1) deposit cash with the Custodian; and (2) if permitted by the Sponsor in its sole discretion, enter into or arrange for an exchange of futures contract for related position or block trade whereby the Authorized Participant would also transfer to such Fund a number and type of exchange-traded futures contracts at or near the closing settlement price for such contracts on the purchase order date.

Authorized Participants may pay a fixed transaction fee of up to \$500 in connection with each order to create or redeem a Creation Unit in order to compensate BBH&Co., as the Administrator, the Custodian and the Transfer Agent of each Fund and its Shares, for services in processing the creation and redemption of Creation Units and to offset the costs of increasing or decreasing derivative positions. Authorized Participants also may pay a variable transaction fee to the Fund of up to 0.10% (and a variable transaction fee to the Matching VIX Funds of 0.05%) of the value of the Creation Unit that is purchased or redeemed unless the transaction fee is waived or otherwise adjusted by the Sponsor. The Sponsor provides such Authorized Participant with prompt notice in advance of any such waiver or adjustment of the transaction fee. Authorized Participants may sell the Shares included in the Creation Units they purchase from the Funds to other investors in the secondary market.

Transaction fees for the years ended December 31, 2016, 2015 and 2014 which are included in the Addition and/or Redemption of Shares on the Statements of Changes in Shareholders' Equity, were as follows:

<u>Fund</u>	<u>Year Ended December 31, 2016</u>	<u>Year Ended December 31, 2015</u>	<u>Year Ended December 31, 2014</u>
VIX Short-Term Futures ETF	\$ 229,699	\$ 105,024	\$ 72,020
VIX Mid-Term Futures ETF	24,056	8,521	8,927
Short VIX Short-Term Futures ETF	801,564	342,734	218,121
Ultra VIX Short-Term Futures ETF	1,822,247	1,391,292	734,298
UltraShort Bloomberg Crude Oil	398,027	382,054	257,458
UltraShort Bloomberg Natural Gas	8,989	8,853	26,053
UltraShort Gold	29,854	11,024	32,473
UltraShort Silver	16,729	39,354	48,832
Short Euro	—	—	—
UltraShort Australian Dollar	—	—	—
UltraShort Euro	—	—	—
UltraShort Yen	—	—	—
Ultra Bloomberg Crude Oil	504,533	847,422	299,493
Ultra Bloomberg Natural Gas	9,175	13,939	30,073
Ultra Gold	14,138	4,218	12,088
Ultra Silver	47,414	38,848	65,208
Ultra Euro	—	—	—
Ultra Yen	—	—	—
Total Trust*	\$3,906,425	\$3,193,283	\$1,805,044

* Amounts exclude the activity of ProShares Ultra Australian Dollar which liquidated on June 29, 2015, ProShares Managed Futures Strategy which liquidated on March 30, 2016, ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity which liquidated on September 1, 2016.

NOTE 7 – FINANCIAL HIGHLIGHTS

Selected data for a Share outstanding throughout the year ended December 31, 2016:

	For the Year Ended December 31, 2016					
Per Share Operating Performance	VIX Short- Term Futures ETF*	VIX Mid- Term Futures ETF	Short VIX Short-Term Futures ETF	Ultra VIX Short-Term Futures ETF*^	UltraShort Bloomberg Crude Oil^	UltraShort Bloomberg Natural Gas*
Net asset value, at December 31, 2015	\$ 66.2109	\$ 53.9626	\$50.8150	\$ 702.1025	\$ 66.6009	\$ 46.5314
Net investment income (loss)	(0.2754)	(0.3333)	(0.6090)	(1.9193)	(0.3600)	(0.6812)
Net realized and unrealized gain (loss)#	(44.7209)	(11.4932)	41.0242	(656.7016)	(34.5434)	(22.7492)
Change in net asset value from operations	(44.9963)	(11.8265)	40.4152	(658.6209)	(34.9034)	(23.4304)
Net asset value, at December 31, 2016	\$ 21.2146	\$ 42.1361	\$91.2302	\$ 43.4816	\$ 31.6975	\$ 23.1010
Market value per share, at December 31, 2015†	\$ 66.65	\$ 53.99	\$ 50.45	\$ 708.75	\$ 66.82	\$ 46.55
Market value per share, at December 31, 2016†	\$ 21.26	\$ 42.34	\$ 90.98	\$ 43.75	\$ 31.65	\$ 23.05
Total Return, at net asset value	(68.0)%	(21.9)%	79.5%	(93.8)%	(52.4)%	(50.4)%
Total Return, at market value	(68.1)%	(21.6)%	80.3%	(93.8)%	(52.6)%	(50.5)%
Ratios to Average Net Assets						
Expense ratio	0.99%	0.93%	1.39%	1.57%	1.03%	1.65%
Expense ratio, excluding brokerage commissions	0.85%	0.85%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss)	(0.75)%	(0.68)%	(1.15)%	(1.32)%	(0.76)%	(1.43)%

* See Note 1 of these Notes for Financial Statements.

