

# ANNUAL REPORT

DECEMBER 31, 2017

## Volatility

SVXY Short VIX Short-Term Futures ETF

UVXY Ultra VIX Short-Term Futures ETF

VIXM VIX Mid-Term Futures ETF

VIXY VIX Short-Term Futures ETF

## Commodity

UCO Ultra Bloomberg Crude Oil

BOIL Ultra Bloomberg Natural Gas

UGL Ultra Gold

AGQ Ultra Silver

OILU UltraPro 3x Crude Oil ETF

OILD UltraPro 3x Short Crude Oil ETF

SCO UltraShort Bloomberg Crude Oil

KOLD UltraShort Bloomberg Natural Gas

GLL UltraShort Gold

ZSL UltraShort Silver

## Currency

EUFX Short Euro

ULE Ultra Euro

YCL Ultra Yen

CROC UltraShort Australian Dollar

EUO UltraShort Euro

YCS UltraShort 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, 2017.

## A Challenging Year for Commodities

It was a challenging year for commodities overall, which rose a scant 1.7% in 2017, measured by the Bloomberg Commodity Index. Rising U.S. oil production and oversupply concerns led crude to its worst first-half performance in years. OPEC's extended agreement to limit production and temporary declines in U.S. production midyear, however, reduced pressure on prices. Crude recovered to finish the period with solid gains, up 5.1% according to the Bloomberg WTI Crude Oil Subindex. Natural gas had a terrible year. Mild weather conditions caused prices to plunge during the first quarter. U.S. production gains during the midyear and record-paced production during the fourth quarter also added significant pricing pressure to the market. With storage and production outpacing demand, the Bloomberg Natural Gas Subindex declined 36.4% during 2017.

Despite a pair of sharp midyear price declines, precious metals enjoyed a relatively strong year buoyed by geopolitical concerns, planned Fed interest rate increases, a declining U.S. dollar and more. Gold rose 12.7%, as measured by the London Gold P.M. Price, while silver gained 3.85%, as measured by the London Silver Price.

## Euro, Yen and Aussie Dollar Rise on Weak U.S. Dollar

Despite a robust economy and rising interest rates, elements typically conducive to a strong currency, the U.S. dollar fell 8.5% according to the Bloomberg Dollar

Spot Index. Strong currencies abroad put significant pressure on the dollar. The euro was among 2017's best-performing currencies, with the yen also strong. The euro gained 14.0%, the Australian dollar rose a robust 8.1% and the Japanese yen gained 3.7%. Domestically, concerns over the president's largely stalled economic agenda, the administration's expressed favor for a weaker dollar, and the impact of tax reforms on deficits may also have influenced its decline.

## Significant ProShares Fund Flows

The U.S. equity market was steady through most of 2017. Flows in ProShares Trust II's ETFs were mixed, however, with investors taking leveraged and inverse positions consistent with a variety of views. Ultimately, net inflows outweighed net outflows during the period. Paralleling the markets, three of the top-performing Trust II funds for the year were our inverse natural gas, leveraged euro and leveraged gold ETFs.

ProShares Trust II offers you tools to help manage risk or express your view on a variety of non-traditional asset classes. 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 twenty funds listed below, comprising ProShares Trust II

**Opinions on the Financial Statements**

We have audited the accompanying combined and individual statements of financial condition, including the individual schedules of investments of ProShares Trust II and each of the individual twenty funds listed below comprising the ProShares Trust II (collectively, the "Trust"), as of the dates listed below, and the related combined and individual statements of operations, of changes in shareholders' equity and of cash flows for each of the periods listed below, including the related notes (collectively referred to as the "financial statements"). In our opinion, the combined and individual financial statements present fairly, in all material respects, the combined financial position of ProShares Trust II and the individual financial positions of each of the twenty funds as of the dates listed below, and the combined and individual results of their operations and their cash flows for the respective periods described in (a), (b) and (c) below in conformity with accounting principles generally accepted in the United States of America.

ProShares Short Euro (a)	ProShares UltraShort Australian Dollar (a)
ProShares Short VIX Short-Term Futures ETF (a)	ProShares UltraShort Bloomberg Crude Oil (a)
ProShares Ultra Bloomberg Crude Oil (a)	ProShares UltraShort Bloomberg Natural Gas (a)
ProShares Ultra Bloomberg Natural Gas (a)	ProShares UltraShort Euro (a)
ProShares Ultra Euro (a)	ProShares UltraShort Gold (a)
ProShares Ultra Gold (a)	ProShares UltraShort Silver (a)
ProShares Ultra Silver (a)	ProShares UltraShort Yen (a)
ProShares Ultra VIX Short-Term Futures ETF (a)	ProShares VIX Mid-Term Futures ETF (a)
ProShares Ultra Yen (a)	ProShares VIX Short-Term Futures ETF (a)
ProShares UltraPro 3x Crude Oil ETF (b)	
ProShares UltraPro 3x Short Crude Oil ETF (b)	ProShares Trust II ("combined") (c)

- (a) *Statements of financial condition, including the schedule of investments, as of December 31, 2017 and 2016, and the related statements of operations, of changes in shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2017*
- (b) *Statements of financial condition, including the schedule of investments, as of December 31, 2017, and the related statements of operations, of changes in shareholders' equity and of cash flows for the period January 13, 2017 (inception) through December 31, 2017*
- (c) *Statements of financial condition as of December 31, 2017 and 2016, and the related statements of operations, of changes in shareholders' equity and of cash flows for each of the three years in the period ended December 31, 2017*

**Basis for Opinions**

These financial statements are the responsibility of the Trust's management. Our responsibility is to express an opinion on the combined Trust's and each of the individual fund's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Trust and each of the funds in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these financial statements in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinions.

Baltimore, Maryland  
March 1, 2018

We have served as the auditor of ProShares Ultra Bloomberg Crude Oil, ProShares Ultra Euro, ProShares Ultra Gold, ProShares Ultra Silver, ProShares Ultra Yen, ProShares UltraShort Bloomberg Crude Oil, ProShares UltraShort Euro, ProShares UltraShort Gold, ProShares UltraShort Silver, and ProShares UltraShort Yen since 2008.

We have served as the auditor of the combined ProShares Trust II, ProShares VIX Mid-Term Futures ETF, and ProShares VIX Short-Term Futures ETF since 2010.

We have served as the auditor of ProShares Short Euro, ProShares Short VIX Short-Term Futures ETF, ProShares Ultra Bloomberg Natural Gas, ProShares Ultra VIX Short-Term Futures ETF, ProShares UltraShort Australian Dollar, and ProShares UltraShort Bloomberg Natural Gas since 2011.

We have served as auditor of ProShares UltraPro 3x Crude Oil ETF and ProShares UltraPro 3x Short Crude Oil ETF since 2017.

**PROSHARES SHORT EURO**  
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 923,063	\$ 2,292,012
Segregated cash balances with brokers for futures contracts .....	122,430	402,600
Short-term U.S. government and agency obligations (Note 3) (cost \$6,996,595 and \$13,164,807, respectively) .....	6,996,235	13,164,828
Total assets .....	<u>8,041,728</u>	<u>15,859,440</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable on open futures contracts .....	43,311	76,666
Payable to Sponsor .....	6,537	12,686
Total liabilities .....	<u>49,848</u>	<u>89,352</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	7,991,880	15,770,088
Total liabilities and shareholders' equity .....	<u>\$8,041,728</u>	<u>\$15,859,440</u>
Shares outstanding .....	<u>200,000</u>	<u>350,000</u>
Net asset value per share .....	<u>\$ 39.96</u>	<u>\$ 45.06</u>
Market value per share (Note 2) .....	<u>\$ 39.99</u>	<u>\$ 45.12</u>

*See accompanying notes to financial statements.*

**PROSHARES SHORT EURO**  
**SCHEDULE OF INVESTMENTS**  
**DECEMBER 31, 2017**

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(88% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.033% due 01/18/18 .....	\$7,000,000	<u>\$6,996,235</u>
Total short-term U.S. government and agency obligations (cost \$6,996,595) .....		<u><u>\$6,996,235</u></u>

**Futures Contracts Sold**

	<b>Number of Contracts</b>	<b>Notional Amount at Value</b>	<b>Unrealized Appreciation (Depreciation)/ Value</b>
Euro Fx Currency Futures – CME, expires March 2018 .....	53	\$8,000,019	<u>\$(166,288)</u>

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

*See accompanying notes to financial statements.*

**PROSHARES SHORT EURO**  
**SCHEDULE OF INVESTMENTS**  
**DECEMBER 31, 2016**

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(83% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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<sup>††</sup>**

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

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>††</sup> 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**  
STATEMENTS OF OPERATIONS

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Investment Income</b>			
Interest .....	\$ 75,953	\$ 32,959	\$ 4,504
<b>Expenses</b>			
Management fee .....	111,736	153,021	179,286
Brokerage commissions .....	1,844	2,666	3,979
Total expenses .....	<u>113,580</u>	<u>155,687</u>	<u>183,265</u>
Net investment income (loss) .....	<u>(37,627)</u>	<u>(122,728)</u>	<u>(178,761)</u>
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(1,161,987)	663,774	1,559,425
Short-term U.S. government and agency obligations .....	<u>(384)</u>	<u>33</u>	<u>218</u>
Net realized gain (loss) .....	<u>(1,162,371)</u>	<u>663,807</u>	<u>1,559,643</u>
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(299,188)	(110,538)	(141,893)
Short-term U.S. government and agency obligations .....	<u>(381)</u>	<u>12</u>	<u>(170)</u>
Change in net unrealized appreciation/depreciation .....	<u>(299,569)</u>	<u>(110,526)</u>	<u>(142,063)</u>
Net realized and unrealized gain (loss) .....	<u>(1,461,940)</u>	<u>553,281</u>	<u>1,417,580</u>
Net income (loss) .....	<u><u>\$(1,499,567)</u></u>	<u><u>\$ 430,553</u></u>	<u><u>\$1,238,819</u></u>

*See accompanying notes to financial statements.*



**PROSHARES SHORT EURO**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> . . . . .	\$15,770,088	\$17,510,898	\$ 14,021,804
Addition of 0, 50,000 and 550,000 shares, respectively . . . . .	—	2,109,382	23,563,492
Redemption of 150,000, 100,005 and 500,000 shares, respectively . . . . .	(6,278,641)	(4,280,745)	(21,313,217)
Net addition (redemption) of (150,000), (50,005) and 50,000 shares, respectively . . . . .	(6,278,641)	(2,171,363)	2,250,275
Net investment income (loss) . . . . .	(37,627)	(122,728)	(178,761)
Net realized gain (loss) . . . . .	(1,162,371)	663,807	1,559,643
Change in net unrealized appreciation/depreciation . . . . .	(299,569)	(110,526)	(142,063)
Net income (loss) . . . . .	(1,499,567)	430,553	1,238,819
<b>Shareholders' equity, end of period</b> . . . . .	<b>\$ 7,991,880</b>	<b>\$15,770,088</b>	<b>\$ 17,510,898</b>

*See accompanying notes to financial statements.*

**PROSHARES SHORT EURO**  
STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ (1,499,567)	\$ 430,553	\$ 1,238,819
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 .....	280,170	101,145	(260,865)
Purchases of short-term U.S. government and agency obligations .....	(52,920,382)	(53,315,548)	(56,503,913)
Proceeds from sales or maturities of short-term U.S government and agency obligations .....	59,163,769	55,336,935	53,441,831
Net amortization and accretion on short-term U.S government and agency obligations .....	(75,559)	(32,959)	(4,504)
Net realized gain (loss) on investments .....	384	(33)	(218)
Change in unrealized appreciation/depreciation on investments .....	381	(12)	170
Decrease (Increase) in receivable on futures contracts .....	—	84,235	(20,985)
Increase (Decrease) in payable to Sponsor .....	(6,149)	(1,409)	2,967
Increase (Decrease) in payable on futures contracts .....	(33,355)	76,666	—
Net cash provided by (used in) operating activities ....	<u>4,909,692</u>	<u>2,679,573</u>	<u>(2,106,698)</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	—	2,109,382	23,563,492
Payment on shares redeemed .....	(6,278,641)	(4,280,745)	(21,313,217)
Net cash provided by (used in) financing activities ....	<u>(6,278,641)</u>	<u>(2,171,363)</u>	<u>2,250,275</u>
<b>Net increase (decrease) in cash</b> .....	(1,368,949)	508,210	143,577
Cash, beginning of period .....	<u>2,292,012</u>	<u>1,783,802</u>	<u>1,640,225</u>
Cash, end of period .....	<u>\$ 923,063</u>	<u>\$ 2,292,012</u>	<u>\$ 1,783,802</u>

*See accompanying notes to financial statements.*

**PROSHARES SHORT VIX SHORT-TERM FUTURES ETF**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,468,000	\$ 1,850,760
Segregated cash balances with brokers for futures contracts .....	299,200,276	55,323,984
Short-term U.S. government and agency obligations (Note 3) (cost \$494,962,509 and \$170,391,741, respectively) .....	494,910,644	170,396,436
Receivable on open futures contracts .....	20,758,850	1,059,418
Total assets .....	<u>816,337,770</u>	<u>228,630,598</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	44,817,710	—
Payable on open futures contracts .....	528,750	325,000
Payable to Sponsor .....	827,439	230,211
Total liabilities .....	<u>46,173,899</u>	<u>555,211</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	<u>770,163,871</u>	<u>228,075,387</u>
Total liabilities and shareholders' equity .....	<u>\$816,337,770</u>	<u>\$228,630,598</u>
Shares outstanding (Note 1) .....	<u>6,050,000</u>	<u>5,000,000</u>
Net asset value per share (Note 1) .....	<u>\$ 127.30</u>	<u>\$ 45.62</u>
Market value per share (Note 1) (Note 2) .....	<u>\$ 128.21</u>	<u>\$ 45.49</u>

*See accompanying notes to financial statements.*

**PROSHARES SHORT VIX SHORT-TERM FUTURES ETF**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(64% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.209% due 02/08/18†	\$36,000,000	\$ 35,954,122
1.080% due 02/15/18	70,000,000	69,893,908
1.145% due 02/22/18†	87,000,000	86,846,558
1.155% due 03/01/18	60,000,000	59,876,748
1.256% due 03/08/18	70,000,000	69,835,696
1.271% due 03/15/18	63,000,000	62,837,460
1.277% due 03/22/18	75,000,000	74,780,280
1.267% due 03/29/18	35,000,000	34,885,872
Total short-term U.S. government and agency obligations (cost \$494,962,509) . . .		<u>\$494,910,644</u>

**Futures Contracts Sold**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
VIX Futures – CBOE, expires January 2018 . . . . .	38,015	\$436,222,125	\$21,493,549
VIX Futures – CBOE, expires February 2018 . . . . .	26,693	332,995,175	(4,452,100)
			<u>\$17,041,449</u>

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

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

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

**Futures Contracts Sold<sup>††</sup>**

	<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	(3,281,926)
			<u>\$(10,309,611)</u>

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>†</sup> All or partial amount pledged as collateral for futures contracts.

<sup>††</sup> 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**

STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 6,001,679	\$ 1,126,057	\$ 180,686
<b>Expenses</b>			
Management fee .....	7,147,223	4,448,808	4,043,491
Brokerage commissions .....	4,226,442	2,074,099	1,935,395
Brokerage fees .....	1,558	—	—
Total expenses .....	11,375,223	6,522,907	5,978,886
Net investment income (loss) .....	(5,373,544)	(5,396,850)	(5,798,200)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	897,400,516	440,391,389	69,793,028
Short-term U.S. government and agency obligations .....	(443)	(11,670)	35,629
Net realized gain (loss) .....	897,400,073	440,379,719	69,828,657
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	27,351,060	(21,056,026)	27,098,564
Short-term U.S. government and agency obligations .....	(56,560)	(6,824)	8,936
Change in net unrealized appreciation/depreciation .....	27,294,500	(21,062,850)	27,107,500
Net realized and unrealized gain (loss) .....	924,694,573	419,316,869	96,936,157
Net income (loss) .....	\$919,321,029	\$413,920,019	\$91,137,957

*See accompanying notes to financial statements.*

**PROSHARES SHORT VIX SHORT-TERM FUTURES ETF**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> . . . . .	\$ 228,075,387	\$ 642,811,361	\$ 506,556,124
Addition of 52,550,000, 105,900,000 and 48,200,000 shares, respectively (Note 1) . . . . .	3,985,678,031	2,867,628,691	1,403,231,166
Redemption of 51,500,000, 126,200,080 and 39,400,000 shares, respectively (Note 1) . . . . .	<u>(4,362,910,576)</u>	<u>(3,696,284,684)</u>	<u>(1,358,113,886)</u>
Net addition (redemption) of 1,050,000, (20,300,080) and 8,800,000 shares, respectively (Note 1) . . . . .	<u>(377,232,545)</u>	<u>(828,655,993)</u>	<u>45,117,280</u>
Net investment income (loss) . . . . .	(5,373,544)	(5,396,850)	(5,798,200)
Net realized gain (loss) . . . . .	897,400,073	440,379,719	69,828,657
Change in net unrealized appreciation/depreciation . . . . .	<u>27,294,500</u>	<u>(21,062,850)</u>	<u>27,107,500</u>
Net income (loss) . . . . .	<u>919,321,029</u>	<u>413,920,019</u>	<u>91,137,957</u>
<b>Shareholders' equity, end of period</b> . . . . .	<u><u>\$ 770,163,871</u></u>	<u><u>\$ 228,075,387</u></u>	<u><u>\$ 642,811,361</u></u>

*See accompanying notes to financial statements.*

**PROSHARES SHORT VIX SHORT-TERM FUTURES ETF**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) . . . . .	\$ 919,321,029	\$ 413,920,019	\$ 91,137,957
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 . . . . .	(243,876,292)	68,204,421	(38,283,455)
Purchases of short-term U.S. government and agency obligations . . . . .	(7,250,717,757)	(2,915,165,614)	(2,104,319,382)
Proceeds from sales or maturities of short-term U.S. government and agency obligations . . . . .	6,931,640,345	3,281,269,459	2,016,127,119
Net amortization and accretion on short-term U.S. government and agency obligations . . . . .	(5,493,799)	(1,126,057)	(180,670)
Net realized gain (loss) on investments . . . . .	443	11,670	(35,629)
Change in unrealized appreciation/depreciation on investments . . . . .	56,560	6,824	(8,936)
Decrease (Increase) in receivable on futures contracts . . . . .	(19,699,432)	(1,059,418)	—
Increase (Decrease) in payable to Sponsor . . . . .	597,228	(277,306)	100,052
Increase (Decrease) in payable on futures contracts . . . . .	203,750	(1,095,271)	(29,599,748)
Net cash provided by (used in) operating activities . . . . .	332,032,075	844,688,727	(65,062,692)
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares . . . . .	3,985,678,031	2,877,792,848	1,393,067,009
Payment on shares redeemed . . . . .	(4,318,092,866)	(3,725,781,791)	(1,331,975,560)
Net cash provided by (used in) financing activities . . . . .	(332,414,835)	(847,988,943)	61,091,449
<b>Net increase (decrease) in cash</b> . . . . .	(382,760)	(3,300,216)	(3,971,243)
Cash, beginning of period . . . . .	1,850,760	5,150,976	9,122,219
Cash, end of period . . . . .	\$ 1,468,000	\$ 1,850,760	\$ 5,150,976

*See accompanying notes to financial statements.*



**PROSHARES ULTRA BLOOMBERG CRUDE OIL**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,532,748	\$ 1,401,555
Segregated cash balances with brokers for futures contracts .....	8,796,755	20,609,600
Short-term U.S. government and agency obligations (Note 3) (cost \$459,543,053 and \$885,046,303, respectively) .....	459,515,902	885,050,007
Unrealized appreciation on swap agreements .....	62,238,361	55,358,571
Receivable on open futures contracts .....	2,242,001	—
Total assets .....	<u>534,325,767</u>	<u>962,419,733</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	9,464,420	25,879,004
Payable on open futures contracts .....	—	1,993,438
Brokerage commissions and fees payable .....	—	2,332
Payable to Sponsor .....	415,821	813,099
Total liabilities .....	<u>9,880,241</u>	<u>28,687,873</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	524,445,526	933,731,860
Total liabilities and shareholders' equity .....	<u>\$534,325,767</u>	<u>\$962,419,733</u>
Shares outstanding .....	<u>22,161,317</u>	<u>40,013,933</u>
Net asset value per share .....	<u>\$ 23.66</u>	<u>\$ 23.34</u>
Market value per share (Note 2) .....	<u>\$ 23.44</u>	<u>\$ 23.36</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA BLOOMBERG CRUDE OIL**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(88% of shareholders' equity)		
U.S. Treasury Bills^^:		
1.001% due 01/04/18†	\$63,000,000	\$ 62,996,081
1.022% due 01/11/18†	63,000,000	62,982,203
1.033% due 01/18/18†	38,000,000	37,979,564
1.082% due 01/25/18†	47,000,000	46,962,616
1.146% due 02/01/18†	41,000,000	40,957,635
1.118% due 02/08/18†	61,000,000	60,922,262
1.080% due 02/15/18†	50,000,000	49,924,220
1.145% due 02/22/18†	18,000,000	17,968,253
1.223% due 03/01/18†	29,000,000	28,940,428
1.256% due 03/08/18†	50,000,000	49,882,640
Total short-term U.S. government and agency obligations (cost \$459,543,053) . . .		<u>\$459,515,902</u>

**Futures Contracts Purchased**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
WTI Crude Oil – NYMEX, expires March 2018 . . . . .	3,854	\$232,935,760	\$11,945,979

**Total Return Swap Agreements^**

	<u>Rate Paid (Received)*</u>	<u>Termination Date</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
Swap agreement with Citibank, N.A. based on Bloomberg Crude Oil Sub-Index . . . . .	0.18%	01/08/18	\$268,156,276	\$19,815,892
Swap agreement with Goldman Sachs International based on Bloomberg Crude Oil Sub-Index . . . . .	0.25	01/08/18	213,961,079	16,654,031
Swap agreement with Societe Generale based on Bloomberg Crude Oil Sub-Index . . . . .	0.25	01/08/18	122,285,969	9,003,519
Swap agreement with UBS AG based on Bloomberg Crude Oil Sub-Index . . . . .	0.25	01/08/18	211,563,368	16,764,919
Total Unrealized Appreciation . . . . .				<u>\$62,238,361</u>

† All or partial amount pledged as collateral for swap agreements.

^ The positions and counterparties herein are as of December 31, 2017. 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, 2017, on the notional amount of the swap agreement paid to the counterparty or received from the counterparty, excluding any commissions. Total Return Swap Agreements payment is due at termination/maturity.

\*\* 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, 2016

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(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 Crude Oil Sub-Index . . . . .	0.18%	01/10/17	\$545,083,669	\$18,427,009
Swap agreement with Goldman Sachs International based on Bloomberg Crude Oil Sub-Index . . . . .	0.25	01/10/17	379,451,639	14,016,906
Swap agreement with Societe Generale based on Bloomberg Crude Oil Sub-Index . . . . .	0.25	01/10/17	259,616,766	8,661,821
Swap agreement with UBS AG based on Bloomberg Crude Oil Sub-Index . . . . .	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**

STATEMENTS OF OPERATIONS

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Investment Income</b>			
Interest .....	\$ 5,982,049	\$ 2,170,633	\$ 396,158
<b>Expenses</b>			
Management fee .....	7,120,247	8,263,078	8,230,180
Brokerage commissions .....	241,263	538,935	639,133
Total expenses .....	<u>7,361,510</u>	<u>8,802,013</u>	<u>8,869,313</u>
Net investment income (loss) .....	<u>(1,379,461)</u>	<u>(6,631,380)</u>	<u>(8,473,155)</u>
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	28,048,922	43,093,616	(297,227,106)
Swap agreements .....	(5,902,710)	30,967,424	(598,949,990)
Short-term U.S. government and agency obligations .....	(14,496)	(17,374)	22,728
Net realized gain (loss) .....	<u>22,131,716</u>	<u>74,043,666</u>	<u>(896,154,368)</u>
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	6,408,814	23,466,479	28,545,473
Swap agreements .....	6,879,790	127,535,160	4,004,508
Short-term U.S. government and agency obligations .....	(30,855)	5,463	(6,857)
Change in net unrealized appreciation/depreciation ...	<u>13,257,749</u>	<u>151,007,102</u>	<u>32,543,124</u>
Net realized and unrealized gain (loss) .....	<u>35,389,465</u>	<u>225,050,768</u>	<u>(863,611,244)</u>
Net income (loss) .....	<u>\$34,010,004</u>	<u>\$218,419,388</u>	<u>\$(872,084,399)</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA BLOOMBERG CRUDE OIL**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> . . . . .	\$ 933,731,860	\$ 783,922,475	\$ 450,562,988
Addition of 68,500,000, 62,875,000 and 43,415,000 shares, respectively . . . . .	1,156,816,574	1,094,604,444	2,505,616,928
Redemption of 86,352,616, 54,025,001 and 16,690,983 shares, respectively . . . . .	(1,600,112,912)	(1,163,214,447)	(1,300,173,042)
Net addition (redemption) of (17,852,616), 8,849,999 and 26,724,017 shares, respectively . . . . .	(443,296,338)	(68,610,003)	1,205,443,886
Net investment income (loss) . . . . .	(1,379,461)	(6,631,380)	(8,473,155)
Net realized gain (loss) . . . . .	22,131,716	74,043,666	(896,154,368)
Change in net unrealized appreciation/depreciation . . . . .	13,257,749	151,007,102	32,543,124
Net income (loss) . . . . .	34,010,004	218,419,388	(872,084,399)
<b>Shareholders' equity, end of period</b> . . . . .	<u>\$ 524,445,526</u>	<u>\$ 933,731,860</u>	<u>\$ 783,922,475</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA BLOOMBERG CRUDE OIL**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) . . . . .	\$ 34,010,004	\$ 218,419,388	\$ (872,084,399)
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 . . . . .	11,812,845	26,962,210	(12,966,690)
Purchases of short-term U.S. government and agency obligations . . . . .	(6,401,999,444)	(3,746,504,691)	(4,300,690,737)
Proceeds from sales or maturities of short-term U.S. government and agency obligations . . . . .	6,833,376,973	3,661,263,949	3,970,639,458
Net amortization and accretion on short-term U.S. government and agency obligations . . . . .	(5,888,775)	(2,170,633)	(382,657)
Net realized gain (loss) on investments . . . . .	14,496	17,374	(22,728)
Change in unrealized appreciation/depreciation on investments . . . . .	(6,848,935)	(127,540,623)	(3,997,651)
Decrease (Increase) in receivable on futures contracts . . . . .	(2,242,001)	5,150,763	(5,150,763)
Increase (Decrease) in payable to Sponsor . . . . .	(397,278)	176,115	316,922
Increase (Decrease) in brokerage commissions and fees payable . . . . .	(2,332)	(22,668)	25,000
Increase (Decrease) in payable on futures contracts . . . . .	(1,993,438)	1,993,438	(5,817,266)
Net cash provided by (used in) operating activities . . . . .	<u>459,842,115</u>	<u>37,744,622</u>	<u>(1,230,131,511)</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares . . . . .	1,156,816,574	1,099,498,953	2,529,448,592
Payment on shares redeemed . . . . .	(1,616,527,496)	(1,139,850,399)	(1,297,658,086)
Net cash provided by (used in) financing activities . . . . .	<u>(459,710,922)</u>	<u>(40,351,446)</u>	<u>1,231,790,506</u>
<b>Net increase (decrease) in cash</b> . . . . .	131,193	(2,606,824)	1,658,995
Cash, beginning of period . . . . .	1,401,555	4,008,379	2,349,384
Cash, end of period . . . . .	<u>\$ 1,532,748</u>	<u>\$ 1,401,555</u>	<u>\$ 4,008,379</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA BLOOMBERG NATURAL GAS**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 4,417,324	\$ 971,442
Segregated cash balances with brokers for futures contracts .....	10,299,573	7,612,770
Short-term U.S. government and agency obligations (Note 3) (cost \$50,963,586 and \$36,183,384, respectively) .....	50,961,356	36,183,648
Receivable from capital shares sold .....	326,440	—
Receivable on open futures contracts .....	1,520,156	—
Total assets .....	<u>67,524,849</u>	<u>44,767,860</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	4,211,794	—
Payable on open futures contracts .....	—	1,528,005
Brokerage commissions and fees payable .....	—	433
Payable to Sponsor .....	44,105	36,036
Total liabilities .....	<u>4,255,899</u>	<u>1,564,474</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	63,268,950	43,203,386
Total liabilities and shareholders' equity .....	<u>\$67,524,849</u>	<u>\$44,767,860</u>
Shares outstanding .....	<u>9,692,169</u>	<u>2,292,169</u>
Net asset value per share .....	<u>\$ 6.53</u>	<u>\$ 18.85</u>
Market value per share (Note 2) .....	<u>\$ 6.50</u>	<u>\$ 18.96</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA BLOOMBERG NATURAL GAS**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(81% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.000% due 01/04/18 .....	\$16,000,000	\$15,999,005
1.001% due 01/11/18 .....	9,000,000	8,997,457
1.033% due 01/18/18 .....	6,000,000	5,996,773
1.040% due 02/01/18 .....	8,000,000	7,991,734
1.145% due 02/22/18 .....	9,000,000	8,984,127
1.271% due 03/15/18 .....	3,000,000	2,992,260
Total short-term U.S. government and agency obligations (cost \$50,963,586) .....		\$50,961,356

**Futures Contracts Purchased**

	<b>Number of Contracts</b>	<b>Notional Amount at Value</b>	<b>Unrealized Appreciation (Depreciation)/ Value</b>
Natural Gas – NYMEX, expires March 2018 .....	4,355	\$126,556,300	\$7,225,810

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

*See accompanying notes to financial statements.*



**PROSHARES ULTRA BLOOMBERG NATURAL GAS**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(84% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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>\$36,183,648</u>

**Futures Contracts Purchased<sup>††</sup>**

	<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

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>††</sup> 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**

STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 339,079	\$ 72,943	\$ 20,167
<b>Expenses</b>			
Management fee .....	446,589	325,435	574,158
Brokerage commissions .....	126,252	131,994	207,344
Total expenses .....	<u>572,841</u>	<u>457,429</u>	<u>781,502</u>
Net investment income (loss) .....	<u>(233,762)</u>	<u>(384,486)</u>	<u>(761,335)</u>
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(40,793,265)	17,571,809	(100,776,817)
Short-term U.S. government and agency obligations .....	<u>(1,021)</u>	<u>(698)</u>	<u>4,341</u>
Net realized gain (loss) .....	<u>(40,794,286)</u>	<u>17,571,111</u>	<u>(100,772,476)</u>
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	4,689,090	(3,776,159)	41,202,162
Short-term U.S. government and agency obligations .....	<u>(2,494)</u>	<u>(819)</u>	<u>(296)</u>
Change in net unrealized appreciation/depreciation . . . .	<u>4,686,596</u>	<u>(3,776,978)</u>	<u>41,201,866</u>
Net realized and unrealized gain (loss) .....	<u>(36,107,690)</u>	<u>13,794,133</u>	<u>(59,570,610)</u>
Net income (loss) .....	<u><u>\$(36,341,452)</u></u>	<u><u>\$13,409,647</u></u>	<u><u>\$ (60,331,945)</u></u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA BLOOMBERG NATURAL GAS**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 43,203,386	\$ 38,851,184	\$ 70,433,207
Addition of 12,550,000, 3,450,000 and 2,137,500 shares, respectively .....	106,004,594	40,783,818	83,526,876
Redemption of 5,150,000, 3,250,001 and 1,187,815 shares, respectively .....	<u>(49,597,578)</u>	<u>(49,841,263)</u>	<u>(54,776,954)</u>
Net addition (redemption) of 7,400,000, 199,999 and 949,685 shares, respectively .....	<u>56,407,016</u>	<u>(9,057,445)</u>	<u>28,749,922</u>
Net investment income (loss) .....	(233,762)	(384,486)	(761,335)
Net realized gain (loss) .....	(40,794,286)	17,571,111	(100,772,476)
Change in net unrealized appreciation/depreciation .....	<u>4,686,596</u>	<u>(3,776,978)</u>	<u>41,201,866</u>
Net income (loss) .....	<u>(36,341,452)</u>	<u>13,409,647</u>	<u>(60,331,945)</u>
<b>Shareholders' equity, end of period</b> .....	<u><u>\$ 63,268,950</u></u>	<u><u>\$ 43,203,386</u></u>	<u><u>\$ 38,851,184</u></u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA BLOOMBERG NATURAL GAS**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) . . . . .	\$ (36,341,452)	\$ 13,409,647	\$ (60,331,945)
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 . . . . .	(2,686,803)	(17,490)	13,538,800
Purchases of short-term U.S. government and agency obligations . . . . .	(400,640,972)	(136,277,314)	(262,203,648)
Proceeds from sales or maturities of short-term U.S government and agency obligations . . . . .	386,173,028	126,972,823	288,829,035
Net amortization and accretion on short-term U.S government and agency obligations . . . . .	(313,279)	(72,943)	(18,846)
Net realized gain (loss) on investments . . . . .	1,021	698	(4,341)
Change in unrealized appreciation/depreciation on investments . . . . .	2,494	819	296
Decrease (Increase) in receivable on futures contracts . . .	(1,520,156)	3,065,769	(3,065,769)
Increase (Decrease) in payable to Sponsor . . . . .	8,069	10,926	(40,680)
Increase (Decrease) in brokerage commissions and fees payable . . . . .	(433)	(3,190)	3,623
Increase (Decrease) in payable on futures contracts . . . . .	(1,528,005)	1,528,005	(9,552,314)
Net cash provided by (used in) operating activities . . . . .	(56,846,488)	8,617,750	(32,845,789)
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares . . . . .	105,678,154	40,783,818	87,380,298
Payment on shares redeemed . . . . .	(45,385,784)	(49,841,263)	(54,776,954)
Net cash provided by (used in) financing activities . . . . .	60,292,370	(9,057,445)	32,603,344
<b>Net increase (decrease) in cash</b> . . . . .	3,445,882	(439,695)	(242,445)
Cash, beginning of period . . . . .	971,442	1,411,137	1,653,582
Cash, end of period . . . . .	\$ 4,417,324	\$ 971,442	\$ 1,411,137

*See accompanying notes to financial statements.*

**PROSHARES ULTRA EURO**  
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$1,416,427	\$ 606,393
Segregated cash balances with brokers for foreign currency forward contracts .....	922,000	—
Short-term U.S. government and agency obligations (Note 3) (cost \$6,996,595 and \$11,891,729, respectively) .....	6,996,235	11,891,831
Unrealized appreciation on foreign currency forward contracts .....	321,609	2,548
Total assets .....	<u>9,656,271</u>	<u>12,500,772</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable to Sponsor .....	7,298	9,629
Unrealized depreciation on foreign currency forward contracts .....	57,457	576,558
Total liabilities .....	<u>64,755</u>	<u>586,187</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	<u>9,591,516</u>	<u>11,914,585</u>
Total liabilities and shareholders' equity .....	<u>\$9,656,271</u>	<u>\$12,500,772</u>
Shares outstanding .....	<u>550,000</u>	<u>850,000</u>
Net asset value per share .....	<u>\$ 17.44</u>	<u>\$ 14.02</u>
Market value per share (Note 2) .....	<u>\$ 17.46</u>	<u>\$ 14.09</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA EURO**  
**SCHEDULE OF INVESTMENTS**  
**DECEMBER 31, 2017**

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(73% of shareholders' equity)		
U.S. Treasury Bills^^:		
1.033% due 01/18/18† . . . . .	\$7,000,000	\$6,996,235
Total short-term U.S. government and agency obligations (cost \$6,996,595) . . . . .		\$6,996,235

**Foreign Currency Forward Contracts^**

	<b>Settlement Date</b>	<b>Contract Amount in Local Currency</b>	<b>Contract Amount in U.S. Dollars</b>	<b>Unrealized Appreciation (Depreciation)/ Value</b>
<b>Contracts to Purchase</b>				
Euro with Goldman Sachs International . . . . .	01/12/18	8,921,525	\$10,550,545	\$159,093
Euro with UBS AG . . . . .	01/12/18	10,174,300	12,050,988	162,516
Total Unrealized Appreciation . . . . .				\$321,609
<b>Contracts to Sell</b>				
Euro with Goldman Sachs International . . . . .	01/12/18	(3,071,600)	\$(3,630,563)	\$(56,669)
Euro with UBS AG . . . . .	01/12/18	(37,900)	(44,709)	(788)
Total Unrealized Depreciation . . . . .				\$(57,457)

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

^ The positions and counterparties herein are as of December 31, 2017. 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, 2016**

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(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) . . .		\$11,891,831

**Foreign Currency Forward Contracts^**

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
<b>Contracts to Purchase</b>				
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)
				\$(573,401)
<b>Contracts to Sell</b>				
Euro with Goldman Sachs International . . . . .	01/13/17	(717,800)	\$ (756,196)	\$ (3,157)
Euro with UBS AG . . . . .	01/13/17	(264,000)	(278,121)	2,548
				\$ (609)

† 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**  
STATEMENTS OF OPERATIONS

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Investment Income</b>			
Interest .....	\$ 94,761	\$ 25,015	\$ 2,797
<b>Expenses</b>			
Management fee .....	124,543	99,537	106,868
Total expenses .....	124,543	99,537	106,868
Net investment income (loss) .....	(29,782)	(74,522)	(104,071)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Foreign currency forward contracts .....	2,212,313	138,959	(1,982,208)
Short-term U.S. government and agency obligations .....	(87)	154	(109)
Net realized gain (loss) .....	2,212,226	139,113	(1,982,317)
<b>Change in net unrealized appreciation/depreciation on</b>			
Foreign currency forward contracts .....	838,162	(1,178,930)	708,291
Short-term U.S. government and agency obligations .....	(462)	505	(369)
Change in net unrealized appreciation/depreciation .....	837,700	(1,178,425)	707,922
Net realized and unrealized gain (loss) .....	3,049,926	(1,039,312)	(1,274,395)
Net income (loss) .....	<u>\$3,020,144</u>	<u>\$(1,113,834)</u>	<u>\$(1,378,466)</u>

*See accompanying notes to financial statements.*



**PROSHARES ULTRA EURO**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 11,914,585	\$10,857,730	\$ 2,981,441
Addition of 1,600,000, 300,000 and 950,000 shares, respectively .....	25,220,169	4,628,749	15,916,613
Redemption of 1,900,000, 150,014 and 400,000 shares, respectively .....	(30,563,382)	(2,458,060)	(6,661,858)
Net addition (redemption) of (300,000), 149,986 and 550,000 shares, respectively .....	(5,343,213)	2,170,689	9,254,755
Net investment income (loss) .....	(29,782)	(74,522)	(104,071)
Net realized gain (loss) .....	2,212,226	139,113	(1,982,317)
Change in net unrealized appreciation/depreciation .....	837,700	(1,178,425)	707,922
Net income (loss) .....	3,020,144	(1,113,834)	(1,378,466)
<b>Shareholders' equity, end of period</b> .....	\$ 9,591,516	\$11,914,585	\$10,857,730

*See accompanying notes to financial statements.*

**PROSHARES ULTRA EURO**  
STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ 3,020,144	\$ (1,113,834)	\$ (1,378,466)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for foreign currency forward contracts .....	(922,000)	—	—
Purchases of short-term U.S. government and agency obligations .....	(57,793,329)	(48,066,675)	(42,137,395)
Proceeds from sales or maturities of short-term U.S government and agency obligations .....	62,783,137	47,805,780	32,950,150
Net amortization and accretion on short-term U.S government and agency obligations .....	(94,761)	(25,015)	(2,797)
Net realized gain (loss) on investments .....	87	(154)	109
Change in unrealized appreciation/depreciation on investments .....	(837,700)	1,178,425	(707,922)
Increase (Decrease) in payable to Sponsor .....	(2,331)	(415)	8,041
Net cash provided by (used in) operating activities ....	<u>6,153,247</u>	<u>(221,888)</u>	<u>(11,268,280)</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	25,220,169	4,628,749	15,916,613
Payment on shares redeemed .....	(30,563,382)	(4,027,778)	(5,092,140)
Net cash provided by (used in) financing activities ....	<u>(5,343,213)</u>	<u>600,971</u>	<u>10,824,473</u>
<b>Net increase (decrease) in cash</b> .....	810,034	379,083	(443,807)
Cash, beginning of period .....	606,393	227,310	671,117
Cash, end of period .....	<u>\$ 1,416,427</u>	<u>\$ 606,393</u>	<u>\$ 227,310</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA GOLD**

STATEMENTS OF FINANCIAL CONDITION

	<b>December 31, 2017</b>	<b>December 31, 2016</b>
<b>Assets</b>		
Cash .....	\$ 1,237,103	\$ 1,262,351
Segregated cash balances with brokers for futures contracts .....	8,800	13,200
Short-term U.S. government and agency obligations (Note 3) (cost \$88,890,367 and \$95,356,703, respectively) .....	88,884,844	95,356,621
Unrealized appreciation on forward agreements .....	3,646,355	—
Receivable on open futures contracts .....	2,420	—
Total assets .....	93,779,522	96,632,172
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable on open futures contracts .....	—	1,280
Payable to Sponsor .....	70,774	72,585
Unrealized depreciation on forward agreements .....	—	4,431,107
Total liabilities .....	70,774	4,504,972
Commitments and Contingencies (Note 2) .....		
<b>Shareholders' equity</b>		
Shareholders' equity .....	93,708,748	92,127,200
Total liabilities and shareholders' equity .....	\$93,779,522	\$96,632,172
Shares outstanding .....	2,350,000	2,800,000
Net asset value per share .....	\$ 39.88	\$ 32.90
Market value per share (Note 2) .....	\$ 40.67	\$ 33.20

*See accompanying notes to financial statements.*

**PROSHARES ULTRA GOLD**  
**SCHEDULE OF INVESTMENTS**  
**DECEMBER 31, 2017**

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(95% of shareholders' equity)		
U.S. Treasury Bills^^:		
1.000% due 01/04/18 .....	\$16,000,000	\$15,999,005
1.001% due 01/11/18† .....	12,000,000	11,996,610
1.033% due 01/18/18† .....	10,000,000	9,994,622
1.075% due 02/08/18† .....	12,000,000	11,984,707
1.080% due 02/15/18† .....	15,000,000	14,977,266
1.298% due 03/15/18† .....	16,000,000	15,958,720
1.267% due 03/29/18† .....	8,000,000	7,973,914
Total short-term U.S. government and agency obligations (cost \$88,890,367) .....		\$88,884,844

**Futures Contracts Purchased**

	<b>Number of Contracts</b>	<b>Notional Amount at Value</b>	<b>Unrealized Appreciation (Depreciation)/Value</b>
Gold Futures – COMEX, expires February 2018 .....	2	\$261,860	\$5,480

**Forward Agreements^**

	<b>Rate Paid (Received)*</b>	<b>Settlement Date</b>	<b>Commitment to (Deliver)/Receive</b>	<b>Notional Amount at Value**</b>	<b>Unrealized Appreciation (Depreciation)/Value</b>
Forward agreements with Citibank, N.A. based on 0.995 Fine Troy Ounce Gold .....	2.25%	01/08/18	\$53,800	\$69,494,536	\$1,513,310
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold .....	2.30	01/08/18	38,420	49,625,577	969,501
Forward agreements with Societe Generale based on 0.995 Fine Troy Ounce Gold .....	2.18	01/08/18	13,000	16,791,060	218,319
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold .....	2.36	01/08/18	39,700	51,280,490	945,225
Total Unrealized Appreciation .....					\$3,646,355

† All or partial amount pledged as collateral for forward agreements.

^ The positions and counterparties herein are as of December 31, 2017. 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, 2017 on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions. Forward Agreements payment is due at termination/maturity.

\*\* 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, 2016**

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(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 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 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

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 766,560	\$ 249,319	\$ 42,700
<b>Expenses</b>			
Management fee .....	902,841	900,227	839,083
Brokerage commissions .....	48	43	41
Total expenses .....	902,889	900,270	839,124
Net investment income (loss) .....	(136,329)	(650,951)	(796,424)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	2,839	29,500	(16,180)
Forward agreements .....	11,481,571	5,787,065	(18,589,635)
Short-term U.S. government and agency obligations .....	691	(806)	(393)
Net realized gain (loss) .....	11,485,101	5,815,759	(18,606,208)
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	24,440	(13,760)	(9,780)
Forward agreements .....	8,077,462	(2,180,512)	(4,301,749)
Short-term U.S. government and agency obligations .....	(5,441)	(4,389)	2,086
Change in net unrealized appreciation/depreciation .....	8,096,461	(2,198,661)	(4,309,443)
Net realized and unrealized gain (loss) .....	19,581,562	3,617,098	(22,915,651)
Net income (loss) .....	<u>\$19,445,233</u>	<u>\$ 2,966,147</u>	<u>\$(23,712,075)</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA GOLD**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 92,127,200	\$ 69,864,815	\$102,003,345
Addition of 650,000, 1,050,000 and 150,000 shares, respectively .....	23,949,465	41,599,776	5,401,300
Redemption of 1,100,000, 600,014 and 350,000 shares, respectively .....	(41,813,150)	(22,303,538)	(13,827,755)
Net addition (redemption) of (450,000), 449,986 and (200,000) shares, respectively .....	(17,863,685)	19,296,238	(8,426,455)
Net investment income (loss) .....	(136,329)	(650,951)	(796,424)
Net realized gain (loss) .....	11,485,101	5,815,759	(18,606,208)
Change in net unrealized appreciation/depreciation .....	8,096,461	(2,198,661)	(4,309,443)
Net income (loss) .....	19,445,233	2,966,147	(23,712,075)
<b>Shareholders' equity, end of period</b> .....	\$ 93,708,748	\$ 92,127,200	\$ 69,864,815

*See accompanying notes to financial statements.*

**PROSHARES ULTRA GOLD**  
STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ 19,445,233	\$ 2,966,147	\$ (23,712,075)
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 .....	4,400	(4,950)	550
Purchases of short-term U.S. government and agency obligations .....	(909,157,323)	(406,481,915)	(260,988,119)
Proceeds from sales or maturities of short-term U.S. government and agency obligations .....	916,390,856	383,282,007	291,047,782
Net amortization and accretion on short-term U.S. government and agency obligations .....	(766,506)	(249,321)	(42,700)
Net realized gain (loss) on investments .....	(691)	806	393
Change in unrealized appreciation/depreciation on investments .....	(8,072,021)	2,184,901	4,299,663
Decrease (Increase) in receivable on futures contracts ...	(2,420)	80	(80)
Increase (Decrease) in payable to Sponsor .....	(1,811)	15,554	(28,602)
Increase (Decrease) in payable on futures contracts .....	(1,280)	1,280	(3,260)
Net cash provided by (used in) operating activities .....	<u>17,838,437</u>	<u>(18,285,411)</u>	<u>10,573,552</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	23,949,465	41,599,776	5,401,300
Payment on shares redeemed .....	<u>(41,813,150)</u>	<u>(22,303,538)</u>	<u>(15,827,473)</u>
Net cash provided by (used in) financing activities .....	<u>(17,863,685)</u>	<u>19,296,238</u>	<u>(10,426,173)</u>
<b>Net increase (decrease) in cash</b> .....	(25,248)	1,010,827	147,379
Cash, beginning of period .....	<u>1,262,351</u>	<u>251,524</u>	<u>104,145</u>
Cash, end of period .....	<u>\$ 1,237,103</u>	<u>\$ 1,262,351</u>	<u>\$ 251,524</u>

*See accompanying notes to financial statements.*



**PROSHARES ULTRA SILVER**  
STATEMENTS OF FINANCIAL CONDITION

	<b>December 31, 2017</b>	<b>December 31, 2016</b>
<b>Assets</b>		
Cash .....	\$ 1,113,594	\$ 1,664,601
Segregated cash balances with brokers for futures contracts .....	10,340	14,300
Segregated cash balances with brokers for forward agreements .....	3,343,000	—
Short-term U.S. government and agency obligations (Note 3) (cost \$235,605,469 and \$295,296,440, respectively) .....	235,581,716	295,300,799
Unrealized appreciation on forward agreements .....	21,735,334	—
Receivable on open futures contracts .....	2,220	—
Total assets .....	261,786,204	296,979,700
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	3,354,851	—
Payable on open futures contracts .....	—	2,290
Payable to Sponsor .....	186,657	221,281
Unrealized depreciation on forward agreements .....	—	20,976,189
Total liabilities .....	3,541,508	21,199,760
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	258,244,696	275,779,940
Total liabilities and shareholders' equity .....	\$261,786,204	\$296,979,700
Shares outstanding .....	7,696,526	8,246,526
Net asset value per share .....	\$ 33.55	\$ 33.44
Market value per share (Note 2) .....	\$ 33.85	\$ 32.09

*See accompanying notes to financial statements.*

**PROSHARES ULTRA SILVER**  
**SCHEDULE OF INVESTMENTS**  
**DECEMBER 31, 2017**

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(91% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.001% due 01/04/18†	\$39,000,000	\$ 38,997,574
1.001% due 01/11/18†	15,000,000	14,995,763
1.126% due 02/01/18†	30,000,000	29,969,001
1.075% due 02/08/18†	25,000,000	24,968,140
1.080% due 02/15/18†	20,000,000	19,969,688
1.145% due 02/22/18†	9,000,000	8,984,127
1.231% due 03/01/18†	10,000,000	9,979,458
1.256% due 03/08/18†	15,000,000	14,964,792
1.271% due 03/15/18†	7,000,000	6,981,940
1.277% due 03/22/18	5,000,000	4,985,352
1.267% due 03/29/18†	11,000,000	10,964,131
1.292% due 04/05/18	50,000,000	49,821,750
Total short-term U.S. government and agency obligations (cost \$235,605,469)		\$235,581,716

**Futures Contracts Purchased**

	<b>Number of Contracts</b>	<b>Notional Amount at Value</b>	<b>Unrealized Appreciation (Depreciation)/ Value</b>
Silver Futures – COMEX, expires March 2018	2	\$171,450	\$1,600

**Forward Agreements<sup>^</sup>**

	<b>Rate Paid (Received)*</b>	<b>Settlement Date</b>	<b>Commitment to (Deliver)/Receive</b>	<b>Notional Amount at Value**</b>	<b>Unrealized Appreciation (Depreciation)/ Value</b>
Forward agreements with Citibank, N.A. based on 0.999 Fine Troy Ounce Silver	2.35%	01/08/18	\$10,403,000	\$175,548,544	\$ 7,201,744
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver	2.37	01/08/18	8,119,800	137,013,505	5,873,080
Forward agreements with Societe Generale based on 0.999 Fine Troy Ounce Silver	2.35	01/08/18	3,784,000	63,850,838	2,761,817
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver	2.50	01/08/18	8,293,000	139,941,058	5,898,693
Total Unrealized Appreciation					\$21,735,334

† All or partial amount pledged as collateral for forward agreements.