^ See Note 9 of these Notes for Financial Statements.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Year Ended December 31, 2016

<u>Per Share Operating Performance</u>	<u>UltraShort Gold</u>	<u>UltraShort Silver</u>	<u>Short Euro</u>	<u>UltraShort Australian Dollar</u>	<u>UltraShort Euro</u>	<u>UltraShort Yen</u>
Net asset value, at December 31, 2015	\$ 115.8799	\$ 64.5783	\$ 43.7767	\$ 58.4582	\$ 25.5406	\$ 87.9389
Net investment income (loss)	(0.5542)	(0.2641)	(0.3268)	(0.4268)	(0.1703)	(0.4974)
Net realized and unrealized gain (loss)#	(23.9976)	(27.0070)	1.6075	(2.6532)	1.7144	(7.1984)
Change in net asset value from operations	(24.5518)	(27.2711)	1.2807	(3.0800)	1.5441	(7.6958)
Net asset value, at December 31, 2016	\$ 91.3281	\$ 37.3072	\$ 45.0574	\$ 55.3782	\$ 27.0847	\$ 80.2431
Market value per share, at December 31,						
2015†	\$ 115.83	\$ 64.55	\$ 43.74	\$ 58.15	\$ 25.53	\$ 87.89
Market value per share, at December 31,						
2016†	\$ 90.54	\$ 38.76	\$ 45.12	\$ 55.24	\$ 27.08	\$ 80.25
Total Return, at net asset value	(21.2)%	(42.2)%	2.9%	(5.3)%	6.0%	(8.8)%
Total Return, at market value	(21.8)%	(40.0)%	3.2%	(5.0)%	6.1%	(8.7)%
Ratios to Average Net Assets						
Expense ratio	0.95%	0.95%	0.97%	1.03%	0.95%	0.95%
Expense ratio, excluding brokerage						
commissions	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss)	(0.70)%	(0.70)%	(0.76)%	(0.79)%	(0.70)%	(0.71)%

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Year Ended December 31, 2016

<u>Per Share Operating Performance</u>	Ultra Bloomberg Crude Oil[^]	Ultra Bloomberg Natural Gas	Ultra Gold	Ultra Silver	Ultra Euro	Ultra Yen
Net asset value, at December 31, 2015	\$25.1548	\$18.5698	\$29.7295	\$27.0638	\$15.5107	\$54.7527
Net investment income (loss)	(0.1534)	(0.1579)	(0.2751)	(0.2717)	(0.1119)	(0.4586)
Net realized and unrealized gain (loss)#	(1.6662)	0.4364	3.4482	6.6499	(1.3816)	1.1321
Change in net asset value from operations	(1.8196)	0.2785	3.1731	6.3782	(1.4935)	0.6735
Net asset value, at December 31, 2016	\$23.3352	\$18.8483	\$32.9026	\$33.4420	\$14.0172	\$55.4262
Market value per share, at December 31, 2015†	\$ 25.08	\$ 18.48	\$ 29.73	\$ 27.08	\$ 15.51	\$ 54.70
Market value per share, at December 31, 2016†	\$ 23.36	\$ 18.96	\$ 33.20	\$ 32.09	\$ 14.09	\$ 55.52
Total Return, at net asset value	(7.2)%	1.5%	10.7%	23.6%	(9.6)%	1.2%
Total Return, at market value	(6.9)%	2.6%	11.7%	18.5%	(9.2)%	1.5%
Ratios to Average Net Assets						
Expense ratio	1.01%	1.34%	0.95%	0.95%	0.95%	0.95%
Expense ratio, excluding brokerage commissions	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss)	(0.76)%	(1.12)%	(0.69)%	(0.69)%	(0.71)%	(0.69)%

[^] See Note 9 of these Notes for Financial Statements.

[#] The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

[†] Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

Selected data for a Share outstanding throughout the year ended December 31, 2015:

For the Year Ended December 31, 2015

Per Share Operating Performance	VIX Short-Term Futures ETF*	VIX Mid-Term Futures ETF	Short VIX Short-Term Futures ETF	Ultra VIX Short-Term Futures ETF**^	UltraShort Bloomberg Crude Oil^	UltraShort Bloomberg Natural Gas*
Net asset value, at December 31, 2014	\$104.6604	\$63.6020	\$ 61.4004	\$ 3,136.4730	\$38.9895	\$27.9859
Net investment income (loss) ...	(0.6622)	(0.5053)	(0.8162)	(18.0602)	(0.3924)	(0.4438)
Net realized and unrealized gain (loss)#	(37.7873)	(9.1341)	(9.7692)	(2,416.3103)	28.0038	18.9893
Change in net asset value from operations	(38.4495)	(9.6394)	(10.5854)	(2,434.3705)	27.6114	18.5455
Net asset value, at December 31, 2015	\$ 66.2109	\$53.9626	\$ 50.8150	\$ 702.1025	\$66.6009	\$46.5314
Market value per share, at December 31, 2014†	\$ 104.95	\$ 63.89	\$ 61.16	\$ 3,143.75	\$ 38.26	\$ 27.34
Market value per share, at December 31, 2015†	\$ 66.65	\$ 53.99	\$ 50.45	\$ 708.75	\$ 66.82	\$ 46.55
Total Return, at net asset value	(36.7)%	(15.2)%	(17.2)%	(77.6)%	70.8%	66.3%
Total Return, at market value	(36.5)%	(15.5)%	(17.5)%	(77.5)%	74.6%	70.3%
Ratios to Average Net Assets						
Expense ratio	0.95%	0.91%	1.40%	1.65%	1.07%	1.55%
Expense ratio, excluding brokerage commissions	0.85%	0.85%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss) ...	(0.92)%	(0.88)%	(1.36)%	(1.61)%	(1.04)%	(1.50)%

* See Note 1 of these Notes for Financial Statements.

^ See Note 9 of these Notes for Financial Statements.

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† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Year Ended December 31, 2015

<u>Per Share Operating Performance</u>	<u>UltraShort Gold</u>	<u>UltraShort Silver*</u>	<u>Short Euro</u>	<u>UltraShort Australian Dollar</u>	<u>UltraShort Euro</u>	<u>UltraShort Yen</u>
Net asset value, at December 31, 2014	\$ 96.6516	\$57.8071	\$40.0617	\$51.3790	\$21.5946	\$89.3336
Net investment income (loss)	(0.9149)	(0.4968)	(0.4096)	(0.5741)	(0.2256)	(0.8243)
Net realized and unrealized gain (loss)# . . .	20.1432	7.2680	4.1246	7.6533	4.1716	(0.5704)
Change in net asset value from operations	19.2283	6.7712	3.7150	7.0792	3.9460	(1.3947)
Net asset value, at December 31, 2015	\$115.8799	\$64.5783	\$43.7767	\$58.4582	\$25.5406	\$87.9389
Market value per share, at December 31, 2014†	\$ 100.22	\$ 59.70	\$ 40.03	\$ 51.37	\$ 21.61	\$ 89.30
Market value per share, at December 31, 2015†	\$ 115.83	\$ 64.55	\$ 43.74	\$ 58.15	\$ 25.53	\$ 87.89
Total Return, at net asset value	19.9%	11.7%	9.3%	13.8%	18.3%	(1.6)%
Total Return, at market value	15.6%	8.1%	9.3%	13.2%	18.1%	(1.6)%
Ratios to Average Net Assets						
Expense ratio	0.95%	0.95%	0.97%	1.03%	0.95%	0.95%
Expense ratio, excluding brokerage commissions	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss)	(0.91)%	(0.91)%	(0.95)%	(1.00)%	(0.90)%	(0.92)%

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† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Year Ended December 31, 2015

<u>Per Share Operating Performance</u>	Ultra Bloomberg Crude Oil[^]	Ultra Bloomberg Natural Gas[*]	Ultra Gold	Ultra Silver	Ultra Euro	Ultra Yen[*]
Net asset value, at December 31, 2014 . . .	\$101.4800	\$ 61.6491	\$ 40.0011	\$ 39.3657	\$19.8744	\$56.4747
Net investment income (loss)	(0.5621)	(0.4982)	(0.3292)	(0.3258)	(0.1505)	(0.4787)
Net realized and unrealized gain (loss)#	(75.7631)	(42.5811)	(9.9424)	(11.9761)	(4.2132)	(1.2433)
Change in net asset value from operations	(76.3252)	(43.0793)	(10.2716)	(12.3019)	(4.3637)	(1.7220)
Net asset value, at December 31, 2015 . . .	\$ 25.1548	\$ 18.5698	\$ 29.7295	\$ 27.0638	\$15.5107	\$54.7527
Market value per share, at December 31, 2014†	\$ 103.70	\$ 63.12	\$ 38.41	\$ 38.05	\$ 19.80	\$ 56.48
Market value per share, at December 31, 2015†	\$ 25.08	\$ 18.48	\$ 29.73	\$ 27.08	\$ 15.51	\$ 54.70
Total Return, at net asset value	(75.2)%	(69.9)%	(25.7)%	(31.3)%	(22.0)%	(3.0)%
Total Return, at market value	(75.8)%	(70.7)%	(22.6)%	(28.8)%	(21.7)%	(3.2)%
Ratios to Average Net Assets						
Expense ratio	1.02%	1.29%	0.95%	0.95%	0.95%	0.95%
Expense ratio, excluding brokerage commissions	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss)	(0.98)%	(1.26)%	(0.90)%	(0.89)%	(0.93)%	(0.88)%

* See Note 1 of these Notes for Financial Statements.