^ The positions and counterparties herein are as of December 31, 2017. 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, 2017, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions. Forward Agreements payment is due at termination/maturity.

\*\* 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, 2016**

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(107% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
0.318% due 01/05/17 <sup>†</sup> .....	\$52,000,000	\$ 51,998,887
0.354% due 01/12/17 <sup>†</sup> .....	68,895,000	68,888,200
0.339% due 01/19/17 <sup>†</sup> .....	27,000,000	26,995,021
0.371% due 01/26/17 .....	2,000,000	1,999,470
0.394% due 02/02/17 <sup>†</sup> .....	9,500,000	9,496,715
0.452% due 02/09/17 <sup>†</sup> .....	76,000,000	75,965,633
0.423% due 02/16/17 <sup>†</sup> .....	36,000,000	35,980,420
0.491% due 02/23/17 <sup>†</sup> .....	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<sup>††</sup>**

	<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<sup>^</sup>**

	<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>

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

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

<sup>^</sup> 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.

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>\*</sup> 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.

<sup>\*\*</sup> 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

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 2,142,183	\$ 842,215	\$ 156,353
<b>Expenses</b>			
Management fee .....	2,551,877	3,021,562	2,664,160
Brokerage commissions .....	58	45	52
Total expenses .....	2,551,935	3,021,607	2,664,212
Net investment income (loss) .....	(409,752)	(2,179,392)	(2,507,859)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(21,522)	45,750	(19,600)
Forward agreements .....	(31,741,312)	62,296,691	(78,289,709)
Short-term U.S. government and agency obligations .....	207	145	(441)
Net realized gain (loss) .....	(31,762,627)	62,342,586	(78,309,750)
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	28,960	(18,330)	(7,470)
Forward agreements .....	42,711,523	1,584,912	(10,165,981)
Short-term U.S. government and agency obligations .....	(28,112)	4,909	(9,125)
Change in net unrealized appreciation/depreciation .....	42,712,371	1,571,491	(10,182,576)
Net realized and unrealized gain (loss) .....	10,949,744	63,914,077	(88,492,326)
Net income (loss) .....	<u>\$ 10,539,992</u>	<u>\$61,734,685</u>	<u>\$(91,000,185)</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA SILVER**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> . . . . .	\$275,779,940	\$ 216,416,642	\$291,169,743
Addition of 1,550,000, 2,800,000 and 2,700,000 shares, respectively . . . . .	50,514,699	104,165,405	96,078,803
Redemption of 2,100,000, 2,550,007 and 2,100,000 shares, respectively . . . . .	<u>(78,589,935)</u>	<u>(106,536,792)</u>	<u>(79,831,719)</u>
Net addition (redemption) of (550,000), 249,993 and 600,000 shares, respectively . . . . .	<u>(28,075,236)</u>	<u>(2,371,387)</u>	<u>16,247,084</u>
Net investment income (loss) . . . . .	(409,752)	(2,179,392)	(2,507,859)
Net realized gain (loss) . . . . .	(31,762,627)	62,342,586	(78,309,750)
Change in net unrealized appreciation/depreciation . . . . .	<u>42,712,371</u>	<u>1,571,491</u>	<u>(10,182,576)</u>
Net income (loss) . . . . .	<u>10,539,992</u>	<u>61,734,685</u>	<u>(91,000,185)</u>
<b>Shareholders' equity, end of period</b> . . . . .	<u><u>\$258,244,696</u></u>	<u><u>\$ 275,779,940</u></u>	<u><u>\$216,416,642</u></u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA SILVER**  
STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ 10,539,992	\$ 61,734,685	\$ (91,000,185)
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 .....	3,960	2,860	(2,860)
Decrease (Increase) in segregated cash balances with brokers for forward agreements .....	(3,343,000)	—	—
Purchases of short-term U.S. government and agency obligations .....	(2,227,503,877)	(1,412,194,485)	(835,846,036)
Proceeds from sales or maturities of short-term U.S. government and agency obligations .....	2,289,337,181	1,356,640,583	902,567,408
Net amortization and accretion on short-term U.S. government and agency obligations .....	(2,142,126)	(842,217)	(156,353)
Net realized gain (loss) on investments .....	(207)	(145)	441
Change in unrealized appreciation/depreciation on investments .....	(42,683,411)	(1,589,821)	10,175,106
Decrease (Increase) in receivable on futures contracts .....	(2,220)	—	—
Increase (Decrease) in payable to Sponsor .....	(34,624)	40,213	(72,982)
Increase (Decrease) in payable on futures contracts .....	(2,290)	415	(4,895)
Net cash provided by (used in) operating activities .....	<u>24,169,378</u>	<u>3,792,088</u>	<u>(14,340,356)</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	50,514,699	104,165,405	96,078,803
Payment on shares redeemed .....	(75,235,084)	(106,536,792)	(81,799,551)
Net cash provided by (used in) financing activities .....	<u>(24,720,385)</u>	<u>(2,371,387)</u>	<u>14,279,252</u>
<b>Net increase (decrease) in cash</b> .....	(551,007)	1,420,701	(61,104)
Cash, beginning of period .....	<u>1,664,601</u>	<u>243,900</u>	<u>305,004</u>
Cash, end of period .....	<u>\$ 1,113,594</u>	<u>\$ 1,664,601</u>	<u>\$ 243,900</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,539,237	\$ 10,969,955
Segregated cash balances with brokers for futures contracts .....	87,211,683	71,363,625
Short-term U.S. government and agency obligations (Note 3) (cost \$287,546,397 and \$434,676,067, respectively) .....	287,533,132	434,671,795
Receivable from capital shares sold .....	516,930	—
Receivable on open futures contracts .....	17,578,451	35,967,191
Total assets .....	<u>394,379,433</u>	<u>552,972,566</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	—	36,789,539
Payable to Sponsor .....	344,292	424,273
Total liabilities .....	<u>344,292</u>	<u>37,213,812</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	394,035,141	515,758,754
Total liabilities and shareholders' equity .....	<u>\$394,379,433</u>	<u>\$552,972,566</u>
Shares outstanding (Note 1) .....	<u>38,127,238</u>	<u>2,965,383</u>
Net asset value per share (Note 1) .....	<u>\$ 10.33</u>	<u>\$ 173.93</u>
Market value per share (Note 1)(Note 2) .....	<u>\$ 10.21</u>	<u>\$ 175.00</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(73% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.001% due 01/11/18 <sup>†</sup> .....	\$48,000,000	\$ 47,986,440
1.174% due 01/25/18 <sup>†</sup> .....	34,000,000	33,972,956
1.201% due 02/01/18 <sup>†</sup> .....	22,000,000	21,977,268
1.075% due 02/08/18 <sup>†</sup> .....	45,000,000	44,942,652
1.080% due 02/15/18 <sup>†</sup> .....	12,000,000	11,981,813
1.264% due 03/01/18 <sup>†</sup> .....	40,000,000	39,917,832
1.256% due 03/08/18 <sup>†</sup> .....	25,000,000	24,941,320
1.319% due 03/15/18 <sup>†</sup> .....	31,000,000	30,920,020
1.267% due 03/29/18 <sup>†</sup> .....	11,000,000	10,964,131
1.292% due 04/05/18 <sup>†</sup> .....	20,000,000	19,928,700
Total short-term U.S. government and agency obligations (cost \$287,546,397) . . .		<u>\$287,533,132</u>

**Futures Contracts Purchased**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
VIX Futures – CBOE, expires January 2018 .....	39,057	\$448,179,075	\$(38,440,762)
VIX Futures – CBOE, expires February 2018 .....	27,298	340,542,550	3,974,642
			<u>\$(34,466,120)</u>

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>†</sup> All or partial amount pledged as collateral for futures contracts.

*See accompanying notes to financial statements.*



**PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(84% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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††**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)</u>
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>

<sup>^^</sup> 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**

STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 3,040,059	\$ 1,639,964	\$ 156,187
<b>Expenses</b>			
Management fee .....	3,960,999	6,417,822	4,362,460
Brokerage commissions .....	3,970,588	4,158,919	3,203,875
Brokerage fees .....	4,533	—	—
Total expenses .....	7,936,120	10,576,741	7,566,335
Net investment income (loss) .....	(4,896,061)	(8,936,777)	(7,410,148)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(1,020,750,851)	(1,567,340,688)	(392,174,228)
Short-term U.S. government and agency obligations .....	(21,942)	15,949	(49,718)
Net realized gain (loss) .....	(1,020,772,793)	(1,567,324,739)	(392,223,946)
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(26,493,883)	(19,866,703)	(27,690,787)
Short-term U.S. government and agency obligations .....	(8,993)	(28,844)	26,647
Change in net unrealized appreciation/depreciation .....	(26,502,876)	(19,895,547)	(27,664,140)
Net realized and unrealized gain (loss) .....	(1,047,275,669)	(1,587,220,286)	(419,888,086)
Net income (loss) .....	\$(1,052,171,730)	\$(1,596,157,063)	\$(427,298,234)

*See accompanying notes to financial statements.*

**PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> . . . . .	\$ 515,758,754	\$ 547,708,740	\$ 351,789,953
Addition of 85,585,000, 7,239,500 and 721,800 shares, respectively (Note 1) . . . . .	2,602,989,881	4,540,375,465	3,192,766,319
Redemption of 50,423,145, 4,469,142 and 554,815 shares, respectively (Note 1) . . . . .	(1,672,541,764)	(2,976,168,388)	(2,569,549,298)
Net addition (redemption) of 35,161,855, 2,770,358 and 166,985 shares, respectively (Note 1) . . . . .	930,448,117	1,564,207,077	623,217,021
Net investment income (loss) . . . . .	(4,896,061)	(8,936,777)	(7,410,148)
Net realized gain (loss) . . . . .	(1,020,772,793)	(1,567,324,739)	(392,223,946)
Change in net unrealized appreciation/depreciation . . . . .	(26,502,876)	(19,895,547)	(27,664,140)
Net income (loss) . . . . .	(1,052,171,730)	(1,596,157,063)	(427,298,234)
<b>Shareholders' equity, end of period</b> . . . . .	<u>\$ 394,035,141</u>	<u>\$ 515,758,754</u>	<u>\$ 547,708,740</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA VIX SHORT-TERM FUTURES ETF**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$(1,052,171,730)	\$(1,596,157,063)	\$ (427,298,234)
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 .....	(15,848,058)	(9,015,025)	54,559,100
Purchases of short-term U.S. government and agency obligations .....	(4,416,383,420)	(4,242,730,514)	(3,411,109,730)
Proceeds from sales or maturities of short-term U.S. government and agency obligations .....	4,566,387,313	4,248,037,733	3,155,524,185
Net amortization and accretion on short-term U.S. government and agency obligations .....	(2,896,165)	(1,634,060)	(156,187)
Net realized gain (loss) on investments .....	21,942	(15,949)	49,718
Change in unrealized appreciation/depreciation on investments .....	8,993	28,844	(26,647)
Decrease (Increase) in receivable on futures contracts .....	18,388,740	(17,971,713)	24,535,963
Increase (Decrease) in payable to Sponsor .....	(79,981)	(3,115)	124,528
Net cash provided by (used in) operating activities .....	(902,572,366)	(1,619,460,862)	(603,797,304)
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	2,602,472,951	4,573,362,937	3,172,328,095
Payment on shares redeemed .....	(1,709,331,303)	(2,952,014,084)	(2,563,186,119)
Net cash provided by (used in) financing activities .....	893,141,648	1,621,348,853	609,141,976
<b>Net increase (decrease) in cash</b> .....	(9,430,718)	1,887,991	5,344,672
Cash, beginning of period .....	10,969,955	9,081,964	3,737,292
Cash, end of period .....	\$ 1,539,237	\$ 10,969,955	\$ 9,081,964

*See accompanying notes to financial statements.*

**PROSHARES ULTRA YEN**  
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 903,472	\$ 604,691
Short-term U.S. government and agency obligations (Note 3) (cost \$1,998,216 and \$5,283,104, respectively) .....	1,997,933	5,282,879
Unrealized appreciation on foreign currency forward contracts .....	—	379
Total assets .....	<u>2,901,405</u>	<u>5,887,949</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable to Sponsor .....	2,312	4,537
Unrealized depreciation on foreign currency forward contracts .....	34,824	342,455
Total liabilities .....	<u>37,136</u>	<u>346,992</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	<u>2,864,269</u>	<u>5,540,957</u>
Total liabilities and shareholders' equity .....	<u>\$2,901,405</u>	<u>\$5,887,949</u>
Shares outstanding .....	<u>49,970</u>	<u>99,970</u>
Net asset value per share .....	<u>\$ 57.32</u>	<u>\$ 55.43</u>
Market value per share (Note 2) .....	<u>\$ 57.45</u>	<u>\$ 55.52</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRA YEN**  
**SCHEDULE OF INVESTMENTS**  
**DECEMBER 31, 2017**

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(70% of shareholders' equity)		
U.S. Treasury Bills^^:		
1.040% due 02/01/18† . . . . .	\$2,000,000	\$1,997,933
Total short-term U.S. government and agency obligations (cost \$1,998,216) . . . . .		\$1,997,933

**Foreign Currency Forward Contracts^**

	<b>Settlement Date</b>	<b>Contract Amount in Local Currency</b>	<b>Contract Amount in U.S.Dollars</b>	<b>Unrealized Appreciation (Depreciation)/ Value</b>
<b>Contracts to Purchase</b>				
Yen with Goldman Sachs International . . . . .	01/12/18	325,511,500	\$2,907,183	\$(17,243)
Yen with UBS AG . . . . .	01/12/18	331,666,700	2,961,858	(17,271)
				\$(34,514)
<b>Contracts to Sell</b>				
Yen with Goldman Sachs International . . . . .	01/12/18	(8,564,800)	\$ (75,872)	\$ (167)
Yen with UBS AG . . . . .	01/12/18	(3,336,100)	(29,476)	(143)
				\$ (310)
Total Unrealized Depreciation . . . . .				\$(34,824)

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

^ The positions and counterparties herein are as of December 31, 2017. 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**  
**SCHEDULE OF INVESTMENTS**  
**DECEMBER 31, 2016**

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(95% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
0.210% due 01/05/17 <sup>†</sup> .....	\$ 150,000	\$ 149,997
0.270% due 01/12/17 .....	480,000	479,953
0.311% due 01/26/17 <sup>†</sup> .....	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) .....		<b>\$5,282,879</b>

**Foreign Currency Forward Contracts<sup>^</sup>**

	<b>Settlement Date</b>	<b>Local Currency</b>	<b>Notional Amount at Value (USD)</b>	<b>Unrealized Appreciation (Depreciation)</b>
<b>Contracts to Purchase</b>				
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)
				<b>\$(342,455)</b>
<b>Contracts to Sell</b>				
Yen with Goldman Sachs International .....	01/13/17	(57,041,600)	\$ (488,372)	\$ 379
				<b>\$ 379</b>

<sup>†</sup> All or partial amount pledged as collateral for foreign currency forward contracts.

<sup>^</sup> 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.

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

*See accompanying notes to financial statements.*

**PROSHARES ULTRA YEN**  
STATEMENTS OF OPERATIONS

	<u>Year Ended December 31,</u>		
	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Investment Income</b>			
Interest .....	\$ 28,639	\$ 16,858	\$ 3,609
<b>Expenses</b>			
Management fee .....	50,521	62,705	48,032
Total expenses .....	50,521	62,705	48,032
Net investment income (loss) .....	(21,882)	(45,847)	(44,423)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Foreign currency forward contracts .....	(46,195)	717,086	(472,913)
Short-term U.S. government and agency obligations .....	(83)	(34)	6
Net realized gain (loss) .....	(46,278)	717,052	(472,907)
<b>Change in net unrealized appreciation/depreciation on</b>			
Foreign currency forward contracts .....	307,252	(603,387)	276,556
Short-term U.S. government and agency obligations .....	(58)	(510)	260
Change in net unrealized appreciation/depreciation .....	307,194	(603,897)	276,816
Net realized and unrealized gain (loss) .....	260,916	113,155	(196,091)
Net income (loss) .....	<u>\$239,034</u>	<u>\$ 67,308</u>	<u>\$(240,514)</u>

*See accompanying notes to financial statements.*



**PROSHARES ULTRA YEN**  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> . . . . .	\$ 5,540,957	\$5,473,848	\$2,118,028
Addition of 0, 0 and 75,000 shares, respectively . . . . .	—	—	4,285,016
Redemption of 50,000, 4 and 12,530 shares, respectively . . . . .	(2,915,722)	(199)	(688,682)
Net addition (redemption) of (50,000), (4) and 62,470 shares, respectively . . . . .	(2,915,722)	(199)	3,596,334
Net investment income (loss) . . . . .	(21,882)	(45,847)	(44,423)
Net realized gain (loss) . . . . .	(46,278)	717,052	(472,907)
Change in net unrealized appreciation/depreciation . . . . .	307,194	(603,897)	276,816
Net income (loss) . . . . .	239,034	67,308	(240,514)
<b>Shareholders' equity, end of period</b> . . . . .	\$ 2,864,269	\$5,540,957	\$5,473,848

*See accompanying notes to financial statements.*

**PROSHARES ULTRA YEN**  
STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) . . . . .	\$ 239,034	\$ 67,308	\$ (240,514)
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 . . . . .	(16,968,159)	(28,924,289)	(12,557,564)
Proceeds from sales or maturities of short-term U.S government and agency obligations . . . . .	20,281,603	28,727,215	8,779,817
Net amortization and accretion on short-term U.S government and agency obligations . . . . .	(28,639)	(16,858)	(3,609)
Net realized gain (loss) on investments . . . . .	83	34	(6)
Change in unrealized appreciation/depreciation on investments . . . . .	(307,194)	603,897	(276,816)
Increase (Decrease) in payable to Sponsor . . . . .	(2,225)	212	2,810
Net cash provided by (used in) operating activities . . . .	<u>3,214,503</u>	<u>457,519</u>	<u>(4,295,882)</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares . . . . .	—	—	4,285,016
Payment on shares redeemed . . . . .	(2,915,722)	(199)	(688,682)
Net cash provided by (used in) financing activities . . . .	<u>(2,915,722)</u>	<u>(199)</u>	<u>3,596,334</u>
<b>Net increase (decrease) in cash</b> . . . . .	298,781	457,320	(699,548)
Cash, beginning of period . . . . .	604,691	147,371	846,919
Cash, end of period . . . . .	<u>\$ 903,472</u>	<u>\$ 604,691</u>	<u>\$ 147,371</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X CRUDE OIL ETF\***

**STATEMENT OF FINANCIAL CONDITION**

	<u>December 31, 2017</u>
<b>Assets</b>	
Cash .....	\$ 9,683,852
Segregated cash balances with brokers for futures contracts .....	1,285,048
Receivable on open futures contracts .....	289,395
Offering costs (Note 5) .....	52,846
Limitation by Sponsor .....	24,342
Total assets .....	<u>11,335,483</u>
<b>Liabilities and shareholders' equity</b>	
<b>Liabilities</b>	
Commitments and Contingencies (Note 2)	
<b>Shareholders' equity</b>	
Shareholders' equity .....	<u>11,335,483</u>
Total liabilities and shareholders' equity .....	<u>\$11,335,483</u>
Shares outstanding .....	<u>300,008</u>
Net asset value per share .....	<u>\$ 37.78</u>
Market value per share (Note 2) .....	<u>\$ 37.23</u>

\* Since the Fund's inception date was January 13, 2017, the Statement of Financial Condition as of December 31, 2016 has not been provided.

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X CRUDE OIL ETF**

**SCHEDULE OF INVESTMENTS**

**DECEMBER 31, 2017**

**Futures Contracts Purchased**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
WTI Crude Oil – NYMEX, expires March 2018 .....	563	\$34,027,720	\$1,417,998

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X CRUDE OIL ETF\***

STATEMENT OF OPERATIONS

	<u>January 13, 2017 (Inception) through December 31, 2017</u>
<b>Investment Income</b>	
Interest .....	\$ 9,696
<b>Expenses</b>	
Brokerage commissions .....	34,408
Brokerage fees .....	67
Offering costs .....	119,081
Limitation by Sponsor .....	<u>(24,342)</u>
Total expenses .....	<u>129,214</u>
Net investment income (loss) .....	<u>(119,518)</u>
<b>Realized and unrealized gain (loss) on investment activity</b>	
<b>Net realized gain (loss) on</b>	
Futures contracts .....	<u>6,018,618</u>
Net realized gain (loss) .....	<u>6,018,618</u>
<b>Change in net unrealized appreciation/depreciation on</b>	
Futures contracts .....	<u>1,417,998</u>
Change in net unrealized appreciation/depreciation .....	<u>1,417,998</u>
Net realized and unrealized gain (loss) .....	<u>7,436,616</u>
Net income (loss) .....	<u><u>\$7,317,098</u></u>

\* Since the Fund's inception date was January 13, 2017, the Statements of Operations for the years ended December 31, 2016 and December 31, 2015 have not been provided.

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X CRUDE OIL ETF\***  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

	<u>January 13, 2017 (Inception) through December 31, 2017</u>
<b>Shareholders' equity, at January 13, 2017 (Inception)</b> .....	\$ —
Addition of 1,750,008 shares .....	40,659,738
Redemption of 1,450,000 shares .....	<u>(36,641,353)</u>
Net addition (redemption) of 300,008 shares .....	4,018,385
Net investment income (loss) .....	(119,518)
Net realized gain (loss) .....	6,018,618
Change in net unrealized appreciation/depreciation .....	<u>1,417,998</u>
Net income (loss) .....	7,317,098
<b>Shareholders' equity, end of period</b> .....	<u><u>\$ 11,335,483</u></u>

\* Since the Fund's inception date was January 13, 2017, the Statements of Changes in Shareholders' Equity for the years ended December 31, 2016 and December 31, 2015 have not been provided.

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X CRUDE OIL ETF\***

STATEMENT OF CASH FLOWS

	<u>January 13, 2017 (Inception) through December 31, 2017</u>
<b>Cash flow from operating activities</b>	
Net income (loss) .....	\$ 7,317,098
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 .....	(1,285,048)
Decrease (Increase) in receivable on futures contracts .....	(289,395)
Decrease (Increase) in Limitation by Sponsor .....	(24,342)
Cash paid for offering costs .....	(171,927)
Amortization of offering costs .....	119,081
Net cash provided by (used in) operating activities .....	<u>5,665,467</u>
<b>Cash flow from financing activities</b>	
Proceeds from addition of shares .....	40,659,738
Payment on shares redeemed .....	(36,641,353)
Net cash provided by (used in) financing activities .....	<u>4,018,385</u>
<b>Net increase (decrease) in cash</b> .....	<u>9,683,852</u>
Cash, beginning of period .....	—
Cash, end of period .....	<u>\$ 9,683,852</u>

\* Since the Fund's inception date was January 13, 2017, the Statements of Cash Flows for the years ended December 31, 2016 and December 31, 2015 have not been provided.

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X SHORT CRUDE OIL ETF\***

STATEMENT OF FINANCIAL CONDITION

	<u>December 31, 2017</u>
<b>Assets</b>	
Cash .....	\$19,203,543
Segregated cash balances with brokers for futures contracts .....	2,396,625
Offering costs (Note 5) .....	52,797
Limitation by Sponsor .....	35,309
Total assets .....	<u>21,688,274</u>
<b>Liabilities and shareholders' equity</b>	
<b>Liabilities</b>	
Payable on open futures contracts .....	<u>527,098</u>
Total liabilities .....	<u>527,098</u>
Commitments and Contingencies (Note 2)	
<b>Shareholders' equity</b>	
Shareholders' equity .....	<u>21,161,176</u>
Total liabilities and shareholders' equity .....	<u>\$21,688,274</u>
Shares outstanding .....	<u>2,000,008</u>
Net asset value per share .....	<u>\$ 10.58</u>
Market value per share (Note 2) .....	<u>\$ 10.72</u>

\* Since the Fund's inception date was January 13, 2017, the Statement of Financial Condition as of December 31, 2016 has not been provided.

*See accompanying notes to financial statements.*



**PROSHARES ULTRAPRO 3X SHORT CRUDE OIL ETF**

**SCHEDULE OF INVESTMENTS**

**DECEMBER 31, 2017**

**Futures Contracts Sold**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
WTI Crude Oil – NYMEX, expires March 2018 .....	1,050	\$63,462,000	\$(2,988,155)

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X SHORT CRUDE OIL ETF\***

STATEMENT OF OPERATIONS

	<u>January 13, 2017 (Inception) through December 31, 2017</u>
<b>Investment Income</b>	
Interest .....	\$ 5,930
<b>Expenses</b>	
Brokerage commissions .....	32,624
Brokerage fees .....	135
Offering costs .....	119,070
Limitation by Sponsor .....	(35,309)
Total expenses .....	<u>116,520</u>
Net investment income (loss) .....	<u>(110,590)</u>
<b>Realized and unrealized gain (loss) on investment activity</b>	
<b>Net realized gain (loss) on</b>	
Futures contracts .....	<u>(7,046,628)</u>
Net realized gain (loss) .....	<u>(7,046,628)</u>
<b>Change in net unrealized appreciation/depreciation on</b>	
Futures contracts .....	<u>(2,988,155)</u>
Change in net unrealized appreciation/depreciation .....	<u>(2,988,155)</u>
Net realized and unrealized gain (loss) .....	<u>(10,034,783)</u>
Net income (loss) .....	<u><u>\$(10,145,373)</u></u>

\* Since the Fund's inception date was January 13, 2017, the Statements of Operations for the years ended December 31, 2016 and December 31, 2015 have not been provided.

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X SHORT CRUDE OIL ETF\***  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**

	<u>January 13, 2017 (Inception) through December 31, 2017</u>
<b>Shareholders' equity, at January 13, 2017 (Inception)</b> .....	\$ —
Addition of 2,300,008 shares .....	38,429,372
Redemption of 300,000 shares .....	<u>(7,122,823)</u>
Net addition (redemption) of 2,000,008 shares .....	<u>31,306,549</u>
Net investment income (loss) .....	(110,590)
Net realized gain (loss) .....	(7,046,628)
Change in net unrealized appreciation/depreciation .....	<u>(2,988,155)</u>
Net income (loss) .....	<u>(10,145,373)</u>
<b>Shareholders' equity, end of period</b> .....	<u><u>\$ 21,161,176</u></u>

\* Since the Fund's inception date was January 13, 2017, the Statements of Changes in Shareholders' Equity for the years ended December 31, 2016 and December 31, 2015 have not been provided.

*See accompanying notes to financial statements.*

**PROSHARES ULTRAPRO 3X SHORT CRUDE OIL ETF\***

**STATEMENT OF CASH FLOWS**

	<u>January 13, 2017 (Inception) through December 31, 2017</u>
<b>Cash flow from operating activities</b>	
Net income (loss) .....	\$(10,145,373)
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 .....	(2,396,625)
Decrease (Increase) in Limitation by Sponsor .....	(35,309)
Cash paid for offering costs .....	(171,867)
Amortization of offering costs .....	119,070
Increase (Decrease) in payable on futures contracts .....	527,098
Net cash provided by (used in) operating activities .....	<u>(12,103,006)</u>
<b>Cash flow from financing activities</b>	
Proceeds from addition of shares .....	38,429,372
Payment on shares redeemed .....	(7,122,823)
Net cash provided by (used in) financing activities .....	<u>31,306,549</u>
<b>Net increase (decrease) in cash</b> .....	<u>19,203,543</u>
Cash, beginning of period .....	—
Cash, end of period .....	<u>\$ 19,203,543</u>

\* Since the Fund's inception date was January 13, 2017, the Statements of Cash Flows for the years ended December 31, 2016 and December 31, 2015 have not been provided.

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT AUSTRALIAN DOLLAR**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,297,022	\$ 2,834,389
Segregated cash balances with brokers for futures contracts .....	485,375	914,760
Short-term U.S. government and agency obligations (Note 3) (cost \$11,984,898 and \$12,909,895, respectively) .....	11,983,904	12,909,619
Total assets .....	<u>13,766,301</u>	<u>16,658,768</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable on open futures contracts .....	52,950	32,340
Payable to Sponsor .....	11,249	12,955
Total liabilities .....	<u>64,199</u>	<u>45,295</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	13,702,102	16,613,473
Total liabilities and shareholders' equity .....	<u>\$13,766,301</u>	<u>\$16,658,768</u>
Shares outstanding .....	<u>300,000</u>	<u>300,000</u>
Net asset value per share .....	<u>\$ 45.67</u>	<u>\$ 55.38</u>
Market value per share (Note 2) .....	<u>\$ 45.72</u>	<u>\$ 55.24</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT AUSTRALIAN DOLLAR**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(87% of shareholders' equity)		
U.S. Treasury Bills^^:		
1.033% due 01/18/18 .....	\$7,000,000	\$ 6,996,235
1.209% due 02/08/18 .....	2,000,000	1,997,451
1.267% due 03/29/18 .....	3,000,000	2,990,218
Total short-term U.S. government and agency obligations (cost \$11,984,898) . . .		<u><u>\$11,983,904</u></u>

**Futures Contracts Sold**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
Australian Dollar Fx Currency Futures – CME, expires March 2018 .....	353	\$27,572,830	\$(893,220)

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

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT AUSTRALIAN DOLLAR**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(78% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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<sup>††</sup>**

	<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

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>††</sup> 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**  
STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 85,306	\$ 43,459	\$ 5,998
<b>Expenses</b>			
Management fee .....	123,234	175,191	199,845
Brokerage commissions .....	8,846	13,920	16,140
Total expenses .....	132,080	189,111	215,985
Net investment income (loss) .....	(46,774)	(145,652)	(209,987)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(866,771)	(2,787,204)	4,330,463
Short-term U.S. government and agency obligations .....	(178)	495	225
Net realized gain (loss) .....	(866,949)	(2,786,709)	4,330,688
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(2,075,560)	1,602,610	(1,163,751)
Short-term U.S. government and agency obligations .....	(718)	279	(553)
Change in net unrealized appreciation/depreciation .....	(2,076,278)	1,602,889	(1,164,304)
Net realized and unrealized gain (loss) .....	(2,943,227)	(1,183,820)	3,166,384
Net income (loss) .....	\$(2,990,001)	\$(1,329,472)	\$ 2,956,397

*See accompanying notes to financial statements.*



**PROSHARES ULTRASHORT AUSTRALIAN DOLLAR**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$16,613,473	\$20,460,679	\$23,120,790
Addition of 100,000, 0 and 50,000 shares, respectively .....	4,801,797	—	2,764,167
Redemption of 100,000, 50,005 and 150,000 shares, respectively .....	(4,723,167)	(2,517,734)	(8,380,675)
Net addition (redemption) of 0, (50,005) and (100,000) shares, respectively .....	78,630	(2,517,734)	(5,616,508)
Net investment income (loss) .....	(46,774)	(145,652)	(209,987)
Net realized gain (loss) .....	(866,949)	(2,786,709)	4,330,688
Change in net unrealized appreciation/depreciation .....	(2,076,278)	1,602,889	(1,164,304)
Net income (loss) .....	(2,990,001)	(1,329,472)	2,956,397
<b>Shareholders' equity, end of period</b> .....	<u>\$13,702,102</u>	<u>\$16,613,473</u>	<u>\$20,460,679</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT AUSTRALIAN DOLLAR**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ (2,990,001)	\$ (1,329,472)	\$ 2,956,397
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 .....	429,385	(857,695)	963,152
Purchases of short-term U.S. government and agency obligations .....	(88,399,815)	(51,162,005)	(61,647,966)
Proceeds from sales or maturities of short-term U.S government and agency obligations .....	89,408,839	56,705,513	63,512,421
Net amortization and accretion on short-term U.S government and agency obligations .....	(84,205)	(43,459)	(5,998)
Net realized gain (loss) on investments .....	178	(495)	(225)
Change in unrealized appreciation/depreciation on investments .....	718	(279)	553
Decrease (Increase) in receivable on futures contracts .....	—	52,491	10,043
Increase (Decrease) in payable to Sponsor .....	(1,706)	(3,812)	(1,630)
Increase (Decrease) in payable on futures contracts .....	20,610	32,340	—
Net cash provided by (used in) operating activities .....	(1,615,997)	3,393,127	5,786,747
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	4,801,797	—	2,764,167
Payment on shares redeemed .....	(4,723,167)	(2,517,734)	(8,380,675)
Net cash provided by (used in) financing activities .....	78,630	(2,517,734)	(5,616,508)
<b>Net increase (decrease) in cash</b> .....	(1,537,367)	875,393	170,239
Cash, beginning of period .....	2,834,389	1,958,996	1,788,757
Cash, end of period .....	\$ 1,297,022	\$ 2,834,389	\$ 1,958,996

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,120,278	\$ 2,715,772
Segregated cash balances with brokers for futures contracts .....	2,567,813	4,931,520
Short-term U.S. government and agency obligations (Note 3) (cost \$253,669,155 and \$205,694,828, respectively) .....	253,646,823	205,694,385
Total assets .....	<u>257,334,914</u>	<u>213,341,677</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable on open futures contracts .....	693,787	13,602
Payable to Sponsor .....	190,701	162,891
Unrealized depreciation on swap agreements .....	30,607,142	12,206,881
Total liabilities .....	<u>31,491,630</u>	<u>12,383,374</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	225,843,284	200,958,303
Total liabilities and shareholders' equity .....	<u>\$257,334,914</u>	<u>\$213,341,677</u>
Shares outstanding .....	<u>9,289,884</u>	<u>6,339,884</u>
Net asset value per share .....	<u>\$ 24.31</u>	<u>\$ 31.70</u>
Market value per share (Note 2) .....	<u>\$ 24.56</u>	<u>\$ 31.65</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(112% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.001% due 01/04/18 <sup>†</sup> .....	\$64,000,000	\$ 63,996,019
1.068% due 01/25/18 <sup>†</sup> .....	10,000,000	9,992,046
1.040% due 02/01/18 <sup>†</sup> .....	28,000,000	27,971,068
1.075% due 02/08/18 <sup>†</sup> .....	17,000,000	16,978,335
1.080% due 02/15/18 <sup>†</sup> .....	28,000,000	27,957,563
1.145% due 02/22/18 <sup>†</sup> .....	48,000,000	47,915,342
1.264% due 03/01/18 <sup>†</sup> .....	16,000,000	15,967,133
1.271% due 03/15/18 <sup>†</sup> .....	14,000,000	13,963,880
1.267% due 03/29/18 <sup>†</sup> .....	29,000,000	28,905,437
Total short-term U.S. government and agency obligations (cost \$253,669,155) ..		<u>\$253,646,823</u>

**Futures Contracts Sold**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
WTI Crude Oil – NYMEX, expires March 2018 .....	1,125	\$67,995,000	\$(3,962,648)

**Total Return Swap Agreements<sup>^</sup>**

	<u>Rate Paid (Received)*</u>	<u>Termination Date</u>	<u>Notional Amount at Value**</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
Swap agreement with Citibank, N.A. based on Bloomberg Crude Oil Sub-Index .....	0.18%	01/08/18	\$(135,972,863)	\$(10,173,164)
Swap agreement with Goldman Sachs International based on Bloomberg Crude Oil Sub-Index .....	0.25	01/08/18	(105,656,763)	(9,242,398)
Swap agreement with Societe Generale based on Bloomberg Crude Oil Sub-Index .....	0.25	01/08/18	(25,759,601)	(1,904,113)
Swap agreement with UBS AG based on Bloomberg Crude Oil Sub-Index .....	0.25	01/08/18	(116,263,837)	(9,287,467)
Total Unrealized Depreciation .....				<u>\$(30,607,142)</u>

<sup>†</sup> All or partial amount pledged as collateral for swap agreements.

<sup>^</sup> The positions and counterparties herein are as of December 31, 2017. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>\*</sup> Reflects the floating financing rate, as of December 31, 2017, on the notional amount of the swap agreement paid to the counterparty or received from the counterparty, excluding any commissions. Total Return Swap Agreements payment is due at termination/maturity.

<sup>\*\*</sup> 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, 2016

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(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 Crude Oil Sub-Index . . . . .	0.18%	01/10/17	\$(116,603,958)	\$ (4,742,191)
Swap agreement with Goldman Sachs International based on Bloomberg Crude Oil Sub-Index . . . . .	0.25	01/10/17	(87,898,388)	(3,061,395)
Swap agreement with Societe Generale based on Bloomberg Crude Oil Sub-Index . . . . .	0.25	01/10/17	(31,195,025)	(1,050,699)
Swap agreement with UBS AG based on Bloomberg Crude Oil Sub-Index . . . . .	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 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 ULTRASHORT BLOOMBERG CRUDE OIL**

STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 1,661,295	\$ 500,160	\$ 60,884
<b>Expenses</b>			
Management fee .....	1,934,688	1,755,696	1,978,613
Brokerage commissions .....	82,258	153,428	248,482
Total expenses .....	2,016,946	1,909,124	2,227,095
Net investment income (loss) .....	(355,651)	(1,408,964)	(2,166,211)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(599,457)	(12,045,454)	46,904,474
Swap agreements .....	(5,891,603)	(55,706,710)	44,765,850
Short-term U.S. government and agency obligations .....	(448)	(4,064)	14,458
Net realized gain (loss) .....	(6,491,508)	(67,756,228)	91,684,782
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(2,535,833)	(3,891,328)	(13,342,090)
Swap agreements .....	(18,400,261)	(18,619,537)	(20,605,421)
Short-term U.S. government and agency obligations .....	(21,889)	1,712	(4,396)
Change in net unrealized appreciation/depreciation ....	(20,957,983)	(22,509,153)	(33,951,907)
Net realized and unrealized gain (loss) .....	(27,449,491)	(90,265,381)	57,732,875
Net income (loss) .....	\$(27,805,142)	\$(91,674,345)	\$ 55,566,664

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 200,958,303	\$ 95,897,894	\$ 169,210,110
Addition of 14,500,000, 18,500,000 and 21,600,000 shares, respectively .....	510,910,744	1,002,034,810	796,070,368
Redemption of 11,550,000, 13,600,004 and 24,500,000 shares, respectively .....	(458,220,621)	(805,300,056)	(924,949,248)
Net addition (redemption) of 2,950,000, 4,899,996 and (2,900,000) shares, respectively .....	52,690,123	196,734,754	(128,878,880)
Net investment income (loss) .....	(355,651)	(1,408,964)	(2,166,211)
Net realized gain (loss) .....	(6,491,508)	(67,756,228)	91,684,782
Change in net unrealized appreciation/depreciation ....	(20,957,983)	(22,509,153)	(33,951,907)
Net income (loss) .....	(27,805,142)	(91,674,345)	55,566,664
<b>Shareholders' equity, end of period</b> .....	<u>\$ 225,843,284</u>	<u>\$ 200,958,303</u>	<u>\$ 95,897,894</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT BLOOMBERG CRUDE OIL**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) . . . . .	\$ (27,805,142)	\$ (91,674,345)	\$ 55,566,664
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 . . . . .	2,363,707	5,222,910	2,138,235
Purchases of short-term U.S. government and agency obligations . . . . .	(2,520,968,339)	(1,099,847,442)	(1,238,357,695)
Proceeds from sales or maturities of short-term U.S. government and agency obligations . . . . .	2,474,635,036	974,343,507	1,290,330,607
Net amortization and accretion on short-term U.S. government and agency obligations . . . . .	(1,641,472)	(500,160)	(60,884)
Net realized gain (loss) on investments . . . . .	448	4,064	(14,458)
Change in unrealized appreciation/depreciation on investments . . . . .	18,422,150	18,617,825	20,609,817
Decrease (Increase) in receivable on futures contracts . . . . .	—	—	1,293,531
Increase (Decrease) in payable to Sponsor . . . . .	27,810	61,748	(27,242)
Increase (Decrease) in brokerage commissions and fees payable . . . . .	—	(8,453)	8,453
Increase (Decrease) in payable on futures contracts . . . . .	680,185	(837,281)	850,883
Net cash provided by (used in) operating activities . . . . .	<u>(54,285,617)</u>	<u>(194,617,627)</u>	<u>132,337,911</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares . . . . .	510,910,744	1,002,034,810	796,070,368
Payment on shares redeemed . . . . .	(458,220,621)	(805,300,056)	(928,803,902)
Net cash provided by (used in) financing activities . . . . .	<u>52,690,123</u>	<u>196,734,754</u>	<u>(132,733,534)</u>
<b>Net increase (decrease) in cash . . . . .</b>	<b>(1,595,494)</b>	<b>2,117,127</b>	<b>(395,623)</b>
Cash, beginning of period . . . . .	<u>2,715,772</u>	<u>598,645</u>	<u>994,268</u>
Cash, end of period . . . . .	<u><u>\$ 1,120,278</u></u>	<u><u>\$ 2,715,772</u></u>	<u><u>\$ 598,645</u></u>

*See accompanying notes to financial statements.*



**PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$1,886,831	\$ 326,631
Segregated cash balances with brokers for futures contracts .....	1,123,375	710,655
Short-term U.S. government and agency obligations (Note 3) (cost \$3,999,667 and \$2,899,188, respectively) .....	3,999,751	2,899,151
Receivable on open futures contracts .....	—	105,872
Total assets .....	<u>7,009,957</u>	<u>4,042,309</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable on open futures contracts .....	104,104	—
Brokerage commissions and fees payable .....	—	144
Payable to Sponsor .....	<u>3,110</u>	<u>3,371</u>
Total liabilities .....	<u>107,214</u>	<u>3,515</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	<u>6,902,743</u>	<u>4,038,794</u>
Total liabilities and shareholders' equity .....	<u>\$7,009,957</u>	<u>\$4,042,309</u>
Shares outstanding .....	<u>174,832</u>	<u>174,832</u>
Net asset value per share .....	<u>\$ 39.48</u>	<u>\$ 23.10</u>
Market value per share (Note 2) .....	<u>\$ 39.65</u>	<u>\$ 23.05</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(58% of shareholders' equity)		
U.S. Treasury Bills^^:		
1.000% due 01/04/18 .....	\$4,000,000	\$3,999,751
Total short-term U.S. government and agency obligations (cost \$3,999,667) .....		\$3,999,751

**Futures Contracts Sold**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
Natural Gas – NYMEX, expires March 2018 .....	475	\$13,803,500	\$(1,097,049)

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

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(72% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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<sup>††</sup>**

	<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)

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>††</sup> 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**

**STATEMENTS OF OPERATIONS**

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 38,651	\$ 19,053	\$ 5,830
<b>Expenses</b>			
Management fee .....	63,534	81,259	112,277
Brokerage commissions .....	29,529	59,966	70,677
Brokerage fees .....	39	—	—
Total expenses .....	93,102	141,225	182,954
Net investment income (loss) .....	(54,451)	(122,172)	(177,124)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	4,762,532	586,860	15,212,804
Short-term U.S. government and agency obligations .....	(783)	3,139	29
Net realized gain (loss) .....	4,761,749	589,999	15,212,833
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(615,018)	1,989,133	(6,412,629)
Short-term U.S. government and agency obligations .....	121	(388)	168
Change in net unrealized appreciation/depreciation .....	(614,897)	1,988,745	(6,412,461)
Net realized and unrealized gain (loss) .....	4,146,852	2,578,744	8,800,372
Net income (loss) .....	\$4,092,401	\$2,456,572	\$ 8,623,248

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 4,038,794	\$ 10,462,856	\$ 14,688,564
Addition of 650,000, 950,000 and 1,350,000 shares, respectively .....	23,216,158	40,020,426	37,204,187
Redemption of 650,000, 1,000,024 and 1,650,000 shares, respectively .....	(24,444,610)	(48,901,060)	(50,053,143)
Net addition (redemption) of 0, (50,024) and (300,000) shares, respectively .....	(1,228,452)	(8,880,634)	(12,848,956)
Net investment income (loss) .....	(54,451)	(122,172)	(177,124)
Net realized gain (loss) .....	4,761,749	589,999	15,212,833
Change in net unrealized appreciation/depreciation .....	(614,897)	1,988,745	(6,412,461)
Net income (loss) .....	4,092,401	2,456,572	8,623,248
<b>Shareholders' equity, end of period</b> .....	\$ 6,902,743	\$ 4,038,794	\$ 10,462,856

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT BLOOMBERG NATURAL GAS**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ 4,092,401	\$ 2,456,572	\$ 8,623,248
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 .....	(412,720)	1,336,005	2,359,170
Purchases of short-term U.S. government and agency obligations .....	(98,949,414)	(46,397,398)	(59,678,558)
Proceeds from sales or maturities of short-term U.S government and agency obligations .....	97,881,796	51,635,055	60,242,291
Net amortization and accretion on short-term U.S government and agency obligations .....	(33,644)	(19,053)	(5,830)
Net realized gain (loss) on investments .....	783	(3,139)	(29)
Change in unrealized appreciation/depreciation on investments .....	(121)	388	(168)
Decrease (Increase) in receivable on futures contracts .....	105,872	(105,872)	923,531
Increase (Decrease) in payable to Sponsor .....	(261)	(7,499)	620
Increase (Decrease) in brokerage commissions and fees payable .....	(144)	(1,764)	1,908
Increase (Decrease) in payable on futures contracts .....	104,104	(785,170)	785,170
Net cash provided by (used in) operating activities .....	2,788,652	8,108,125	13,251,353
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	23,216,158	40,020,426	37,204,187
Payment on shares redeemed .....	(24,444,610)	(48,901,060)	(50,053,143)
Net cash provided by (used in) financing activities .....	(1,228,452)	(8,880,634)	(12,848,956)
<b>Net increase (decrease) in cash</b> .....	1,560,200	(772,509)	402,397
Cash, beginning of period .....	326,631	1,099,140	696,743
Cash, end of period .....	\$ 1,886,831	\$ 326,631	\$ 1,099,140

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT EURO**  
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,255,895	\$ 2,916,502
Segregated cash balances with brokers for foreign currency forward contracts .....	3,038,000	—
Short-term U.S. government and agency obligations (Note 3) (cost \$204,788,208 and \$337,373,566, respectively) .....	204,770,166	337,375,787
Unrealized appreciation on foreign currency forward contracts .....	449,302	16,519,070
Total assets .....	<u>209,513,363</u>	<u>356,811,359</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	—	6,771,472
Payable to Sponsor .....	171,595	291,098
Unrealized depreciation on foreign currency forward contracts .....	6,793,571	356,139
Total liabilities .....	<u>6,965,166</u>	<u>7,418,709</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	<u>202,548,197</u>	<u>349,392,650</u>
Total liabilities and shareholders' equity .....	<u>\$209,513,363</u>	<u>\$356,811,359</u>
Shares outstanding .....	<u>9,550,000</u>	<u>12,900,000</u>
Net asset value per share .....	<u>\$ 21.21</u>	<u>\$ 27.08</u>
Market value per share (Note 2) .....	<u>\$ 21.20</u>	<u>\$ 27.08</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT EURO**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(101% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.001% due 01/04/18 .....	\$20,000,000	\$ 19,998,756
1.001% due 01/11/18 <sup>†</sup> .....	25,000,000	24,992,937
1.081% due 01/18/18 <sup>†</sup> .....	29,000,000	28,984,404
1.068% due 01/25/18 <sup>†</sup> .....	11,000,000	10,991,251
1.040% due 02/01/18 <sup>†</sup> .....	30,000,000	29,969,001
1.075% due 02/08/18 <sup>†</sup> .....	9,000,000	8,988,530
1.080% due 02/15/18 <sup>†</sup> .....	25,000,000	24,962,110
1.145% due 02/22/18 .....	12,000,000	11,978,836
1.155% due 03/01/18 <sup>†</sup> .....	26,000,000	25,946,591
1.256% due 03/08/18 <sup>†</sup> .....	18,000,000	17,957,750
Total short-term U.S. government and agency obligations (cost \$204,788,208) ..		<u>\$204,770,166</u>

**Foreign Currency Forward Contracts<sup>^</sup>**

	<u>Settlement Date</u>	<u>Contract Amount in Local Currency</u>	<u>Contract Amount in U.S. Dollars</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
<b>Contracts to Purchase</b>				
Euro with Goldman Sachs International .....	01/12/18	15,379,400	\$ 18,303,048	\$ 158,796
Euro with UBS AG .....	01/12/18	24,804,600	29,485,603	290,506
Total Unrealized Appreciation .....				<u>\$ 449,302</u>
<b>Contracts to Sell</b>				
Euro with Goldman Sachs International .....	01/12/18	(191,822,225)	\$(226,812,145)	\$(3,456,408)
Euro with UBS AG .....	01/12/18	(185,510,600)	(219,354,746)	(3,337,163)
Total Unrealized Depreciation .....				<u>\$(6,793,571)</u>

<sup>†</sup> All or partial amount pledged as collateral for foreign currency forward contracts.