[^] See Note 9 of these Notes for Financial Statements.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

Selected data for a Share outstanding throughout the year ended December 31, 2014:

For the Year Ended December 31, 2014

<u>Per Share Operating Performance</u>	<u>VIX Short-Term Futures ETF*</u>	<u>VIX Mid-Term Futures ETF*</u>	<u>Short VIX Short-Term Futures ETF</u>	<u>Ultra VIX Short-Term Futures ETF*^</u>	<u>UltraShort Bloomberg Crude Oil^</u>	<u>UltraShort Bloomberg Natural Gas*</u>
Net asset value, at December 31, 2013	\$142.6934	\$ 77.1837	\$67.4993	\$ 8,385.5437	\$15.8651	\$23.3212
Net investment income (loss)	(1.0237)	(0.5666)	(1.0247)	(72.6365)	(0.1387)	(0.1654)
Net realized and unrealized gain (loss)#	(37.0093)	(13.0151)	(5.0742)	(5,176.4342)	23.2631	4.8301
Change in net asset value from operations	(38.0330)	(13.5817)	(6.0989)	(5,249.0707)	23.1244	4.6647
Net asset value, at December 31, 2014	\$104.6604	\$ 63.6020	\$61.4004	\$ 3,136.4730	\$38.9895	\$27.9859
Market value per share, at December 31, 2013†	\$ 142.65	\$ 77.16	\$ 67.47	\$ 8,390.00	\$ 15.79	\$ 23.12
Market value per share, at December 31, 2014†	\$ 104.95	\$ 63.89	\$ 61.16	\$ 3,143.75	\$ 38.26	\$ 27.34
Total Return, at net asset value	(26.7)%	(17.6)%	(9.0)%	(62.6)%	145.8%	20.0%
Total Return, at market value	(26.4)%	(17.2)%	(9.4)%	(62.5)%	142.3%	18.3%
Ratios to Average Net Assets						
Expense ratio	0.92%	0.87%	1.49%	1.80%	0.98%	1.18%
Expense ratio, excluding brokerage commissions	0.85%	0.85%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss)	(0.88)%	(0.84)%	(1.46)%	(1.78)%	(0.94)%	(1.14)%

* See Note 1 of these Notes for Financial Statements.

^ See Note 9 of these Notes for Financial Statements.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Year Ended December 31, 2014

<u>Per Share Operating Performance</u>	<u>UltraShort Gold</u>	<u>UltraShort Silver*</u>	<u>Short Euro</u>	<u>UltraShort Australian Dollar</u>	<u>UltraShort Euro</u>	<u>UltraShort Yen</u>
Net asset value, at December 31, 2013	\$103.5180	\$44.8910	\$35.5867	\$46.6384	\$17.0613	\$70.8640
Net investment income (loss)	(0.8233)	(0.3937)	(0.3428)	(0.4272)	(0.1642)	(0.6412)
Net realized and unrealized gain (loss)# . . .	(6.0431)	13.3098	4.8178	5.1678	4.6975	19.1108
Change in net asset value from operations	(6.8664)	12.9161	4.4750	4.7406	4.5333	18.4696
Net asset value, at December 31, 2014	\$ 96.6516	\$57.8071	\$40.0617	\$51.3790	\$21.5946	\$89.3336
Market value per share, at December 31, 2013†	\$ 103.53	\$ 45.10	\$ 35.66	\$ 46.66	\$ 17.06	\$ 70.91
Market value per share, at December 31, 2014†	\$ 100.22	\$ 59.70	\$ 40.03	\$ 51.37	\$ 21.61	\$ 89.30
Total Return, at net asset value	(6.6)%	28.8%	12.6%	10.2%	26.6%	26.1%
Total Return, at market value	(3.2)%	32.4%	12.3%	10.1%	26.7%	25.9%
Ratios to Average Net Assets						
Expense ratio	0.95%	0.95%	0.96%	1.01%	0.95%	0.95%
Expense ratio, excluding brokerage commissions	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss)	(0.91)%	(0.90)%	(0.93)%	(0.97)%	(0.90)%	(0.90)%

* See Note 1 of these Notes for Financial Statements.