<sup>^</sup> The positions and counterparties herein are as of December 31, 2017. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

*See accompanying notes to financial statements.*



**PROSHARES ULTRASHORT EURO**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(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) ..		<u>\$337,375,787</u>

**Foreign Currency Forward Contracts^**

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
<b>Contracts to Purchase</b>				
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)
				<u>\$ (60,534)</u>
<b>Contracts to Sell</b>				
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
				<u>\$16,223,465</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 ULTRASHORT EURO**  
STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 2,048,455	\$ 1,012,886	\$ 264,845
<b>Expenses</b>			
Management fee .....	2,445,170	3,777,543	5,265,432
Total expenses .....	2,445,170	3,777,543	5,265,432
Net investment income (loss) .....	(396,715)	(2,764,657)	(5,000,587)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Foreign currency forward contracts .....	(39,691,680)	(25,711,518)	131,651,572
Short-term U.S. government and agency obligations .....	(3,785)	242	22,509
Net realized gain (loss) .....	(39,695,465)	(25,711,276)	131,674,081
<b>Change in net unrealized appreciation/depreciation on</b>			
Foreign currency forward contracts .....	(22,507,200)	44,873,267	(45,473,330)
Short-term U.S. government and agency obligations .....	(20,263)	12,675	(23,782)
Change in net unrealized appreciation/depreciation .....	(22,527,463)	44,885,942	(45,497,112)
Net realized and unrealized gain (loss) .....	(62,222,928)	19,174,666	86,176,969
Net income (loss) .....	<u><u>\$(62,619,643)</u></u>	<u><u>\$ 16,410,009</u></u>	<u><u>\$ 81,176,382</u></u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT EURO**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 349,392,650	\$ 522,306,518	\$ 517,191,349
Addition of 2,400,000, 650,000 and 12,600,000 shares, respectively .....	54,352,755	15,418,329	328,253,174
Redemption of 5,750,000, 8,200,014 and 16,100,000 shares, respectively .....	<u>(138,577,565)</u>	<u>(204,742,206)</u>	<u>(404,314,387)</u>
Net addition (redemption) of (3,350,000), (7,550,014) and (3,500,000) shares, respectively .....	<u>(84,224,810)</u>	<u>(189,323,877)</u>	<u>(76,061,213)</u>
Net investment income (loss) .....	(396,715)	(2,764,657)	(5,000,587)
Net realized gain (loss) .....	(39,695,465)	(25,711,276)	131,674,081
Change in net unrealized appreciation/depreciation .....	<u>(22,527,463)</u>	<u>44,885,942</u>	<u>(45,497,112)</u>
Net income (loss) .....	<u>(62,619,643)</u>	<u>16,410,009</u>	<u>81,176,382</u>
<b>Shareholders' equity, end of period</b> .....	<u><u>\$ 202,548,197</u></u>	<u><u>\$ 349,392,650</u></u>	<u><u>\$ 522,306,518</u></u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT EURO**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ (62,619,643)	\$ 16,410,009	\$ 81,176,382
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Decrease (Increase) in segregated cash balances with brokers for foreign currency forward contracts .....	(3,038,000)	—	—
Purchases of short-term U.S. government and agency obligations .....	(2,213,830,667)	(1,535,809,146)	(1,901,774,819)
Proceeds from sales or maturities of short-term U.S. government and agency obligations .....	2,348,460,695	1,745,625,938	1,842,981,707
Net amortization and accretion on short-term U.S. government and agency obligations .....	(2,048,455)	(1,012,886)	(263,820)
Net realized gain (loss) on investments .....	3,785	(242)	(22,509)
Change in unrealized appreciation/depreciation on investments .....	22,527,463	(44,885,942)	45,497,112
Increase (Decrease) in payable to Sponsor .....	(119,503)	(123,177)	28,455
Net cash provided by (used in) operating activities .....	89,335,675	180,204,554	67,622,508
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	54,352,755	15,418,329	341,209,778
Payment on shares redeemed .....	(145,349,037)	(203,078,964)	(399,206,157)
Net cash provided by (used in) financing activities .....	(90,996,282)	(187,660,635)	(57,996,379)
<b>Net increase (decrease) in cash</b> .....	(1,660,607)	(7,456,081)	9,626,129
Cash, beginning of period .....	2,916,502	10,372,583	746,454
Cash, end of period .....	\$ 1,255,895	\$ 2,916,502	\$ 10,372,583

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT GOLD**  
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,026,645	\$ 120,840
Segregated cash balances with brokers for futures contracts .....	8,800	13,200
Short-term U.S. government and agency obligations (Note 3) (cost \$31,979,626 and \$60,540,275, respectively) .....	31,977,900	60,540,555
Unrealized appreciation on forward agreements .....	—	3,033,566
Receivable on open futures contracts .....	—	1,280
Total assets .....	<u>33,013,345</u>	<u>63,709,441</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable on open futures contracts .....	2,420	—
Payable to Sponsor .....	25,256	55,794
Unrealized depreciation on forward agreements .....	1,488,259	—
Total liabilities .....	<u>1,515,935</u>	<u>55,794</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	31,497,410	63,653,647
Total liabilities and shareholders' equity .....	<u>\$33,013,345</u>	<u>\$63,709,441</u>
Shares outstanding .....	<u>446,978</u>	<u>696,978</u>
Net asset value per share .....	<u>\$ 70.47</u>	<u>\$ 91.33</u>
Market value per share (Note 2) .....	<u>\$ 69.11</u>	<u>\$ 90.54</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT GOLD**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(102% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.001% due 01/04/18 <sup>†</sup> .....	\$14,000,000	\$13,999,129
1.001% due 01/11/18 <sup>†</sup> .....	5,000,000	4,998,588
1.040% due 02/01/18 <sup>†</sup> .....	3,000,000	2,996,900
1.075% due 02/08/18 <sup>†</sup> .....	8,000,000	7,989,805
1.267% due 03/29/18 <sup>†</sup> .....	2,000,000	1,993,478
Total short-term U.S. government and agency obligations (cost \$31,979,626) . . .		\$31,977,900

**Futures Contracts Sold**

	Number of Contracts	Notional Amount at Value	Unrealized Appreciation (Depreciation)/ Value
Gold Futures – COMEX, expires February 2018 .....	2	\$261,860	\$(5,460)

**Forward Agreements<sup>^</sup>**

	Rate Paid (Received)*	Settlement Date	Commitment to (Deliver)/Receive	Notional Amount at Value**	Unrealized Appreciation (Depreciation)/ Value
Forward agreements with Citibank, N.A. based on 0.995 Fine Troy Ounce Gold .....	(1.75)%	01/08/18	\$(18,900)	\$(24,413,508)	\$ (554,559)
Forward agreements with Goldman Sachs International based on 0.995 Fine Troy Ounce Gold .....	(1.45)	01/08/18	(12,798)	(16,530,665)	(428,358)
Forward agreements with Societe Generale based on 0.995 Fine Troy Ounce Gold .....	(1.28)	01/08/18	(4,800)	(6,199,776)	(126,928)
Forward agreements with UBS AG based on 0.995 Fine Troy Ounce Gold .....	(1.56)	01/08/18	(12,050)	(15,564,985)	(378,414)
Total Unrealized Depreciation .....					\$(1,488,259)

<sup>†</sup> All or partial amount pledged as collateral for forward agreements.

<sup>^</sup> The positions and counterparties herein are as of December 31, 2017. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

\* Reflects the floating financing rate, as of December 31, 2017, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions. Forward Agreements payment is due at termination/maturity.

\*\* 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, 2016

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(95% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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<sup>^</sup>**

	<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.

<sup>^</sup> 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.

<sup>^^</sup> 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**

STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 283,917	\$ 164,570	\$ 31,999
<b>Expenses</b>			
Management fee .....	344,734	625,950	735,540
Brokerage commissions .....	48	43	41
Total expenses .....	344,782	625,993	735,581
Net investment income (loss) .....	(60,865)	(461,423)	(703,582)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(2,987)	(29,440)	15,950
Forward agreements .....	(6,990,570)	(12,211,311)	12,691,685
Short-term U.S. government and agency obligations .....	(1,208)	(378)	1,301
Net realized gain (loss) .....	(6,994,765)	(12,241,129)	12,708,936
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(24,440)	13,760	9,740
Forward agreements .....	(4,521,825)	1,224,624	4,091,720
Short-term U.S. government and agency obligations .....	(2,006)	2,028	(2,950)
Change in net unrealized appreciation/depreciation .....	(4,548,271)	1,240,412	4,098,510
Net realized and unrealized gain (loss) .....	(11,543,036)	(11,000,717)	16,807,446
Net income (loss) .....	\$(11,603,901)	\$(11,462,140)	\$16,103,864

*See accompanying notes to financial statements.*



**PROSHARES ULTRASHORT GOLD**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 63,653,647	\$ 74,971,764	\$ 81,861,762
Addition of 350,000, 1,050,000 and 150,000 shares, respectively .....	26,178,336	83,353,994	13,383,255
Redemption of 600,000, 1,000,000 and 350,000 shares, respectively .....	<u>(46,730,672)</u>	<u>(83,209,971)</u>	<u>(36,377,117)</u>
Net addition (redemption) of (250,000), 50,000 and (200,000) shares, respectively .....	<u>(20,552,336)</u>	144,023	<u>(22,993,862)</u>
Net investment income (loss) .....	(60,865)	(461,423)	(703,582)
Net realized gain (loss) .....	(6,994,765)	(12,241,129)	12,708,936
Change in net unrealized appreciation/depreciation .....	<u>(4,548,271)</u>	<u>1,240,412</u>	<u>4,098,510</u>
Net income (loss) .....	<u>(11,603,901)</u>	<u>(11,462,140)</u>	<u>16,103,864</u>
<b>Shareholders' equity, end of period</b> .....	<u>\$ 31,497,410</u>	<u>\$ 63,653,647</u>	<u>\$ 74,971,764</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT GOLD**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ (11,603,901)	\$ (11,462,140)	\$ 16,103,864
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 .....	4,400	78,050	(82,450)
Purchases of short-term U.S. government and agency obligations .....	(259,713,980)	(320,273,448)	(254,497,395)
Proceeds from sales or maturities of short-term U.S government and agency obligations .....	288,557,288	332,879,016	265,587,947
Net amortization and accretion on short-term U.S government and agency obligations .....	(283,867)	(164,568)	(31,999)
Net realized gain (loss) on investments .....	1,208	378	(1,301)
Change in unrealized appreciation/depreciation on investments .....	4,523,831	(1,226,652)	(4,088,770)
Decrease (Increase) in receivable on futures contracts ...	1,280	(1,280)	3,260
Increase (Decrease) in payable to Sponsor .....	(30,538)	(4,097)	(10,170)
Increase (Decrease) in payable on futures contracts .....	2,420	(80)	80
Net cash provided by (used in) operating activities .....	21,458,141	(174,821)	22,983,066
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	26,178,336	83,353,994	13,383,255
Payment on shares redeemed .....	(46,730,672)	(83,209,971)	(36,377,117)
Net cash provided by (used in) financing activities .....	(20,552,336)	144,023	(22,993,862)
<b>Net increase (decrease) in cash .....</b>	<b>905,805</b>	<b>(30,798)</b>	<b>(10,796)</b>
Cash, beginning of period .....	120,840	151,638	162,434
Cash, end of period .....	\$ 1,026,645	\$ 120,840	\$ 151,638

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT SILVER**  
STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 614,804	\$ 86,051
Segregated cash balances with brokers for futures contracts .....	10,340	14,300
Segregated cash balances with brokers for forward agreements .....	738,500	—
Short-term U.S. government and agency obligations (Note 3) (cost \$18,352,808 and \$21,549,766, respectively) .....	18,349,861	21,550,319
Unrealized appreciation on forward agreements .....	—	1,384,246
Receivable on open futures contracts .....	—	2,290
Total assets .....	<u>19,713,505</u>	<u>23,037,206</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	3,171,777	—
Payable on open futures contracts .....	2,220	—
Payable to Sponsor .....	17,086	19,550
Unrealized depreciation on forward agreements .....	1,716,163	—
Total liabilities .....	<u>4,907,246</u>	<u>19,550</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	14,806,259	23,017,656
Total liabilities and shareholders' equity .....	<u>\$19,713,505</u>	<u>\$23,037,206</u>
Shares outstanding .....	<u>466,976</u>	<u>616,976</u>
Net asset value per share .....	<u>\$ 31.71</u>	<u>\$ 37.31</u>
Market value per share (Note 2) .....	<u>\$ 31.40</u>	<u>\$ 38.76</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT SILVER**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b> (124% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.033% due 01/18/18 <sup>†</sup> .....	\$ 2,181,000	\$ 2,179,827
1.040% due 02/01/18 <sup>†</sup> .....	2,214,000	2,211,712
1.209% due 02/08/18 <sup>†</sup> .....	2,000,000	1,997,451
1.267% due 03/29/18 <sup>†</sup> .....	12,000,000	11,960,871
Total short-term U.S. government and agency obligations (cost \$18,352,808) . . .		<u>\$18,349,861</u>

**Futures Contracts Sold**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
Silver Futures – COMEX, expires March 2018 .....	2	\$(171,450)	\$(1,650)

**Forward Agreements<sup>^</sup>**

	<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)/ Value</u>
Forward agreements with Citibank, N.A. based on 0.999 Fine Troy Ounce Silver .....	(1.85)%	01/08/18	\$(529,000)	\$ (8,926,769)	\$ (632,593)
Forward agreements with Goldman Sachs International based on 0.999 Fine Troy Ounce Silver .....	(1.52)	01/08/18	(418,500)	(7,061,769)	(486,240)
Forward agreements with Societe Generale based on 0.999 Fine Troy Ounce Silver .....	(1.45)	01/08/18	(156,000)	(2,632,328)	(115,305)
Forward agreements with UBS AG based on 0.999 Fine Troy Ounce Silver .....	(1.60)	01/08/18	(642,000)	(10,833,493)	(482,025)
Total Unrealized Depreciation .....					<u>\$ (1,716,163)</u>

<sup>†</sup> All or partial amount pledged as collateral for forward agreements.

<sup>^</sup> The positions and counterparties herein are as of December 31, 2017. The Funds continually evaluate different counterparties for their transactions and counterparties are subject to change. New counterparties can be added at any time.

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

\* Reflects the floating financing rate, as of December 31, 2017, on the notional amount of the forward agreement paid to the counterparty or received from the counterparty, excluding any commissions. Forward Agreements payment is due at termination/maturity.

\*\* 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, 2016**

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(94% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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<sup>^</sup>**

	<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.
- <sup>^</sup> 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.
- <sup>^^</sup> 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**  
STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 157,745	\$ 93,483	\$ 23,831
<b>Expenses</b>			
Management fee .....	194,297	349,293	540,253
Brokerage commissions .....	48	43	42
Total expenses .....	194,345	349,336	540,295
Net investment income (loss) .....	(36,600)	(255,853)	(516,464)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	21,156	(40,250)	15,575
Forward agreements .....	1,132,237	(17,514,464)	10,743,970
Short-term U.S. government and agency obligations .....	(932)	(1,916)	(2,787)
Net realized gain (loss) .....	1,152,461	(17,556,630)	10,756,758
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(28,960)	21,340	4,410
Forward agreements .....	(3,100,409)	(3,394,033)	4,183,326
Short-term U.S. government and agency obligations .....	(3,500)	367	(794)
Change in net unrealized appreciation/depreciation .....	(3,132,869)	(3,372,326)	4,186,942
Net realized and unrealized gain (loss) .....	(1,980,408)	(20,928,956)	14,943,700
Net income (loss) .....	\$(2,017,008)	\$(21,184,809)	\$14,427,236

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT SILVER**

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 23,017,656	\$ 55,987,938	\$ 53,007,867
Addition of 850,000, 1,650,000 and 1,650,000 shares, respectively .....	26,717,920	69,113,968	84,272,164
Redemption of 1,000,000, 1,900,002 and 1,700,000 shares, respectively .....	<u>(32,912,309)</u>	<u>(80,899,441)</u>	<u>(95,719,329)</u>
Net addition (redemption) of (150,000), (250,002) and (50,000) shares, respectively .....	<u>(6,194,389)</u>	<u>(11,785,473)</u>	<u>(11,447,165)</u>
Net investment income (loss) .....	(36,600)	(255,853)	(516,464)
Net realized gain (loss) .....	1,152,461	(17,556,630)	10,756,758
Change in net unrealized appreciation/depreciation .....	<u>(3,132,869)</u>	<u>(3,372,326)</u>	<u>4,186,942</u>
Net income (loss) .....	<u>(2,017,008)</u>	<u>(21,184,809)</u>	<u>14,427,236</u>
<b>Shareholders' equity, end of period</b> .....	<u>\$ 14,806,259</u>	<u>\$ 23,017,656</u>	<u>\$ 55,987,938</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT SILVER**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) . . . . .	\$ (2,017,008)	\$ (21,184,809)	\$ 14,427,236
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 . . . . .	3,960	(2,860)	2,860
Decrease (Increase) in segregated cash balances with brokers for forward agreements . . . . .	(738,500)	—	—
Purchases of short-term U.S. government and agency obligations . . . . .	(205,796,774)	(149,552,689)	(220,073,123)
Proceeds from sales or maturities of short-term U.S. government and agency obligations . . . . .	209,150,487	178,824,533	221,589,835
Net amortization and accretion on short-term U.S. government and agency obligations . . . . .	(157,687)	(93,482)	(23,831)
Net realized gain (loss) on investments . . . . .	932	1,916	2,787
Change in unrealized appreciation/depreciation on investments . . . . .	3,103,909	3,393,666	(4,182,532)
Decrease (Increase) in receivable on futures contracts . . . . .	2,290	(1,900)	6,380
Increase (Decrease) in payable to Sponsor . . . . .	(2,464)	(27,635)	4,831
Increase (Decrease) in payable on futures contracts . . . . .	2,220	—	—
Net cash provided by (used in) operating activities . . . . .	<u>3,551,365</u>	<u>11,356,740</u>	<u>11,754,443</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares . . . . .	26,717,920	69,113,968	84,272,164
Payment on shares redeemed . . . . .	(29,740,532)	(80,899,441)	(95,719,329)
Net cash provided by (used in) financing activities . . . . .	<u>(3,022,612)</u>	<u>(11,785,473)</u>	<u>(11,447,165)</u>
<b>Net increase (decrease) in cash . . . . .</b>	<b>528,753</b>	<b>(428,733)</b>	<b>307,278</b>
Cash, beginning of period . . . . .	<u>86,051</u>	<u>514,784</u>	<u>207,506</u>
Cash, end of period . . . . .	<u><u>\$ 614,804</u></u>	<u><u>\$ 86,051</u></u>	<u><u>\$ 514,784</u></u>

*See accompanying notes to financial statements.*



**PROSHARES ULTRASHORT YEN**  
STATEMENTS OF FINANCIAL CONDITION

	<b>December 31, 2017</b>	<b>December 31, 2016</b>
<b>Assets</b>		
Cash .....	\$ 1,582,684	\$ 3,166,988
Short-term U.S. government and agency obligations (Note 3) (cost \$131,844,652 and \$257,103,135, respectively) .....	131,834,352	257,102,313
Unrealized appreciation on foreign currency forward contracts .....	1,568,997	16,870,357
Total assets .....	134,986,033	277,139,658
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	3,759,983	—
Payable to Sponsor .....	106,863	232,491
Unrealized depreciation on foreign currency forward contracts .....	41,734	125,420
Total liabilities .....	3,908,580	357,911
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	131,077,453	276,781,747
Total liabilities and shareholders' equity .....	\$134,986,033	\$277,139,658
Shares outstanding .....	1,749,290	3,449,290
Net asset value per share .....	\$ 74.93	\$ 80.24
Market value per share (Note 2) .....	\$ 74.98	\$ 80.25

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT YEN**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(101% of shareholders' equity)		
U.S. Treasury Bills^^:		
1.000% due 01/04/18 .....	\$ 7,000,000	\$ 6,999,565
1.001% due 01/11/18 .....	9,000,000	8,997,457
1.033% due 01/18/18† .....	19,000,000	18,989,782
1.068% due 01/25/18† .....	11,000,000	10,991,251
1.040% due 02/01/18† .....	24,000,000	23,975,201
1.083% due 02/08/18† .....	17,000,000	16,978,335
1.080% due 02/15/18 .....	9,000,000	8,986,360
1.264% due 03/01/18 .....	15,000,000	14,969,187
1.256% due 03/08/18† .....	15,000,000	14,964,792
1.277% due 03/22/18 .....	6,000,000	5,982,422
Total short-term U.S. government and agency obligations (cost \$131,844,652) ..		<u>\$131,834,352</u>

**Foreign Currency Forward Contracts^**

	<u>Settlement Date</u>	<u>Contract Amount in Local Currency</u>	<u>Contract Amount in U.S. Dollars</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
<b>Contracts to Purchase</b>				
Yen with Goldman Sachs International .....	01/12/18	1,557,430,400	\$ 13,828,233	\$ (1,119)
Yen with UBS AG .....	01/12/18	2,779,401,900	24,716,567	(40,615)
Total Unrealized Depreciation .....				<u>\$ (41,734)</u>
<b>Contracts to Sell</b>				
Yen with Goldman Sachs International .....	01/12/18	(16,323,923,000)	\$(145,748,706)	\$ 822,436
Yen with UBS AG .....	01/12/18	(17,545,808,000)	(156,520,911)	746,561
Total Unrealized Appreciation .....				<u>\$1,568,997</u>

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

^ The positions and counterparties herein are as of December 31, 2017. 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**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

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

**Foreign Currency Forward Contracts<sup>^</sup>**

	<u>Settlement Date</u>	<u>Local Currency</u>	<u>Notional Amount at Value (USD)</u>	<u>Unrealized Appreciation (Depreciation)</u>
<b>Contracts to Purchase</b>				
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)
				<u>\$ 90,057</u>
<b>Contracts to Sell</b>				
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
				<u>\$16,654,880</u>

<sup>†</sup> All or partial amount pledged as collateral for foreign currency forward contracts.