Percentages The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

† Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

For the Year Ended December 31, 2014

<u>Per Share Operating Performance</u>	Ultra Bloomberg Crude Oil[^]	Ultra Bloomberg Natural Gas[*]	Ultra Gold	Ultra Silver	Ultra Euro	Ultra Yen[*]
Net asset value, at December 31, 2013	\$ 320.8990	\$155.3534	\$41.2553	\$ 63.3305	\$26.0346	\$ 74.5261
Net investment income (loss)	(2.1856)	(1.5167)	(0.4078)	(0.5348)	(0.2185)	(0.6693)
Net realized and unrealized gain (loss)#	(217.2334)	(92.1876)	(0.8464)	(23.4300)	(5.9417)	(17.3821)
Change in net asset value from operations	(219.4190)	(93.7043)	(1.2542)	(23.9648)	(6.1602)	(18.0514)
Net asset value, at December 31, 2014	\$ 101.4800	\$ 61.6491	\$40.0011	\$ 39.3657	\$19.8744	\$ 56.4747
Market value per share, at December 31, 2013 [†]	\$ 322.20	\$ 157.12	\$ 41.26	\$ 63.04	\$ 25.98	\$ 74.44
Market value per share, at December 31, 2014 [†]	\$ 103.70	\$ 63.12	\$ 38.41	\$ 38.05	\$ 19.80	\$ 56.48
Total Return, at net asset value	(68.4)%	(60.3)%	(3.0)%	(37.8)%	(23.7)%	(24.2)%
Total Return, at market value	(67.8)%	(59.8)%	(6.9)%	(39.6)%	(23.8)%	(24.1)%
Ratios to Average Net Assets						
Expense ratio	0.99%	1.13%	0.95%	0.95%	0.95%	0.95%
Expense ratio, excluding brokerage commissions	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss)	(0.95)%	(1.10)%	(0.91)%	(0.91)%	(0.91)%	(0.90)%

* See Note 1 of these Notes for Financial Statements.

[^] See Note 9 of these Notes for Financial Statements.

The amount shown for a share outstanding throughout the period may not accord with the change in aggregate gains and losses during the period because of timing of creation and redemption units in relation to fluctuating net asset value during the period.

[†] Market values are determined at the close of the New York Stock Exchange, which may be later than when the Funds' net asset value is calculated.

NOTE 8 – RISK

Correlation and Compounding Risk

The Geared Funds do not seek to achieve their stated investment objective over a period of time greater than a single day (as measured from NAV calculation time to NAV calculation time). The return of a Geared Fund for a period longer than a single day is the result of its return for each day compounded over the period and usually will differ from the inverse (-1x), two times the inverse (-2x), or two times (2x) of the return of the Geared Fund's benchmark for the period. A Fund will lose money if its benchmark performance is flat over time, and it is possible for a Geared Fund to lose money over time even if the performance of its benchmark increases (or decreases in the case of Short and UltraShort Funds), as a result of daily rebalancing, the benchmark's volatility and compounding. Longer holding periods, higher benchmark volatility, inverse exposure and greater leverage each affect the impact of compounding on a Fund's returns. Daily compounding of a Geared Fund's investment returns can dramatically and adversely affect its longer-term performance during periods of high volatility. Volatility may be at least as important to a Geared Fund's return for a period as the return of the Fund's underlying benchmark. The Matching VIX Funds seek to achieve their stated investment objective both over a single day and over time.

Each Ultra and UltraShort Fund uses leverage and should produce daily returns that are more volatile than that of its benchmark. For example, the daily return of an Ultra Fund with a 2x multiple should be approximately two times as volatile on a daily basis as is the return of a fund with an objective of matching the same benchmark. The daily return of a Short or UltraShort Fund is designed to return the inverse (-1x) or two times the inverse (-2x) of the return that would be expected of a fund with an objective of matching the same benchmark. The Geared Funds are not appropriate for all investors and present different risks than other funds. The Leveraged Funds use leverage and are riskier than similarly benchmarked exchange-traded funds that do not use leverage. An investor should only consider an investment in a Geared Fund if he or she understands the consequences of seeking daily leveraged, daily inverse or daily inverse leveraged investment results. Daily objective geared funds, if used properly and in conjunction with the investor's view on the future direction and volatility of the markets, can be useful tools for investors who want to manage their exposure to various markets and market segments and who are willing to monitor and/or periodically rebalance their portfolios. Shareholders who invest in the Funds should actively manage and monitor their investments, as frequently as daily.