<sup>^</sup> 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.

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT YEN**  
STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 1,446,842	\$ 531,771	\$ 135,814
<b>Expenses</b>			
Management fee .....	1,802,816	2,141,333	3,759,492
Total expenses .....	1,802,816	2,141,333	3,759,492
Net investment income (loss) .....	(355,974)	(1,609,562)	(3,623,678)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Foreign currency forward contracts .....	(8,729,472)	(22,220,271)	8,809,464
Short-term U.S. government and agency obligations .....	(4,001)	(5,910)	(3,035)
Net realized gain (loss) .....	(8,733,473)	(22,226,181)	8,806,429
<b>Change in net unrealized appreciation/depreciation on</b>			
Foreign currency forward contracts .....	(15,217,674)	30,640,389	(12,316,677)
Short-term U.S. government and agency obligations .....	(9,478)	16,827	(30,886)
Change in net unrealized appreciation/depreciation ....	(15,227,152)	30,657,216	(12,347,563)
Net realized and unrealized gain (loss) .....	(23,960,625)	8,431,035	(3,541,134)
Net income (loss) .....	<u>\$ (24,316,599)</u>	<u>\$ 6,821,473</u>	<u>\$ (7,164,812)</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT YEN**  
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 276,781,747	\$ 237,372,900	\$ 531,471,873
Addition of 1,000,000, 2,300,000 and 1,350,000 shares, respectively .....	76,657,434	150,763,218	124,524,909
Redemption of 2,700,000, 1,550,004 and 4,600,000 shares, respectively .....	(198,045,129)	(118,175,844)	(411,459,070)
Net addition (redemption) of (1,700,000), 749,996 and (3,250,000) shares, respectively .....	(121,387,695)	32,587,374	(286,934,161)
Net investment income (loss) .....	(355,974)	(1,609,562)	(3,623,678)
Net realized gain (loss) .....	(8,733,473)	(22,226,181)	8,806,429
Change in net unrealized appreciation/depreciation .....	(15,227,152)	30,657,216	(12,347,563)
Net income (loss) .....	(24,316,599)	6,821,473	(7,164,812)
<b>Shareholders' equity, end of period</b> .....	<u>\$ 131,077,453</u>	<u>\$ 276,781,747</u>	<u>\$ 237,372,900</u>

*See accompanying notes to financial statements.*

**PROSHARES ULTRASHORT YEN**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ (24,316,599)	\$ 6,821,473	\$ (7,164,812)
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 .....	(1,735,928,862)	(1,044,852,917)	(1,322,695,643)
Proceeds from sales or maturities of short-term U.S. government and agency obligations .....	1,862,630,186	1,048,290,293	1,595,758,281
Net amortization and accretion on short-term U.S. government and agency obligations .....	(1,446,842)	(531,771)	(135,814)
Net realized gain (loss) on investments .....	4,001	5,910	3,035
Change in unrealized appreciation/depreciation on investments .....	15,227,152	(30,657,216)	12,347,563
Increase (Decrease) in payable to Sponsor .....	(125,628)	21,603	(228,916)
Net cash provided by (used in) operating activities .....	<u>116,043,408</u>	<u>(20,902,625)</u>	<u>277,883,694</u>
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	76,657,434	150,763,218	124,524,909
Payment on shares redeemed .....	(194,285,146)	(126,970,573)	(402,664,341)
Net cash provided by (used in) financing activities .....	<u>(117,627,712)</u>	<u>23,792,645</u>	<u>(278,139,432)</u>
<b>Net increase (decrease) in cash</b> .....	(1,584,304)	2,890,020	(255,738)
Cash, beginning of period .....	<u>3,166,988</u>	<u>276,968</u>	<u>532,706</u>
Cash, end of period .....	<u><u>\$ 1,582,684</u></u>	<u><u>\$ 3,166,988</u></u>	<u><u>\$ 276,968</u></u>

*See accompanying notes to financial statements.*

**PROSHARES VIX MID-TERM FUTURES ETF**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,639,958	\$ 1,155,115
Segregated cash balances with brokers for futures contracts .....	4,626,400	1,052,615
Short-term U.S. government and agency obligations (Note 3) (cost \$20,993,328 and \$45,486,489, respectively) .....	20,993,515	45,486,235
Receivable on open futures contracts .....	170,015	242,541
Total assets .....	<u>27,429,888</u>	<u>47,936,506</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	1,058,309	2,085,020
Payable to Sponsor .....	23,631	32,572
Total liabilities .....	<u>1,081,940</u>	<u>2,117,592</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	<u>26,347,948</u>	<u>45,818,914</u>
Total liabilities and shareholders' equity .....	<u>\$27,429,888</u>	<u>\$47,936,506</u>
Shares outstanding .....	<u>1,237,403</u>	<u>1,087,403</u>
Net asset value per share .....	<u>\$ 21.29</u>	<u>\$ 42.14</u>
Market value per share (Note 2) .....	<u>\$ 21.15</u>	<u>\$ 42.34</u>

*See accompanying notes to financial statements.*

**PROSHARES VIX MID-TERM FUTURES ETF**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(80% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.000% due 01/04/18 .....	\$11,000,000	\$10,999,316
1.001% due 01/11/18 .....	7,000,000	6,998,022
1.209% due 02/08/18 .....	3,000,000	2,996,177
Total short-term U.S. government and agency obligations (cost \$20,993,328) . . .		<u>\$20,993,515</u>

**Futures Contracts Purchased**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
VIX Futures – CBOE, expires April 2018 .....	354	\$4,911,750	\$ (617,555)
VIX Futures – CBOE, expires May 2018 .....	603	8,668,125	(910,645)
VIX Futures – CBOE, expires June 2018 .....	603	8,939,475	(641,030)
VIX Futures – CBOE, expires July 2018 .....	248	3,825,400	(46,050)
			<u>\$(2,215,280)</u>

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

*See accompanying notes to financial statements.*



**PROSHARES VIX MID-TERM FUTURES ETF**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2016

	<b>Principal Amount</b>	<b>Value</b>
<b>Short-term U.S. government and agency obligations</b>		
(99% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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 <sup>†</sup> .....	10,000,000	9,995,478
0.390% due 02/16/17 .....	6,000,000	5,996,737
0.491% due 02/23/17 <sup>†</sup> .....	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<sup>††</sup>**

	<b>Number of Contracts</b>	<b>Notional Amount at Value</b>	<b>Unrealized Appreciation (Depreciation)</b>
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>

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>†</sup> All or partial amount pledged as collateral for futures contracts.

<sup>††</sup> 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**

STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 256,920	\$ 107,409	\$ 8,293
<b>Expenses</b>			
Management fee .....	317,739	369,016	233,390
Brokerage commissions .....	20,988	32,884	15,503
Total expenses .....	338,727	401,900	248,893
Net investment income (loss) .....	(81,807)	(294,491)	(240,600)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(25,319,770)	(11,085,506)	(3,335,936)
Short-term U.S. government and agency obligations .....	(377)	499	1,355
Net realized gain (loss) .....	(25,320,147)	(11,085,007)	(3,334,581)
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(927,035)	(943,885)	(605,025)
Short-term U.S. government and agency obligations .....	441	(1,079)	(327)
Change in net unrealized appreciation/depreciation .....	(926,594)	(944,964)	(605,352)
Net realized and unrealized gain (loss) .....	(26,246,741)	(12,029,971)	(3,939,933)
Net income (loss) .....	\$(26,328,548)	\$(12,324,462)	\$(4,180,533)

*See accompanying notes to financial statements.*

**PROSHARES VIX MID-TERM FUTURES ETF**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> . . . . .	\$ 45,818,914	\$ 27,650,638	\$21,459,575
Addition of 950,000, 1,100,000 and 325,000 shares, respectively . . . . .	26,311,779	55,230,587	19,318,111
Redemption of 800,000, 525,001 and 150,000 shares, respectively . . . . .	(19,454,197)	(24,737,849)	(8,946,515)
Net addition (redemption) of 150,000, 574,999 and 175,000 shares, respectively . . . . .	6,857,582	30,492,738	10,371,596
Net investment income (loss) . . . . .	(81,807)	(294,491)	(240,600)
Net realized gain (loss) . . . . .	(25,320,147)	(11,085,007)	(3,334,581)
Change in net unrealized appreciation/depreciation . . . . .	(926,594)	(944,964)	(605,352)
Net income (loss) . . . . .	(26,328,548)	(12,324,462)	(4,180,533)
<b>Shareholders' equity, end of period</b> . . . . .	<u>\$ 26,347,948</u>	<u>\$ 45,818,914</u>	<u>\$27,650,638</u>

*See accompanying notes to financial statements.*

**PROSHARES VIX MID-TERM FUTURES ETF**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) .....	\$ (26,328,548)	\$ (12,324,462)	\$ (4,180,533)
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 .....	(3,573,785)	(71,865)	926,200
Purchases of short-term U.S. government and agency obligations .....	(943,753,668)	(175,738,460)	(95,567,067)
Proceeds from sales or maturities of short-term U.S government and agency obligations .....	968,489,510	156,335,340	93,706,007
Net amortization and accretion on short-term U.S government and agency obligations .....	(243,058)	(107,408)	(8,293)
Net realized gain (loss) on investments .....	377	(499)	(1,355)
Change in unrealized appreciation/depreciation on investments .....	(441)	1,079	327
Decrease (Increase) in receivable on futures contracts ....	72,526	(200,353)	1,741,140
Increase (Decrease) in payable to Sponsor .....	(8,941)	12,194	(2,358)
Net cash provided by (used in) operating activities ..	(5,346,028)	(32,094,434)	(3,385,932)
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares .....	26,311,779	55,230,587	19,318,111
Payment on shares redeemed .....	(20,480,908)	(22,652,829)	(16,894,470)
Net cash provided by (used in) financing activities ..	5,830,871	32,577,758	2,423,641
<b>Net increase (decrease) in cash</b> .....	484,843	483,324	(962,291)
Cash, beginning of period .....	1,155,115	671,791	1,634,082
Cash, end of period .....	\$ 1,639,958	\$ 1,155,115	\$ 671,791

*See accompanying notes to financial statements.*

**PROSHARES VIX SHORT-TERM FUTURES ETF**

STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 1,850,632	\$ 4,536,425
Segregated cash balances with brokers for futures contracts .....	1,864,500	17,235,855
Short-term U.S. government and agency obligations (Note 3) (cost \$134,855,770 and \$147,990,045, respectively) .....	134,845,604	147,991,233
Receivable on open futures contracts .....	2,667,474	4,484,270
Total assets .....	<u>141,228,210</u>	<u>174,247,783</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	3,431,713	—
Payable to Sponsor .....	54,937	87,637
Total liabilities .....	<u>3,486,650</u>	<u>87,637</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	137,741,560	174,160,146
Total liabilities and shareholders' equity .....	<u>\$141,228,210</u>	<u>\$174,247,783</u>
Shares outstanding (Note 1) .....	<u>5,901,317</u>	<u>2,052,363</u>
Net asset value per share (Note 1) .....	<u>\$ 23.34</u>	<u>\$ 84.86</u>
Market value per share (Note 1) (Note 2) .....	<u>\$ 23.15</u>	<u>\$ 85.04</u>

*See accompanying notes to financial statements.*

**PROSHARES VIX SHORT-TERM FUTURES ETF**

SCHEDULE OF INVESTMENTS

DECEMBER 31, 2017

	<u>Principal Amount</u>	<u>Value</u>
<b>Short-term U.S. government and agency obligations</b>		
(98% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
1.000% due 01/04/18 .....	\$31,000,000	\$ 30,998,072
1.001% due 01/11/18 <sup>†</sup> .....	12,000,000	11,996,610
1.040% due 02/01/18 <sup>†</sup> .....	33,000,000	32,965,901
1.080% due 02/15/18 <sup>†</sup> .....	34,000,000	33,948,470
1.264% due 03/01/18 <sup>†</sup> .....	2,000,000	1,995,891
1.271% due 03/15/18 <sup>†</sup> .....	23,000,000	22,940,660
Total short-term U.S. government and agency obligations (cost \$134,855,770) ..		<u>\$134,845,604</u>

**Futures Contracts Purchased**

	<u>Number of Contracts</u>	<u>Notional Amount at Value</u>	<u>Unrealized Appreciation (Depreciation)/ Value</u>
VIX Futures – CBOE, expires January 2018 .....	6,836	\$78,443,100	\$(5,471,585)
VIX Futures – CBOE, expires February 2018 .....	4,770	59,505,750	709,708
			<u>\$(4,761,877)</u>

<sup>^^</sup> Rates shown represents discount rate at the time of purchase.

<sup>†</sup> All or partial amount pledged as collateral for futures contracts.

*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>
<b>Short-term U.S. government and agency obligations</b>		
(85% of shareholders' equity)		
U.S. Treasury Bills <sup>^^</sup> :		
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	36,959,810
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>

<sup>^^</sup> 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**

STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017	2016	2015
<b>Investment Income</b>			
Interest .....	\$ 1,238,374	\$ 466,392	\$ 42,319
<b>Expenses</b>			
Management fee .....	1,353,339	1,632,880	1,062,171
Brokerage commissions .....	174,838	270,159	130,942
Brokerage fees .....	3,383	—	—
Total expenses .....	1,531,560	1,903,039	1,193,113
Net investment income (loss) .....	(293,186)	(1,436,647)	(1,150,794)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(194,005,568)	(195,475,791)	(19,408,543)
Short-term U.S. government and agency obligations .....	(772)	6,650	1,703
Net realized gain (loss) .....	(194,006,340)	(195,469,141)	(19,406,840)
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(4,293,225)	609,973	(7,343,245)
Short-term U.S. government and agency obligations .....	(11,354)	3,010	(3,657)
Change in net unrealized appreciation/depreciation .....	(4,304,579)	612,983	(7,346,902)
Net realized and unrealized gain (loss) .....	(198,310,919)	(194,856,158)	(26,753,742)
Net income (loss) .....	\$(198,604,105)	\$(196,292,805)	\$(27,904,536)

*See accompanying notes to financial statements.*



**PROSHARES VIX SHORT-TERM FUTURES ETF**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

	Year Ended December 31,		
	2017	2016	2015
<b>Shareholders' equity, beginning of period</b> .....	\$ 174,160,146	\$ 105,272,823	\$ 111,459,325
Addition of 7,750,000, 3,066,250 and 623,750 shares, respectively (Note 1) .....	318,930,520	515,131,303	187,659,682
Redemption of 3,901,046, 1,411,378 and 492,500 shares, respectively (Note 1) .....	(156,745,001)	(249,951,175)	(165,941,648)
Net addition (redemption) of 3,848,954, 1,654,872 and 131,250 shares, respectively (Note 1) .....	<u>162,185,519</u>	<u>265,180,128</u>	<u>21,718,034</u>
Net investment income (loss) .....	(293,186)	(1,436,647)	(1,150,794)
Net realized gain (loss) .....	(194,006,340)	(195,469,141)	(19,406,840)
Change in net unrealized appreciation/depreciation .....	(4,304,579)	612,983	(7,346,902)
Net income (loss) .....	<u>(198,604,105)</u>	<u>(196,292,805)</u>	<u>(27,904,536)</u>
<b>Shareholders' equity, end of period</b> .....	<u>\$ 137,741,560</u>	<u>\$ 174,160,146</u>	<u>\$ 105,272,823</u>

*See accompanying notes to financial statements.*

**PROSHARES VIX SHORT-TERM FUTURES ETF**

STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017	2016	2015
<b>Cash flow from operating activities</b>			
Net income (loss) . . . . .	\$ (198,604,105)	\$(196,292,805)	\$ (27,904,536)
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 . . . . .	15,371,355	(11,347,310)	12,551,205
Purchases of short-term U.S. government and agency obligations . . . . .	(1,819,678,736)	(920,726,003)	(599,166,468)
Proceeds from sales or maturities of short-term U.S. government and agency obligations . . . . .	1,834,013,986	869,284,481	585,220,876
Net amortization and accretion on short-term U.S. government and agency obligations . . . . .	(1,201,747)	(466,392)	(41,722)
Net realized gain (loss) on investments . . . . .	772	(6,650)	(1,703)
Change in unrealized appreciation/depreciation on investments . . . . .	11,354	(3,010)	3,657
Decrease (Increase) in receivable on futures contracts . . . . .	1,816,796	(3,220,337)	8,053,303
Increase (Decrease) in payable to Sponsor . . . . .	(32,700)	10,220	(3,334)
Net cash provided by (used in) operating activities . . . . .	(168,303,025)	(262,767,806)	(21,288,722)
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares . . . . .	318,930,520	515,131,303	187,659,682
Payment on shares redeemed . . . . .	(153,313,288)	(249,951,175)	(165,941,648)
Net cash provided by (used in) financing activities . . . . .	165,617,232	265,180,128	21,718,034
<b>Net increase (decrease) in cash</b> . . . . .	(2,685,793)	2,412,322	429,312
Cash, beginning of period . . . . .	4,536,425	2,124,103	1,694,791
Cash, end of period . . . . .	\$ 1,850,632	\$ 4,536,425	\$ 2,124,103

*See accompanying notes to financial statements.*

**PROSHARES TRUST II**

COMBINED STATEMENTS OF FINANCIAL CONDITION

	<u>December 31, 2017</u>	<u>December 31, 2016</u>
<b>Assets</b>		
Cash .....	\$ 55,713,112	\$ 39,482,473
Segregated cash balances with brokers for futures contracts .....	420,018,133	180,212,984
Segregated cash balances with brokers for forward agreements .....	4,081,500	—
Segregated cash balances with brokers for foreign currency forward contracts .....	3,960,000	—
Short-term U.S. government and agency obligations (Note 3) (cost \$2,445,970,899 and \$3,038,837,465, respectively) .....	2,445,779,873	3,038,848,441
Unrealized appreciation on swap agreements .....	62,238,361	55,358,571
Unrealized appreciation on forward agreements .....	25,381,689	4,417,812
Unrealized appreciation on foreign currency forward contracts .....	2,339,908	33,392,354
Receivable from capital shares sold .....	843,370	—
Receivable on open futures contracts .....	45,230,982	41,862,862
Offering costs (Note 5) .....	105,643	—
Limitation by Sponsor .....	59,651	—
Total assets .....	<u>3,065,752,222</u>	<u>3,393,575,497</u>
<b>Liabilities and shareholders' equity</b>		
<b>Liabilities</b>		
Payable for capital shares redeemed .....	73,270,557	71,525,035
Payable on open futures contracts .....	1,954,640	3,972,621
Brokerage commissions and fees payable .....	—	2,909
Payable to Sponsor .....	2,509,663	2,722,696
Unrealized depreciation on swap agreements .....	30,607,142	12,206,881
Unrealized depreciation on forward agreements .....	3,204,422	25,407,296
Unrealized depreciation on foreign currency forward contracts .....	6,927,586	1,400,572
Total liabilities .....	<u>118,474,010</u>	<u>117,238,010</u>
Commitments and Contingencies (Note 2)		
<b>Shareholders' equity</b>		
Shareholders' equity .....	<u>2,947,278,212</u>	<u>3,276,337,487</u>
Total liabilities and shareholders' equity .....	<u>\$3,065,752,222</u>	<u>\$3,393,575,497</u>
Shares outstanding .....	<u>118,293,916</u>	<u>90,235,707</u>

*See accompanying notes to financial statements.*

**PROSHARES TRUST II**  
COMBINED STATEMENTS OF OPERATIONS

	Year Ended December 31,		
	2017*	2016**	2015***
<b>Investment Income</b>			
Interest .....	\$ 25,704,093	\$ 9,133,928	\$ 1,546,729
<b>Expenses</b>			
Management fee .....	30,996,127	34,712,239	35,055,606
Brokerage commissions .....	8,950,082	7,438,871	6,480,284
Brokerage fees .....	9,715	—	—
Offering costs .....	238,151	—	59,479
Limitation by Sponsor .....	(59,651)	—	(11,814)
Total expenses .....	40,134,424	42,151,110	41,583,555
Net investment income (loss) .....	(14,430,331)	(33,017,182)	(40,036,826)
<b>Realized and unrealized gain (loss) on investment activity</b>			
<b>Net realized gain (loss) on</b>			
Futures contracts .....	(354,314,223)	(1,286,470,453)	(675,706,798)
Swap agreements .....	(11,794,313)	(25,398,375)	(553,434,721)
Forward agreements .....	(26,118,074)	38,357,981	(73,443,689)
Foreign currency forward contracts .....	(46,255,034)	(47,075,744)	138,005,915
Short-term U.S. government and agency obligations .....	(50,042)	(15,768)	47,732
Net realized gain (loss) .....	(438,531,686)	(1,320,602,359)	(1,164,531,561)
<b>Change in net unrealized appreciation/depreciation on</b>			
Futures contracts .....	(360,935)	(22,030,613)	40,193,356
Swap agreements .....	(11,520,471)	108,928,215	(16,849,426)
Forward agreements .....	43,166,751	(2,765,009)	(6,192,684)
Foreign currency forward contracts .....	(36,579,460)	73,731,339	(56,805,160)
Short-term U.S. government and agency obligations .....	(202,002)	4,832	(46,135)
Change in net unrealized appreciation/depreciation .....	(5,496,117)	157,868,764	(39,700,049)
Net realized and unrealized gain (loss) .....	(444,027,803)	(1,162,733,595)	(1,204,231,610)
Net income (loss) .....	<u>\$ (458,458,134)</u>	<u>\$ (1,195,750,777)</u>	<u>\$ (1,244,268,436)</u>

\* The operations include the activity of ProShares UltraPro 3x Crude Oil ETF and ProShares UltraPro 3x Short Crude Oil ETF since January 13, 2017 (inception date).

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

\*\*\* The operations include the activity of ProShares Ultra Australian Dollar through June 29, 2015, the date of liquidation.