While the Funds expect to meet their investment objectives, several factors may affect their ability to do so. Among these factors are: (1) the Sponsor's ability to purchase and sell Financial Instruments in a manner that correlates to a Fund's objective; (2) an imperfect correlation between the performance of Financial Instruments held by a Fund and the performance of the applicable benchmark; (3) bid-ask spreads on such Financial Instruments; (4) fees, expenses, transaction costs, financing costs associated with the use of Financial Instruments and commission costs; (5) holding instruments traded in a market that has become illiquid or disrupted; (6) a Fund's Share prices being rounded to the nearest cent and/or valuation methodology; (7) changes to a benchmark index that are not disseminated in advance; (8) the need to conform a Fund's portfolio holdings to comply with investment restrictions or policies or regulatory or tax law requirements; (9) early and unanticipated closings of the markets on which the holdings of a Fund trade, resulting in the inability of the Fund to execute intended portfolio transactions; (10) accounting standards; and (11) differences caused by a Fund obtaining exposure to only a representative sample of the components of a benchmark, overweighting or underweighting certain components of a benchmark or obtaining exposure to assets that are not included in a benchmark.

A number of factors may affect a Geared Fund's ability to achieve a high degree of correlation with its benchmark, and there can be no guarantee that a Fund will achieve a high degree of correlation. Failure to achieve a high degree of correlation may prevent a Geared Fund from achieving its investment objective. In order to achieve a high degree of correlation with their underlying benchmarks, the Geared Funds seek to rebalance their portfolios daily to keep exposure consistent with their investment objectives. Being materially under- or over-exposed to the benchmark may prevent such Geared Funds from achieving a high degree of correlation with

such benchmark. Market disruptions or closure, large amounts of assets into or out of the Geared Funds, regulatory restrictions or extreme market volatility will adversely affect such Funds' ability to adjust exposure to requisite levels. The target amount of portfolio exposure is impacted dynamically by the benchmarks' movements during each day. Because of this, it is unlikely that the Geared Funds will be perfectly exposed (*i.e.*, -1x, -2x or 2x, as applicable) to its benchmark at the end of each day, and the likelihood of being materially under- or over-exposed is higher on days when the benchmark levels are volatile near the close of the trading day. In addition, unlike other funds that do not rebalance their portfolios as frequently, each Geared Fund may be subject to increased trading costs associated with daily portfolio rebalancing in order to maintain appropriate exposure to the underlying benchmarks.

Counterparty Risk

Certain of the Funds will use swap agreements and/or forward contracts as a means to achieve their respective investment objectives. Such Funds will use either swap agreements and/or forward contracts referencing their respective benchmarks. These Funds may also invest in other swap agreements or forward contracts if such instruments tend to exhibit trading prices or returns that correlate with the benchmark or a component of the benchmark and will further the investment objective of the Fund. Certain Funds may invest in swap agreements or forward contracts if position accountability rules or position limits are reached with respect to specific futures contracts or the market for a specific futures contract experiences emergencies (*e.g.*, natural disaster, terrorist attack or an act of God) or disruptions (*e.g.*, a trading halt or a flash crash) that prevent the Funds from obtaining the appropriate amount of investment exposure to the affected futures contract or certain other futures contracts. Although unlikely, those Funds, under these circumstances, could have 100% exposure to swap agreements or forward contracts.

Swap agreements and forward contracts are generally traded in OTC markets and have only recently become subject to regulation by the CFTC. CFTC rules, however, do not cover all types of swap agreements and forward contracts. Investors, therefore, may not receive the protection of CFTC regulation or the statutory scheme of the Commodity Exchange Act (the "CEA") in connection with each Fund's swap agreements or forward contracts. The lack of regulation in these markets could expose investors to significant losses under certain circumstances, including in the event of trading abuses or financial failure by participants.

The Funds will be subject to credit risk with respect to the counterparties to the derivatives contracts (whether a clearing corporation in the case of cleared instruments or another third party in the case of OTC uncleared instruments). Unlike in futures contracts, the counterparty to uncleared swap agreements or forward contracts is generally a single bank or other financial institution, rather than a clearing organization backed by a group of financial institutions. As a result, a Fund is subject to credit risk with respect to the amount it expects to receive from counterparties to uncleared swaps and forward contracts entered into as part of that Fund's principal investment strategy. If a counterparty becomes bankrupt or otherwise fails to perform its obligations due to financial difficulties, a Fund could suffer significant losses on these contracts and the value of an investor's investment in a Fund may decline.

The Funds have sought to mitigate these risks by generally requiring that the counterparties for each Fund agree to post collateral for the benefit of the Fund, marked to market daily, subject to certain minimum thresholds; however there are no limitations on the percentage of its assets each Fund may invest in swap agreements or forward contracts with a particular counterparty. To the extent any such collateral is insufficient or there are delays in accessing the collateral, the Funds will be exposed to counterparty risk as described above, including possible delays in recovering amounts as a result of bankruptcy proceedings. The Funds typically enter into transactions only with major global financial institutions.

OTC swaps or forward contracts are less liquid than futures contracts because they are not traded on an exchange, do not have uniform terms and conditions, and are generally entered into based upon the creditworthiness of the parties and the availability of credit support, such as collateral, and in general, are not transferable without the consent of the counterparty. If the level of the Fund's benchmark has a dramatic intraday

move that would cause a material decline in the Fund's NAV, the terms of the swap may permit the counterparty to immediately close out the transaction with the Fund. In that event, it may not be possible for the Fund to enter into another swap agreement or to invest in other Financial Instruments necessary to achieve the desired exposure consistent with the Fund's objective. This, in turn, may prevent the Fund from achieving its investment objective, particularly if the level of the Fund's benchmark reverses all or part of its intraday move by the end of the day. In addition, cleared derivative transactions benefit from daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered into directly between two counterparties generally do not benefit from such protections. This exposes the Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Funds to suffer a loss.

Each counterparty and/or any of its affiliates may be an Authorized Participant or shareholder of a Fund.

The counterparty risk for cleared derivative transactions is generally lower than for uncleared OTC derivatives since generally a clearing organization becomes substituted for each counterparty to a cleared derivative contract and, in effect, guarantees the parties' performance under the contract as each party to a trade looks only to the clearing house for performance of financial obligations. However, there can be no assurance that the clearing house, or its members, will satisfy its obligations to the Fund.

Leverage Risk

The Leveraged Funds may utilize leverage in seeking to achieve their respective investment objectives and will lose more money in market environments adverse to their respective daily investment objectives than funds that do not employ leverage. The use of leveraged and/or inverse leveraged positions could result in the total loss of an investor's investment.

For example, because the UltraShort Funds and Ultra Funds include a two times the inverse (-2x), or a two times (2x) multiplier, a single-day movement in the relevant benchmark approaching 50% at any point in the day (for an UltraShort Fund or an UltraShort Fund) could result in the total loss or almost total loss of an investor's investment if that movement is contrary to the investment objective of the Fund in which an investor has invested, even if such Fund's benchmark subsequently moves in an opposite direction, eliminating all or a portion of the movement. This would be the case with downward single-day or intraday movements in the underlying benchmark of an Ultra Fund or upward single-day or intraday movements in the benchmark of an UltraShort Fund, even if the underlying benchmark maintains a level greater than zero at all times.

Liquidity Risk

Financial Instruments cannot always be liquidated at the desired price. It is difficult to execute a trade at a specific price when there is a relatively small volume of buy and sell orders in a market. A market disruption can also make it difficult to liquidate a position or find a swap or forward contract counterparty at a reasonable cost. Market illiquidity may cause losses for the Funds. The large size of the positions which the Funds may acquire increases the risk of illiquidity by both making their positions more difficult to liquidate and increasing the losses incurred while trying to do so. Any type of disruption or illiquidity will potentially be exacerbated due to the fact that the Funds will typically invest in Financial Instruments related to one benchmark, which in many cases is highly concentrated.

"Contango" and "Backwardation" Risk

In Funds that hold futures contracts, as the futures contracts near expiration, they are generally replaced by contracts that have a later expiration. Thus, for example, a contract purchased and held in November 2015 may specify a January 2016 expiration. As that contract nears expiration, it may be replaced by selling the January

2016 contract and purchasing the contract expiring in March 2016. This process is referred to as “rolling.” Rolling may have a positive or negative impact on performance. For example, historically, the prices of certain types of futures contracts have frequently been higher for contracts with shorter-term expirations than for contracts with longer-term expirations, which is referred to as “backwardation.” In these circumstances, absent other factors, the sale of the January 2016 contract would take place at a price that is higher than the price at which the March 2016 contract is purchased, thereby creating a gain in connection with rolling. While certain types of futures contracts have historically exhibited consistent periods of backwardation, backwardation will likely not exist in these markets at all times. The presence of contango (where prices of contracts are higher in the distant delivery months than in the nearer delivery months due to the costs of long-term storage of a physical commodity prior to delivery or other factors) in certain futures contracts at the time of rolling would be expected to adversely affect an Ultra Fund or a Matching VIX Fund that invests in such futures, and positively affect a Short Fund or an UltraShort Fund that invests in such futures. Similarly, the presence of backwardation in certain futures contracts at the time of rolling such contracts would be expected to adversely affect the Short Funds and UltraShort Funds, and positively affect the Ultra Funds and Matching VIX Funds.