*See accompanying notes to financial statements.*

**PROSHARES TRUST II**

COMBINED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

	Year Ended December 31,		
	2017*	2016**	2015***
<b>Shareholders' equity, beginning of period</b> . . . . .	\$ 3,276,337,487	\$ 3,506,608,748	\$ 3,332,060,486
Addition of 255,585,016, 213,130,750 and 139,373,050 shares, respectively . . . . .	9,098,339,966	10,633,008,985	8,943,932,891
Redemption of 227,526,807, 221,560,666 and 111,513,687 shares, respectively . . . . .	<u>(8,968,941,107)</u>	<u>(9,667,529,469)</u>	<u>(7,525,116,193)</u>
Net addition (redemption) of 28,058,209, (8,429,916) and 27,859,363 shares, respectively . . . . .	<u>129,398,859</u>	<u>965,479,516</u>	<u>1,418,816,698</u>
Net investment income (loss) . . . . .	(14,430,331)	(33,017,182)	(40,036,826)
Net realized gain (loss) . . . . .	(438,531,686)	(1,320,602,359)	(1,164,531,561)
Change in net unrealized appreciation/depreciation . .	<u>(5,496,117)</u>	<u>157,868,764</u>	<u>(39,700,049)</u>
Net income (loss) . . . . .	<u>(458,458,134)</u>	<u>(1,195,750,777)</u>	<u>(1,244,268,436)</u>
<b>Shareholders' equity, end of period</b> . . . . .	<u>\$ 2,947,278,212</u>	<u>\$ 3,276,337,487</u>	<u>\$ 3,506,608,748</u>

- \* The operations include the activity of ProShares UltraPro 3x Crude Oil ETF and ProShares UltraPro 3x Short Crude Oil ETF since January 13, 2017 (inception date).
- \*\* The operations include the activity of: ProShares Managed Futures Strategy through March 30, 2016, ProShares UltraShort Bloomberg Commodity and ProShares Ultra Bloomberg Commodity through September 1, 2016, the date of liquidation, respectively.
- \*\*\* The operations include the activity of ProShares Ultra Australian Dollar through June 29, 2015, the date of liquidation.

*See accompanying notes to financial statements.*

## PROSHARES TRUST II

### COMBINED STATEMENTS OF CASH FLOWS

	Year Ended December 31,		
	2017*	2016**	2015***
<b>Cash flow from operating activities</b>			
Net income (loss) . . . . .	\$ (458,458,134)	\$ (1,195,750,777)	\$ (1,244,268,436)
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 . . . . .	(239,805,149)	80,870,728	35,477,903
Decrease (Increase) in segregated cash balances with brokers for forward agreements . . . . .	(4,081,500)	—	—
Decrease (Increase) in segregated cash balances with brokers for foreign currency forward contracts . . . . .	(3,960,000)	—	—
Purchases of short-term U.S. government and agency obligations . . . . .	(31,621,104,918)	(18,373,450,463)	(17,070,603,480)
Proceeds from sales or maturities of short-term U.S. government and agency obligations . . . . .	32,238,762,028	18,657,310,693	16,764,420,326
Net amortization and accretion on short-term U.S. government and agency obligations . . . . .	(24,840,586)	(9,128,007)	(1,530,269)
Net realized gain (loss) on investments . . . . .	50,042	15,768	(47,732)
Change in unrealized appreciation/depreciation on investments . . . . .	5,135,182	(179,899,377)	79,893,405
Decrease (Increase) in receivable on futures contracts . .	(3,368,120)	(14,207,535)	28,346,999
Decrease (Increase) in Limitation by Sponsor . . . . .	(59,651)	—	9,474
Change in offering cost . . . . .	—	—	49,384
Cash paid for offering cost . . . . .	(343,794)	—	—
Amortization of offering cost . . . . .	238,151	—	—
Increase (Decrease) in payable to Sponsor . . . . .	(213,033)	(116,609)	181,800
Increase (Decrease) in brokerage commissions and fees payable . . . . .	(2,909)	(36,239)	39,148
Increase (Decrease) in payable on futures contracts . . . .	(2,017,981)	894,352	(43,327,729)
Increase (Decrease) in payable for offering costs . . . . .	—	—	(65,785)
Net cash provided by (used in) operating activities . . . . .	(114,070,372)	(1,033,497,466)	(1,451,424,992)
<b>Cash flow from financing activities</b>			
Proceeds from addition of shares . . . . .	9,097,496,596	10,681,055,123	8,953,972,200
Payment on shares redeemed . . . . .	(8,967,195,585)	(9,656,124,409)	(7,490,397,088)
Net cash provided by (used in) financing activities . . . . .	130,301,011	1,024,930,714	1,463,575,112
<b>Net increase (decrease) in cash</b> . . . . .	16,230,639	(8,566,752)	12,150,120
Cash, beginning of period . . . . .	39,482,599	48,049,351	35,899,231
Cash, end of period . . . . .	\$ 55,713,238	\$ 39,482,599	\$ 48,049,351

\* The operations include the activity of ProShares UltraPro 3x Crude Oil ETF and ProShares UltraPro 3x Short Crude Oil ETF since January 13, 2017 (inception date).

\*\* 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.

\*\*\* The operations include the activity of ProShares Ultra Australian Dollar through June 29, 2015, the date of liquidation.

*See accompanying notes to financial statements.*

## PROSHARES TRUST II

### NOTES TO FINANCIAL STATEMENTS

December 31, 2017

#### 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, 2017, the following twenty 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 UltraPro 3x Short 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 UltraPro 3x 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.

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,” “Ultra Funds,” or “UltraPro 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 “UltraPro Short” Fund seeks daily investment results (before fees and expenses) that correspond to three times the inverse (-3x) 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 “UltraPro” Fund seeks daily investment results (before fees and expenses) that correspond to three times (3x) 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, 2x, -3x or 3x) 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, 2015, 2016 and 2017. The ticker symbols for these Funds did not change, and each Fund continues to trade on the NYSE Arca.

<b>Fund</b>	<b>Execution Date (Prior to Opening of Trading)</b>	<b>Type of Split</b>	<b>Date Trading Resumed at Post- Split Price</b>
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
ProShares UltraShort Bloomberg Crude Oil .....	January 11, 2017	2-for-1 Share split	January 12, 2017
ProShares Ultra Bloomberg Crude Oil .....	January 11, 2017	1-for-2 reverse Share split	January 12, 2017
ProShares Ultra VIX Short-Term Futures ETF .....	January 11, 2017	1-for-5 reverse Share split	January 12, 2017
ProShares Short VIX Short-Term Futures ETF .....	July 12, 2017	2-for-1 Share split	July 17, 2017
ProShares VIX Short-Term Futures ETF .....	July 14, 2017	1-for-4 reverse Share split	July 17, 2017
ProShares Ultra VIX Short-Term Futures ETF .....	July 14, 2017	1-for-4 reverse Share split	July 17, 2017

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”). Certain prior year amounts have been reclassified to conform to the current year presentation.

### **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, 2017 and 2016, 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, 2017 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 29
UltraShort Gold, Ultra Gold . . . . .	9:30 a.m.	10:00 a.m.	December 29
UltraShort Bloomberg Crude Oil, Ultra Bloomberg Crude Oil, . . . . .	2:00 p.m.	2:30 p.m.	December 29
UltraPro 3x Short Crude Oil, UltraPro 3x Crude Oil ETF			
UltraShort Bloomberg Natural Gas, Ultra Bloomberg Natural Gas . . . . .	2:00 p.m.	2:30 p.m.	December 29
UltraShort Australian Dollar . . . . .	3:00 p.m.	4:00 p.m.	December 29
Short Euro . . . . .	3:00 p.m.	4:00 p.m.	December 29
UltraShort Euro, Ultra Euro			
UltraShort Yen, Ultra Yen . . . . .	3:00 p.m.	4:00 p.m.	December 29
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 29
VIX Mid-Term Futures ETF . . . . .	2:00 p.m.	4:15 p.m.	December 29

\* 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, 2017.

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, 2017.

## 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, 2017 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		
Short Euro .....	\$ 6,996,235	\$ (166,288)	\$ —	\$ —	\$ —	\$ 6,829,947	
Short VIX Short-Term Futures ETF .....	494,910,644	17,041,449	—	—	—	511,952,093	
Ultra Bloomberg Crude Oil ...	459,515,902	11,945,979	—	—	62,238,361	533,700,242	
Ultra Bloomberg Natural Gas .....	50,961,356	7,225,810	—	—	—	58,187,166	
Ultra Euro .....	6,996,235	—	—	264,152	—	7,260,387	
Ultra Gold .....	88,884,844	5,480	3,646,355	—	—	92,536,679	
Ultra Silver .....	235,581,716	1,600	21,735,334	—	—	257,318,650	
Ultra VIX Short-Term Futures ETF .....	287,533,132	(34,466,120)	—	—	—	253,067,012	
Ultra Yen .....	1,997,933	—	—	(34,824)	—	1,963,109	
UltraShort Australian Dollar ...	11,983,904	(893,220)	—	—	—	11,090,684	
UltraPro 3X Crude Oil ETF ...	—	1,417,998	—	—	—	1,417,998	
UltraPro 3X Short Crude Oil ETF .....	—	(2,988,155)	—	—	—	(2,988,155)	
UltraShort Bloomberg Crude Oil .....	253,646,823	(3,962,648)	—	—	(30,607,142)	219,077,033	
UltraShort Bloomberg Natural Gas .....	3,999,751	(1,097,049)	—	—	—	2,902,702	
UltraShort Euro .....	204,770,166	—	—	(6,344,269)	—	198,425,897	
UltraShort Gold .....	31,977,900	(5,460)	(1,488,259)	—	—	30,484,181	
UltraShort Silver .....	18,349,861	(1,650)	(1,716,163)	—	—	16,632,048	
UltraShort Yen .....	131,834,352	—	—	1,527,263	—	133,361,615	
VIX Mid-Term Futures ETF ...	20,993,515	(2,215,280)	—	—	—	18,778,235	
VIX Short-Term Futures ETF .....	134,845,604	(4,761,877)	—	—	—	130,083,727	
Total Trust .....	\$2,445,779,873	\$(12,919,431)	\$22,177,267	\$(4,587,678)	\$ 31,631,219	\$2,482,081,250	

\* 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, 2017, 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, 2017, 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, 2016 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
Short Euro	\$ 13,164,828	\$ 132,900	\$ —	\$ —	\$ —	\$ 13,297,728
Short VIX Short-Term Futures						
ETF	170,396,436	(10,309,611)	—	—	—	160,086,825
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 Euro	11,891,831	—	—	(574,010)	—	11,317,821
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 VIX Short-Term Futures						
ETF	434,671,795	(7,972,237)	—	—	—	426,699,558
Ultra Yen	5,282,879	—	—	(342,076)	—	4,940,803
UltraShort Australian Dollar	12,909,619	1,182,340	—	—	—	14,091,959
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 Euro	337,375,787	—	—	16,162,931	—	353,538,718
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
UltraShort Yen	257,102,313	—	—	16,744,937	—	273,847,250
VIX Mid-Term Futures ETF	45,486,235	(1,288,245)	—	—	—	44,197,990
VIX Short-Term Futures ETF	147,991,233	(468,652)	—	—	—	147,522,581
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.

### 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 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). The Sponsor 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.

## **New Accounting Pronouncements**

In November 2016, the FASB issued Accounting Standards Update No. 2016-18, “Statement of Cash Flows (Topic 230): Restricted Cash” (“ASU 2016-18”), which amends ASC 230 to provide guidance on the classification and presentation of changes in restricted cash and restricted cash equivalents on the statement of cash flows. The ASU is effective for annual periods beginning after December 15, 2017, and interim periods within those annual periods. At this time, management is evaluating the implications of these changes on the financial statements.

## **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 31, 2017 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, 2017, 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 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 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, 2017, 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, 2017**

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 Short VIX Short-Term Futures ETF	\$ 21,493,549*	Payable on open futures contracts	ProShares Short VIX Short-Term Futures ETF	\$ 4,452,100*
		ProShares Ultra VIX Short-Term Futures ETF	3,974,642*		ProShares Ultra VIX Short-Term Futures ETF	38,440,762*
		ProShares VIX Short-Term Futures ETF	709,708*		ProShares VIX Mid-Term Futures ETF	2,215,280*
					ProShares VIX Short-Term Futures ETF	5,471,585*
Commodities Contracts	Receivables on open futures contracts, unrealized appreciation on swap and/or forward agreements	ProShares Ultra Bloomberg Crude Oil	74,184,340*	Payable on open futures contracts, unrealized depreciation on swap and/or forward agreements	ProShares UltraPro 3x Short Crude Oil ETF	2,988,155*
		ProShares Ultra Bloomberg Natural Gas	7,225,810*		ProShares UltraShort Bloomberg Crude Oil	34,569,790*
		ProShares Ultra Gold	3,651,835*		ProShares UltraShort Bloomberg Natural Gas	1,097,049*
		ProShares Ultra Silver	21,736,934*		ProShares UltraShort Gold	1,493,719*
		ProShares UltraPro 3x Crude Oil ETF	1,417,998*		ProShares UltraShort Silver	1,717,813*
Foreign Exchange Contracts	Unrealized appreciation on foreign currency forward contracts and receivables on open futures contracts	ProShares Ultra Euro	321,609	Unrealized depreciation on foreign currency forward contracts and payable on open futures contracts	ProShares Short Euro	166,288*
		ProShares UltraShort Euro	449,302		ProShares Ultra Euro	57,457
		ProShares UltraShort Yen	1,568,997		ProShares Ultra Yen	34,824
					ProShares UltraShort Australian Dollar	893,220*
					ProShares UltraShort Euro	6,793,571
					ProShares UltraShort Yen	41,734
	Total Trust	\$136,734,724*	Total Trust	\$100,433,347*		

\* 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, 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 ProShares UltraShort Silver	3,052,546* 1,411,556*	Payable on open futures contracts, unrealized depreciation on swap and/or forward agreements	ProShares UltraShort Bloomberg Crude Oil ProShares UltraShort Bloomberg Natural Gas ProShares Ultra Gold	13,633,696* 482,031* 4,450,067*
		ProShares Ultra Bloomberg Crude Oil ProShares Ultra Bloomberg Natural Gas	60,895,736* 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 ProShares UltraShort Australian Dollar	132,900* 1,182,340*	Unrealized depreciation on foreign currency forward contracts and payable on open futures contracts	ProShares UltraShort Euro ProShares UltraShort Yen	356,139 125,420
		ProShares UltraShort Euro ProShares UltraShort Yen ProShares Ultra Euro ProShares Ultra Yen	16,519,070 16,870,357 2,548 379		ProShares Ultra Euro ProShares Ultra Yen	576,558 342,455
		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.

**The Effect of Derivative Instruments on the Statements of Operations**  
**For the year ended December 31, 2017**

<b>Derivatives not accounted for as hedging instruments</b>	<b>Location of Gain (Loss) on Derivatives Recognized in Income</b>	<b>Fund</b>	<b>Realized Gain (Loss) on Derivatives Recognized in Income</b>	<b>Change in Unrealized Appreciation/Depreciation on Derivatives Recognized in Income</b>
VIX Futures Contracts	Net realized gain (loss) on futures contracts/ changes in unrealized appreciation/ depreciation on futures contracts	ProShares Short VIX Short-Term Futures ETF	\$ 897,400,516	\$27,351,060
		ProShares Ultra VIX Short-Term Futures ETF	(1,020,750,851)	(26,493,883)
		ProShares VIX Mid-Term Futures ETF	(25,319,770)	(927,035)
		ProShares VIX Short-Term Futures ETF	(194,005,568)	(4,293,225)
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 Ultra Bloomberg Crude Oil	22,146,212	13,288,604
		ProShares Ultra Bloomberg Natural Gas	(40,793,265)	4,689,090
		ProShares Ultra Gold	11,484,410	8,101,902
		ProShares Ultra Silver	(31,762,834)	42,740,483
		ProShares UltraPro 3x Crude Oil ETF	6,018,618	1,417,998
		ProShares UltraPro 3x Short Crude Oil ETF	(7,046,628)	(2,988,155)
		ProShares UltraShort Bloomberg Crude Oil	(6,491,060)	(20,936,094)
		ProShares UltraShort Bloomberg Natural Gas	4,762,532	(615,018)
		ProShares UltraShort Gold	(6,993,557)	(4,546,265)
		ProShares UltraShort Silver	1,153,393	(3,129,369)
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	(1,161,987)	(299,188)
		ProShares Ultra Euro	2,212,313	838,162
		ProShares Ultra Yen	(46,195)	307,252
		ProShares UltraShort Australian Dollar	(866,771)	(2,075,560)
		ProShares UltraShort Euro	(39,691,680)	(22,507,200)
		ProShares UltraShort Yen	(8,729,472)	(15,217,674)
				<u>\$(438,481,644)</u>

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

<b>Derivatives not accounted for as hedging instruments</b>	<b>Location of Gain (Loss) on Derivatives Recognized in Income</b>	<b>Fund</b>	<b>Realized Gain (Loss) on Derivatives Recognized in Income</b>	<b>Change in Unrealized Appreciation/ Depreciation on Derivatives Recognized in Income</b>
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)
		ProShares UltraShort Bloomberg Crude Oil	(67,752,164)	(22,510,865)
		ProShares UltraShort Bloomberg Natural Gas	586,860	1,989,133
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 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
		ProShares Short Euro	663,774	(110,538)
		ProShares UltraShort Australian Dollar	(2,787,204)	1,602,610
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 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**

<b>Derivatives not accounted for as hedging instruments</b>	<b>Location of Gain or (Loss) on Derivatives Recognized in Income</b>	<b>Fund</b>	<b>Realized Gain or (Loss) on Derivatives Recognized in Income</b>	<b>Change in Unrealized Appreciation or Depreciation on Derivatives Recognized in Income</b>
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.

## 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, 2017:

Fair Values of Derivative Instruments as of December 31, 2017

	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 Ultra Bloomberg Crude Oil						
Swap agreements . . . . .	\$62,238,361	\$—	\$62,238,361	\$ —	\$—	\$ —
ProShares Ultra Euro						
Foreign currency forward contracts . . . . .	321,609	—	321,609	57,457	—	57,457
ProShares Ultra Gold						
Forward agreements . . . . .	3,646,355	—	3,646,355	—	—	—
ProShares Ultra Silver						
Forward agreements . . . . .	21,735,334	—	21,735,334	—	—	—
ProShares UltraShort Bloomberg Crude Oil						
Swap agreements . . . . .	—	—	—	30,607,142	—	30,607,142
ProShares UltraShort Euro						
Foreign currency forward contracts . . . . .	449,302	—	449,302	6,793,571	—	6,793,571
ProShares UltraShort Gold						
Forward agreements . . . . .	—	—	—	1,488,259	—	1,488,259
ProShares UltraShort Silver						
Forward agreements . . . . .	—	—	—	1,716,163	—	1,716,163
ProShares UltraShort Yen						
Foreign currency forward contracts . . . . .	1,568,997	—	1,568,997	41,734	—	41,734
ProShares Ultra Yen						
Foreign currency forward contracts . . . . .	—	—	—	34,824	—	34,824



Asset (Liability) amounts shown in the table below represent amounts owed to (by) the Funds for the derivative-related investments at December 31, 2017. 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, 2017**

	<b>Amounts of Recognized Assets / (Liabilities) presented in the Statements of Financial Condition</b>	<b>Financial Instruments for the Benefit of (the Funds) /the Counterparties</b>	<b>Cash Collateral for the Benefit of (the Funds) / the Counterparties</b>	<b>Net Amount</b>
ProShares Ultra Bloomberg Crude Oil				
Citibank N.A. ....	\$ 19,815,892	\$ —	\$ —	\$19,815,892
Goldman Sachs International .....	16,654,031	(14,861,090)	—	1,792,941
Societe Generale S.A. ....	9,003,519	(8,525,505)	—	478,014
UBS AG .....	16,764,919	(15,477,566)	—	1,287,353
ProShares Ultra Euro				
Goldman Sachs International .....	102,424	—	—	102,424
UBS AG .....	161,728	—	—	161,728
ProShares Ultra Gold				
Citibank N.A. ....	1,513,310	—	—	1,513,310
Goldman Sachs International .....	969,501	(967,678)	(1,823)	—
Societe Generale S.A. ....	218,319	—	—	218,319
UBS AG .....	945,225	(945,225)	—	—
ProShares Ultra Silver				
Citibank N.A. ....	7,201,744	—	—	7,201,744
Goldman Sachs International .....	5,873,080	(4,903,696)	—	969,384
Societe Generale S.A. ....	2,761,817	(2,516,153)	—	245,664
UBS AG .....	5,898,693	(4,930,596)	—	968,097
ProShares UltraShort Bloomberg Crude Oil				
Citibank N.A. ....	(10,173,164)	10,173,164	—	—
Goldman Sachs International .....	(9,242,398)	9,242,398	—	—
Societe Generale S.A. ....	(1,904,113)	1,904,113	—	—
UBS AG .....	(9,287,467)	9,287,467	—	—
ProShares UltraShort Euro				
Goldman Sachs International .....	(3,297,612)	259,612	3,038,000	—
UBS AG .....	(3,046,657)	3,046,657	—	—
ProShares UltraShort Gold				
Citibank N.A. ....	(554,559)	554,559	—	—
Goldman Sachs International .....	(428,358)	428,358	—	—
Societe Generale S.A. ....	(126,928)	126,928	—	—
UBS AG .....	(378,414)	378,414	—	—
ProShares UltraShort Silver				
Citibank N.A. ....	(632,593)	632,593	—	—
Goldman Sachs International .....	(486,240)	—	486,240	—
Societe Generale S.A. ....	(115,305)	115,305	—	—
UBS AG .....	(482,025)	482,025	—	—
ProShares UltraShort Yen				
Goldman Sachs International .....	821,317	(810,030)	—	11,287
UBS AG .....	705,946	—	(705,946)	—
ProShares Ultra Yen				
Goldman Sachs International .....	(17,410)	17,410	—	—
UBS AG .....	(17,414)	17,414	—	—

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 Ultra Bloomberg Crude Oil						
Swap agreements . . . . .	\$55,358,571	\$—	\$55,358,571	\$ —	\$—	\$ —
ProShares Ultra Euro Foreign currency						
forward contracts . . .	2,548	—	2,548	576,558	—	576,558
ProShares Ultra Gold Forward agreements . . .	—	—	—	4,431,107	—	4,431,107
ProShares Ultra Silver Forward agreements . . .	—	—	—	20,976,189	—	20,976,189
ProShares UltraShort Bloomberg Crude Oil						
Swap agreements . . . . .	—	—	—	12,206,881	—	12,206,881
ProShares UltraShort Euro Foreign currency						
forward contracts . . .	16,519,070	—	16,519,070	356,139	—	356,139
ProShares UltraShort Gold Forward agreements . . .	3,033,566	—	3,033,566	—	—	—
ProShares UltraShort Silver Forward agreements . . .	1,384,246	—	1,384,246	—	—	—
ProShares UltraShort Yen Foreign currency						
forward contracts . . .	16,870,357	—	16,870,357	125,420	—	125,420
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**

	<b>Amounts of Recognized Assets / (Liabilities) presented in the Statements of Financial Condition</b>	<b>Financial Instruments for the Benefit of (the Funds) / the Counterparties</b>	<b>Cash Collateral for the Benefit of (the Funds) / the Counterparties</b>	<b>Net Amount</b>
<b>ProShares Ultra Bloomberg Crude Oil</b>				
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)	—
<b>ProShares Ultra Euro</b>				
Goldman Sachs International .....	(239,256)	239,256	—	—
UBS AG .....	(334,754)	334,754	—	—
<b>ProShares Ultra Gold</b>				
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	—	—
<b>ProShares Ultra Silver</b>				
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	—	—
<b>ProShares UltraShort Bloomberg Crude Oil</b>				
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	—	—
<b>ProShares UltraShort Euro</b>				
Goldman Sachs International .....	8,109,067	(8,109,067)	—	—
UBS AG .....	8,053,864	—	(8,053,864)	—
<b>ProShares UltraShort Gold</b>				
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)	—
<b>ProShares UltraShort Silver</b>				
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)	—
<b>ProShares UltraShort Yen</b>				
Goldman Sachs International .....	8,256,779	(7,771,819)	—	484,960
UBS AG .....	8,488,158	—	(7,980,000)	508,158
<b>ProShares Ultra Yen</b>				
Goldman Sachs International .....	(219,736)	219,736	—	—
UBS AG .....	(122,340)	122,340	—	—

## **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 and will be reimburse 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. The Sponsor will reimburse ProShares UltraPro 3x Crude Oil ETF and ProShares UltraPro 3x Short Crude Oil ETF to the extent their respective offering costs exceeds 0.95% of their average daily NAV for the first year of operations.