Since the introduction of VIX futures contracts, there have frequently been periods where VIX futures prices reflect higher expected volatility levels further out in time. This can result in a loss from “rolling” the VIX futures to maintain the constant weighted average maturity of the applicable VIX Futures Index. Losses from exchanging a lower priced VIX future for a higher priced longer-term future in the rolling process would adversely affect the value of each VIX Futures Index and, accordingly, decrease the return of the Ultra VIX Short-Term Futures ETF and the Matching VIX Funds.

Gold and silver historically exhibit persistent “contango” markets rather than backwardation. Natural gas, like crude oil, moves in and out of backwardation and contango but historically has been in contango most commonly. It is generally believed this is because the market needs to build inventories for most of the year in order to have enough storage to make it through a normal winter. Periods of backwardation are typically thought to be caused by demand shocks or supply shortages such as an unusually cold winter or a hurricane.

NOTE 9 – SUBSEQUENT EVENTS

Management has evaluated the possibility of subsequent events existing in the Trust’s and the Funds’ financial statements through the date the financial statements were issued. The subsequent events were as follows:

On December 22, 2016, the Trust announced a 2-for-1 split of the shares of beneficial interest of ProShares UltraShort Bloomberg Crude Oil (NYSE Arca symbol “SCO”). The split was effective prior to the opening of trading on NYSE Arca on January 12, 2017.

The split was effective for shareholders of record after the close of the markets on January 9, 2017 and payable after the close of the markets on January 11, 2017. The Fund traded at its post-split price on January 12, 2017. The ticker symbol for the Fund did not change, and the Fund continues to trade on NYSE Arca.

The split was applied retroactively for all periods presented, increasing the number of shares outstanding for ProShares UltraShort Bloomberg Crude Oil, and resulted in a proportionate decrease in the price per share and per share information of ProShares UltraShort Bloomberg Crude Oil. Therefore, the split did not change the aggregate net asset value of a shareholder’s investment at the time of the split.

On December 22, 2016, the Trust announced a 1-for-2 reverse split of the shares of beneficial interest of ProShares Ultra Bloomberg Crude Oil (NYSE Arca symbol “UCO”) and a 1-for-5 reverse split of the shares of beneficial interest of ProShares Ultra VIX Short-Term Futures ETF (NYSE Arca symbol “UVXY”). The reverse splits were effective prior to the opening of trading on NYSE Arca on January 12, 2017.

The reverse splits were effective for shareholders at the market open on January 12, 2017, when the Funds traded at their post-split price. The ticker symbols for the Funds did not change, and each Fund was issued a new CUSIP numbers.

The reverse splits were applied retroactively for all periods presented, reducing the number of shares outstanding for ProShares Ultra Bloomberg Crude Oil and ProShares Ultra VIX Short-Term Futures ETF, and resulted in a proportionate increase in the price per share and per share information of ProShares Ultra Bloomberg Crude Oil and ProShares Ultra VIX Short-Term Futures ETF. Therefore, the reverse splits did not change the aggregate net asset value of a shareholder's investment at the time of the reverse splits.

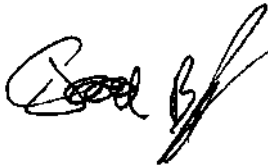
AFFIRMATION OF THE COMMODITY POOL OPERATOR

To the Shareholders of ProShares Trust II:

Pursuant to Rule 4.22(h) under the Commodity Exchange Act, the undersigned represents that, to the best of his knowledge and belief, the information contained in the Annual Report for the year ended December 31, 2016 for ProShares Trust II (the "Trust") and the following commodity pools of the Trust is accurate and complete:

ProShares VIX Short-Term Futures ETF
ProShares VIX Mid-Term Futures ETF
ProShares Short VIX Short-Term Futures ETF
ProShares Ultra VIX Short-Term Futures ETF
ProShares UltraShort Bloomberg Crude Oil
ProShares UltraShort Bloomberg Natural Gas
ProShares UltraShort Gold
ProShares UltraShort Silver
ProShares Short Euro
ProShares UltraShort Australian Dollar
ProShares UltraShort Euro
ProShares UltraShort Yen
ProShares Ultra Bloomberg Crude Oil
ProShares Ultra Bloomberg Natural Gas
ProShares Ultra Gold
ProShares Ultra Silver
ProShares Ultra Euro
ProShares Ultra Yen

By:



Todd Johnson
Principal
ProShare Capital Management LLC, Commodity Pool Operator for ProShares Trust II

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ProShares Trust II

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