#### **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 \$250 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, 2017, 2016 and 2015 which are included in the Addition and/or Redemption of Shares on the Statements of Changes in Shareholders' Equity, were as follows:

<b>Fund</b>	<b>Year Ended December 31, 2017</b>	<b>Year Ended December 31, 2016</b>	<b>Year Ended December 31, 2015</b>
Short Euro .....	\$ —	\$ —	\$ —
Short VIX Short-Term Futures ETF .....	1,008,452	801,564	342,734
Ultra Bloomberg Crude Oil .....	610,969	504,533	847,422
Ultra Bloomberg Natural Gas .....	15,937	9,175	13,939
Ultra Euro .....	—	—	—
Ultra Gold .....	14,460	14,138	4,218
Ultra Silver .....	28,622	47,414	38,848
Ultra VIX Short-Term Futures ETF .....	1,036,162	1,822,247	1,391,292
Ultra Yen .....	—	—	—
UltraPro 3X Crude Oil ETF .....	25,455	—	—
UltraPro 3X Short Crude Oil ETF .....	14,096	—	—
UltraShort Australian Dollar .....	—	—	—
UltraShort Bloomberg Crude Oil .....	207,707	398,027	382,054
UltraShort Bloomberg Natural Gas .....	4,713	8,989	8,853
UltraShort Euro .....	—	—	—
UltraShort Gold .....	15,945	29,854	11,024
UltraShort Silver .....	—	16,729	39,354
UltraShort Yen .....	—	—	—
VIX Mid-Term Futures ETF .....	13,605	24,056	8,521
VIX Short-Term Futures ETF .....	142,380	229,699	105,024
<b>Total Trust*</b> .....	<b>\$3,138,503</b>	<b>\$3,906,425</b>	<b>\$3,193,283</b>

\* 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, 2017:**

**For the Year Ended December 31, 2017**

<u>Per Share Operating Performance</u>	<u>Short Euro</u>	<u>Short VIX Short-Term Futures ETF*</u>	<u>Ultra Bloomberg Crude Oil</u>	<u>Ultra Bloomberg Natural Gas</u>	<u>Ultra Euro</u>	<u>Ultra Gold</u>
Net asset value, at December 31, 2016 . . . . .	\$45.06	\$ 45.62	\$23.34	\$ 18.85	\$14.02	\$32.90
Net investment income (loss) . . . . .	(0.14)	(0.60)	(0.03)	(0.05)	(0.04)	(0.06)
Net realized and unrealized gain (loss)# . . . . .	(4.96)	82.28	0.35	(12.27)	3.46	7.04
Change in net asset value from operations . . . . .	(5.10)	81.68	0.32	(12.32)	3.42	6.98
Net asset value, at December 31, 2017 . . . . .	\$39.96	\$127.30	\$23.66	\$ 6.53	\$17.44	\$39.88
Market value per share, at December 31, 2016† . . . . .	\$45.12	\$ 45.49	\$23.36	\$ 18.96	\$14.09	\$33.20
Market value per share, at December 31, 2017† . . . . .	\$39.99	\$128.21	\$23.44	\$ 6.50	\$17.46	\$40.67
<b>Total Return, at net asset value . . . . .</b>	<b>(11.3)%</b>	<b>179.0%</b>	<b>1.4%</b>	<b>(65.4)%</b>	<b>24.4%</b>	<b>21.2%</b>
<b>Total Return, at market value . . . . .</b>	<b>(11.4)%</b>	<b>181.8%</b>	<b>0.3%</b>	<b>(65.7)%</b>	<b>23.9%</b>	<b>22.5%</b>
<b>Ratios to Average Net Assets</b>						
Expense ratio . . . . .	0.97%	1.51%	0.98%	1.22%	0.95%	0.95%
Expense ratio, excluding brokerage commissions and fees . . . . .	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss) . . . . .	(0.32)%	(0.71)%	(0.18)%	(0.50)%	(0.23)%	(0.14)%

\* See Note 1 of these Notes to 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, 2017**

<b>Per Share Operating Performance</b>	<b>Ultra Silver</b>	<b>Ultra VIX Short-Term Futures ETF*</b>	<b>Ultra Yen</b>	<b>UltraPro 3X Crude Oil ETF+</b>	<b>UltraPro 3X Short Crude Oil ETF+</b>	<b>UltraShort Australian Dollar</b>
Net asset value, at December 31, 2016 . . .	\$33.44	\$ 173.93	\$55.43	\$25.00	\$ 25.00	\$55.38
Net investment income (loss) . . . . .	(0.05)	(0.33)	(0.24)	(0.21)	(0.17)	(0.17)
Net realized and unrealized gain (loss)# . . . . .	0.16	(163.27)	2.13	12.99	(14.25)	(9.54)
Change in net asset value from operations . . . . .	0.11	(163.60)	1.89	12.78	(14.42)	(9.71)
Net asset value, at December 31, 2017 . . .	\$33.55	\$ 10.33	\$57.32	\$37.78	\$ 10.58	\$45.67
Market value per share, at December 31, 2016† . . . . .	\$32.09	\$ 175.00	\$55.52	\$25.00	\$ 25.00	\$55.24
Market value per share, at December 31, 2017† . . . . .	\$33.85	\$ 10.21	\$57.45	\$37.23	\$ 10.72	\$45.72
<b>Total Return, at net asset value . . . . .</b>	0.3%	(94.1)%	3.4%	51.1% <sup>^</sup>	(57.7)% <sup>^</sup>	(17.5)%
<b>Total Return, at market value . . . . .</b>	5.5%	(94.2)%	3.5%	48.9% <sup>^</sup>	(57.1)% <sup>^</sup>	(17.2)%
<b>Ratios to Average Net Assets</b>						
Expense ratio . . . . .	0.95%	1.90%	0.95%	1.30%**	1.32%**	1.02%
Expense ratio, excluding brokerage commissions and fees . . . . .	0.95%	0.95%	0.95%	0.95%**	0.95%**	0.95%
Net investment income (loss) . . . . .	(0.15)%	(1.17)%	(0.41)%	(1.20)%**	(1.25)%**	(0.36)%

\* See Note 1 of these Notes to Financial Statements.

+ From commencement of operations, March 24, 2017 through December 31, 2017.

# 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 ProShares UltraPro 3x Crude Oil ETF and ProShares UltraPro 3x Short Crude Oil ETF, the returns of shares outstanding for the period from commencement of operations through December 31, 2017 are calculated based on the initial offering price upon commencement of operations of \$25.00.

<sup>^</sup> Percentages are not annualized for the period ended December 31, 2017.

\*\* Percentages are annualized.



**For the Year Ended December 31, 2017**

<b><u>Per Share Operating Performance</u></b>	<b>UltraShort Bloomberg Crude Oil</b>	<b>UltraShort Bloomberg Natural Gas</b>	<b>UltraShort Euro</b>	<b>UltraShort Gold</b>	<b>UltraShort Silver</b>	<b>UltraShort Yen</b>
Net asset value, at December 31, 2016 . . . . .	\$31.70	\$23.10	\$27.08	\$ 91.33	\$37.31	\$80.24
Net investment income (loss) . . . . .	(0.06)	(0.27)	(0.04)	(0.13)	(0.06)	(0.14)
Net realized and unrealized gain (loss)# . . . . .	(7.33)	16.65	(5.83)	(20.73)	(5.54)	(5.17)
Change in net asset value from operations . . . . .	(7.39)	16.38	(5.87)	(20.86)	(5.60)	(5.31)
Net asset value, at December 31, 2017 . . . . .	\$24.31	\$39.48	\$21.21	\$ 70.47	\$31.71	\$74.93
Market value per share, at December 31, 2016† . . . .	\$31.65	\$23.05	\$27.08	\$ 90.54	\$38.76	\$80.25
Market value per share, at December 31, 2017† . . . .	\$24.56	\$39.65	\$21.20	\$ 69.11	\$31.40	\$74.98
<b>Total Return, at net asset value . . . . .</b>	<b>(23.3)%</b>	<b>70.9%</b>	<b>(21.7)%</b>	<b>(22.8)%</b>	<b>(15.0)%</b>	<b>(6.6)%</b>
<b>Total Return, at market value . . . . .</b>	<b>(22.4)%</b>	<b>72.0%</b>	<b>(21.7)%</b>	<b>(23.7)%</b>	<b>(19.0)%</b>	<b>(6.6)%</b>
<b>Ratios to Average Net Assets</b>						
Expense ratio . . . . .	0.99%	1.39%	0.95%	0.95%	0.95%	0.95%
Expense ratio, excluding brokerage commissions and fees . . . . .	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss) . . . . .	(0.17)%	(0.81)%	(0.15)%	(0.17)%	(0.18)%	(0.19)%

# 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, 2017**

<b><u>Per Share Operating Performance</u></b>	<b><u>VIX Mid-Term Futures ETF</u></b>	<b><u>VIX Short-Term Futures ETF*</u></b>
Net asset value, at December 31, 2016 .....	\$ 42.14	\$ 84.86
Net investment income (loss) .....	(0.06)	(0.07)
Net realized and unrealized gain (loss)# .....	(20.79)	(61.45)
Change in net asset value from operations .....	(20.85)	(61.52)
Net asset value, at December 31, 2017 .....	\$ 21.29	\$ 23.34
Market value per share, at December 31, 2016† .....	\$ 42.34	\$ 85.04
Market value per share, at December 31, 2017† .....	\$ 21.15	\$ 23.15
<b>Total Return, at net asset value</b> .....	(49.5)%	(72.5)%
<b>Total Return, at market value</b> .....	(50.0)%	(72.8)%
<b>Ratios to Average Net Assets</b>		
Expense ratio .....	0.91%	0.96%
Expense ratio, excluding brokerage commissions and fees .....	0.85%	0.85%
Net investment income (loss) .....	(0.22)%	(0.18)%

\* See Note 1 of these Notes to 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, 2016:**

**For the Year Ended December 31, 2016**

<b>Per Share Operating Performance</b>	<b>Short Euro</b>	<b>Short VIX Short-Term Futures ETF*</b>	<b>Ultra Bloomberg Crude Oil*</b>	<b>Ultra Bloomberg Natural Gas</b>	<b>Ultra Euro</b>	<b>Ultra Gold</b>
Net asset value, at December 31, 2015 .....	\$43.78	\$25.41	\$25.15	\$18.57	\$15.51	\$29.73
Net investment income (loss) ..	(0.33)	(0.30)	(0.15)	(0.16)	(0.11)	(0.28)
Net realized and unrealized gain (loss)# .....	1.61	20.51	(1.66)	0.44	(1.38)	3.45
Change in net asset value from operations .....	1.28	20.21	(1.81)	0.28	(1.49)	3.17
Net asset value, at December 31, 2016 .....	\$45.06	\$45.62	\$23.34	\$18.85	\$14.02	\$32.90
Market value per share, at December 31, 2015† .....	\$43.74	\$25.23	\$25.08	\$18.48	\$15.51	\$29.73
Market value per share, at December 31, 2016† .....	\$45.12	\$45.49	\$23.36	\$18.96	\$14.09	\$33.20
<b>Total Return, at net asset value .....</b>	<b>2.9%</b>	<b>79.5%</b>	<b>(7.2)%</b>	<b>1.5%</b>	<b>(9.6)%</b>	<b>10.7%</b>
<b>Total Return, at market value .....</b>	<b>3.2%</b>	<b>80.3%</b>	<b>(6.9)%</b>	<b>2.6%</b>	<b>(9.2)%</b>	<b>11.7%</b>
<b>Ratios to Average Net Assets</b>						
Expense ratio .....	0.97%	1.39%	1.01%	1.34%	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)%	(1.15)%	(0.76)%	(1.12)%	(0.71)%	(0.69)%

\* See Note 1 of these Notes to 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**

<b><u>Per Share Operating Performance</u></b>	<b><u>Ultra Silver</u></b>	<b><u>Ultra VIX Short-Term Futures ETF*</u></b>	<b><u>Ultra Yen</u></b>	<b><u>UltraShort Australian Dollar</u></b>	<b><u>UltraShort Bloomberg Crude Oil*</u></b>	<b><u>UltraShort Bloomberg Natural Gas*</u></b>
Net asset value, at December 31, 2015 .....	\$27.06	\$ 2,808.40	\$54.75	\$58.46	\$ 66.60	\$ 46.53
Net investment income (loss) .....	(0.27)	(7.68)	(0.45)	(0.43)	(0.36)	(0.68)
Net realized and unrealized gain (loss)# .....	6.65	(2,626.79)	1.13	(2.65)	(34.54)	(22.75)
Change in net asset value from operations .....	6.38	(2,634.47)	0.68	(3.08)	(34.90)	(23.43)
Net asset value, at December 31, 2016 .....	\$33.44	\$ 173.93	\$55.43	\$55.38	\$ 31.70	\$ 23.10
Market value per share, at December 31, 2015† .....	\$27.08	\$ 2,835.00	\$54.70	\$58.15	\$ 66.82	\$ 46.55
Market value per share, at December 31, 2016† .....	\$32.09	\$ 175.00	\$55.52	\$55.24	\$ 31.65	\$ 23.05
<b>Total Return, at net asset value .....</b>	<b>23.6%</b>	<b>(93.8)%</b>	<b>1.2%</b>	<b>(5.3)%</b>	<b>(52.4)%</b>	<b>(50.4)%</b>
<b>Total Return, at market value .....</b>	<b>18.5%</b>	<b>(93.8)%</b>	<b>1.5%</b>	<b>(5.0)%</b>	<b>(52.6)%</b>	<b>(50.5)%</b>
<b>Ratios to Average Net Assets</b>						
Expense ratio .....	0.95%	1.57%	0.95%	1.03%	1.03%	1.65%
Expense ratio, excluding brokerage commissions .....	0.95%	0.85%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss) .....	(0.69)%	(1.32)%	(0.69)%	(0.79)%	(0.76)%	(1.43)%

\* See Note 1 of these Notes to 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**

<b>Per Share Operating Performance</b>	<b>UltraShort Euro</b>	<b>UltraShort Gold</b>	<b>UltraShort Silver</b>	<b>UltraShort Yen</b>	<b>VIX Mid-Term Futures ETF</b>	<b>VIX Short-Term Futures ETF*</b>
Net asset value, at December 31, 2015 .....	\$25.54	\$115.88	\$ 64.58	\$87.94	\$ 53.96	\$ 264.84
Net investment income (loss) .....	(0.17)	(0.55)	(0.26)	(0.50)	(0.33)	(1.10)
Net realized and unrealized gain (loss)# .....	1.71	(24.00)	(27.01)	(7.20)	(11.49)	(178.88)
Change in net asset value from operations .....	1.54	(24.55)	(27.27)	(7.70)	(11.82)	(179.98)
Net asset value, at December 31, 2016 .....	\$27.08	\$ 91.33	\$ 37.31	\$80.24	\$ 42.14	\$ 84.86
Market value per share, at December 31, 2015† .....	\$25.53	\$115.83	\$ 64.55	\$87.89	\$ 53.99	\$ 266.60
Market value per share, at December 31, 2016† .....	\$27.08	\$ 90.54	\$ 38.76	\$80.25	\$ 42.34	\$ 85.04
<b>Total Return, at net asset value .....</b>	6.0%	(21.2)%	(42.2)%	(8.8)%	(21.9)%	(68.0)%
<b>Total Return, at market value ...</b>	6.1%	(21.8)%	(40.0)%	(8.7)%	(21.6)%	(68.1)%
<b>Ratios to Average Net Assets</b>						
Expense ratio .....	0.95%	0.95%	0.95%	0.95%	0.93%	0.99%
Expense ratio, excluding brokerage commissions .....	0.95%	0.95%	0.95%	0.95%	0.85%	0.85%
Net investment income (loss) .....	(0.70)%	(0.70)%	(0.70)%	(0.71)%	(0.68)%	(0.75)%

\* See Note 1 of these Notes to 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**

<b>Per Share Operating Performance</b>	<b>Short Euro</b>	<b>Short VIX Short-Term Futures ETF*</b>	<b>Ultra Bloomberg Crude Oil*</b>	<b>Ultra Bloomberg Natural Gas*</b>	<b>Ultra Euro</b>	<b>Ultra Gold</b>
Net asset value, at December 31, 2014 . . . . .	\$40.06	\$30.70	\$101.48	\$ 61.65	\$19.87	\$ 40.00
Net investment income (loss) . . . . .	(0.40)	(0.41)	(0.56)	(0.50)	(0.15)	(0.33)
Net realized and unrealized gain (loss)# . . . . .	4.12	(4.88)	(75.77)	(42.58)	(4.21)	(9.94)
Change in net asset value from operations . . . . .	3.72	(5.29)	(76.33)	(43.08)	(4.36)	(10.27)
Net asset value, at December 31, 2015 . . . . .	\$43.78	\$25.41	\$ 25.15	\$ 18.57	\$15.51	\$ 29.73
Market value per share, at . . . . December 31, 2014† . . . . .	\$40.03	\$30.58	\$103.70	\$ 63.12	\$19.80	\$ 38.41
Market value per share, at . . . . December 31, 2015† . . . . .	\$43.74	\$25.23	\$ 25.08	\$ 18.48	\$15.51	\$ 29.73
<b>Total Return, at net asset value . . . . .</b>	9.3%	(17.2)%	(75.2)%	(69.9)%	(22.0)%	(25.7)%
<b>Total Return, at market value . . . . .</b>	9.3%	(17.5)%	(75.8)%	(70.7)%	(21.7)%	(22.6)%
<b>Ratios to Average Net Assets</b>						
Expense ratio . . . . .	0.97%	1.40%	1.02%	1.29%	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)%	(1.36)%	(0.98)%	(1.26)%	(0.93)%	(0.90)%

\* See Note 1 of these Notes to 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, 2015**

<b><u>Per Share Operating Performance</u></b>	<b><u>Ultra Silver</u></b>	<b><u>Ultra VIX Short-Term Futures ETF*</u></b>	<b><u>Ultra Yen*</u></b>	<b><u>UltraShort Australian Dollar</u></b>	<b><u>UltraShort Bloomberg Crude Oil*</u></b>	<b><u>UltraShort Bloomberg Natural Gas*</u></b>
Net asset value, at December 31, 2014 .....	\$ 39.37	\$12,546.00	\$56.47	\$51.38	\$38.99	\$27.99
Net investment income (loss) .....	(0.33)	(72.24)	(0.48)	(0.57)	(0.39)	(0.44)
Net realized and unrealized gain (loss)# .....	(11.98)	(9,665.36)	(1.24)	7.65	28.00	18.98
Change in net asset value from operations .....	(12.31)	(9,737.60)	(1.72)	7.08	27.61	18.54
Net asset value, at December 31, 2015 .....	\$ 27.06	\$ 2,808.40	\$54.75	\$58.46	\$66.60	\$46.53
Market value per share, at .....						
December 31, 2014† .....	\$ 38.05	\$12,575.00	\$56.48	\$51.37	\$38.26	\$27.34
Market value per share, at December 31, 2015† .....	\$ 27.07	\$ 2,835.00	\$54.70	\$58.15	\$66.82	\$46.53
<b>Total Return, at net asset value</b> .....	(31.3)%	(77.6)%	(3.0)%	13.8%	70.8%	66.3%
<b>Total Return, at market value</b> .....	(28.8)%	(77.5)%	(3.2)%	13.2%	74.6%	70.3%
<b>Ratios to Average Net Assets</b>						
Expense ratio .....	0.95%	1.65%	0.95%	1.03%	1.07%	1.55%
Expense ratio, excluding brokerage commissions .....	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%
Net investment income (loss) .....	(0.89)%	(1.61)%	(0.88)%	(1.00)%	(1.04)%	(1.50)%

\* See Note 1 of these Notes to 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, 2015**

<b>Per Share Operating Performance</b>	<b>UltraShort Euro</b>	<b>UltraShort Gold</b>	<b>UltraShort Silver*</b>	<b>UltraShort Yen</b>	<b>VIX Mid-Term Futures ETF</b>	<b>VIX Short-Term Futures ETF*</b>
Net asset value, at December 31, 2014 .....	\$21.59	\$ 96.65	\$57.81	\$89.33	\$63.60	\$ 418.64
Net investment income (loss) .....	(0.22)	(0.91)	(0.50)	(0.82)	(0.51)	(2.65)
Net realized and unrealized gain (loss)# .....	4.17	20.14	7.27	(0.57)	(9.13)	(151.15)
Change in net asset value from operations .....	3.95	19.23	6.77	(1.39)	(9.64)	(153.80)
Net asset value, at December 31, 2015 .....	\$25.54	\$115.88	\$64.58	\$87.94	\$53.96	\$ 264.84
Market value per share, at December 31, 2014† .....	\$21.61	\$100.22	\$59.70	\$89.30	\$63.89	\$ 419.80
Market value per share, at December 31, 2015† .....	\$25.53	\$115.83	\$64.55	\$87.89	\$53.99	\$ 266.60
<b>Total Return, at net asset value</b> ...	18.3%	19.9%	11.7%	(1.6)%	(15.2)%	(36.7)%
<b>Total Return, at market value</b> ....	18.1%	15.6%	8.1%	(1.6)%	(15.5)%	(36.5)%
<b>Ratios to Average Net Assets</b>						
Expense ratio .....	0.95%	0.95%	0.95%	0.95%	0.91%	0.95%
Expense ratio, excluding brokerage commissions .....	0.95%	0.95%	0.95%	0.95%	0.85%	0.85%
Net investment income (loss) .....	(0.90)%	(0.91)%	(0.91)%	(0.92)%	(0.88)%	(0.92)%

\* See Note 1 of these Notes to 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), two times of the return (2x), three times the inverse (-3x), or three times of the return (3x) 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, UltraShort and UltraPro Short 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, UltraShort, UltraPro and UltraPro Short 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 or UltraPro Fund with a 2x or 3x multiple should be approximately two or three 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, UltraShort or UltraPro Short Fund is designed to return the inverse (-1x), two times the inverse (-2x) or three times the inverse (-3x) 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, 2x, -3x or 3x, 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 or margin 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 Ultra 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. For UltraPro Fund and UltraPro Short Fund, because the Funds include a three times (3x) or three times the inverse (-3x) multiplier, a single-day movement in the Benchmark approaching 33% at any point in the day 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 the 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 and UltraPro Fund or upward single-day or intraday movements in the benchmark of an UltraShort Fund and UltraPro Short 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 2016 may specify a January 2017 expiration. As that contract nears expiration, it may be replaced by selling the January 2017 contract and purchasing the contract expiring in March 2017. 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 2017 contract would take place at a price that is higher than the price at which the March 2017 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, an UltraPro Fund or a Matching VIX Fund that invests in such futures, and positively affect a Short Fund, an UltraShort Fund or an UltraPro Short 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, UltraShort Funds, and UltraPro Short Funds, and positively affect the Ultra Funds, UltraPro 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**

Effective as of close of business on February 27, 2018, the investment objective of ProShares Ultra VIX Short-Term Futures ETF and ProShares Short VIX Short-Term Futures ETF changed.

**ProShares Ultra VIX Short-Term Futures ETF** (NYSE Arca: UVXY) changed its investment objective to seek results (before fees and expenses) that correspond to one and one-half times (1.5x) the performance of the S&P 500 VIX Short-Term Futures Index (“Index”) for a single day. Previously, the Fund’s investment objective was to seek results (before fees and expenses) that correspond to two times (2x) the performance of the Index for a single day.

**ProShares Short VIX Short-Term Futures ETF** (NYSE Arca: SVXY) changed its investment objective to seek results (before fees and expenses) that correspond to one-half the inverse (-0.5x) of the Index for a single day. Previously, the Fund’s investment objective was to seek results (before fees and expenses) that correspond to the inverse (-1x) of the Index for a single day.

Certain regulatory approvals will be required for the Funds to permanently pursue these new investment objectives. In the event that such approvals are not obtained, the Funds will consider other courses of action.

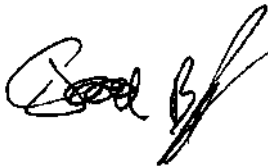
## AFFIRMATION OF THE COMMODITY POOL OPERATOR

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, 2017 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 UltraPro 3x Crude Oil ETF  
ProShares UltraPro 3x Short Crude Oil ETF  
ProShares Ultra Bloomberg Crude Oil  
ProShares Ultra Bloomberg Natural Gas  
ProShares Ultra Gold  
ProShares Ultra Silver  
ProShares Ultra Euro  
ProShares Ultra Yen

By:



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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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