



GRAFT
AIETFs

Monthly Portfolio Update

**2022
April**

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About Qraft Technologies

Founded in 2016, Qraft Technologies is on a mission to innovate the asset management process. From AI-powered ETFs to AI Order Execution, we seek to leverage AI to expand the capability of finding alpha at a lower cost than in the traditional asset management process.

The name Qraft is an amalgamation of the words 'Quant' and 'Craft', conveying the purpose of the company in crafting quantitative solutions for clients using our proprietary AI technology. Qraft's in-house, vertically integrated, AI suite offers nimbleness and ability to adapt to the changing needs and condition of the market. Qraft is developing a full comprehensive suite of AI-powered enabling services for financial firms, from building portfolio (Asset Allocation Engine), data handling (Kirin API), identification of alpha (Alpha Factory), to order execution (AXE). Our mission is to enable AI-driven technology to fundamentally change investing for the better.

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April Overview

The key watch term over the course of the past month has again been inflation. While inflation has been an ongoing issue for the past three years due to COVID, it seems with the advent of the conflict in Ukraine; inflation will not be transitory as once thought by the Fed and will continue for the foreseeable future.

In this context, US year over year inflation reached 7.9% this February, with the highest consumer prices seen in 40 years¹. The global nature of this inflationary trend has added to the supply chain issues that started with COVID-19, with protests and strikes in many countries against rampant inflation of essential consumer goods, threatening to further add to the logistical problems. Many developing nations have responded to such discontent by introducing subsidies for everyday goods ranging from oil to flour, adding to national debt that had already been burdened by COVID related relief programs².

In the developed world, some prominent economists worry that inflation may last well into the long-run, as inflation has been exacerbated by the structural demographic changes owing from historically low-fertility rates in many developed economies³. According to Lord Abbett⁴, while unemployment and labor-force participation levels approach pre-pandemic era levels, there is still a significant labor shortage in many sectors of the economy, namely in the leisure & hospitality, public sector, and healthcare sectors. The WSJ has echoed this statement, further noting that these sectors rely heavily on immigrant labor⁵, and with the status of COVID in many of the traditional countries in which much of the labor originates, labor shortage issues in these industries will not be resolved anytime soon.

Treasury yields seem to reflect such worries, with the yield curve having become inverted⁶ over the first week of April, which has long been considered as a sign of an impending recession. Therefore, it remains to be seen if the recent rally in the equities market will gain enough momentum to overcome the correction that began at the tail end of 2021.

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AMOM Key Takeaways

Significant decrease in IT sector holdings

- IT sector weight decreases by 18.46%

Significant increases in Energy, Consumer Discretionary, and Materials holdings

- Energy sector weight increase by almost three folds by 11.05%
 - US energy sector, especially liquid natural gas (LNG) producers are expected to benefit from increased demand from Europe and Asia as sanctions on Russian energy expand⁷
 - Canadian Natural Resources (CNQ) a large Canada based LNG provider is added to holdings with a weight of 2.84%
- Consumer Staples sector holdings increases by 5.13% as prices for consumer staples rise due to inflation
- Materials sector holdings increase by 2.93%
 - Nutrien Ltd. (NTR), the third-largest nitrogen fertilizer producer in the world, enters top-10 holdings, as conflict in Ukraine creates a nitrogen fertilizer shortage as Russia is a major producer of said product⁸

Continued absence of Communication Services, Real Estate, and Utilities sector holdings

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AMOM Rebalance Tables

March Top 10		April Top 10	
AAPL	8.21%	AAPL	8.00%
NVDA	7.34%	WMT	5.03%
HD	3.99%	HD	4.14%
COST	3.60%	COST	3.64%
QCOM	2.60%	CNQ	2.84%
COP	2.50%	LOW	2.57%
LOW	2.42%	NTR	2.53%
INTU	2.41%	COP	2.52%
REGN	2.06%	BX	2.16%
BX	2.03%	CVE	2.04%

Significant Removals		Significant Additions	
NVDA	7.34%	WMT	5.03%
QCOM	2.60%	CNQ	2.84%
INTU	2.41%	NTR	2.53%
CLF	1.98%	CVE	2.04%
PANW	1.85%	WST	1.64%

(Source: Company data; Data available as of April 4, 2022)

Table showing key AMOM metrics

Ticker	Product	Return type	1 Month	YTD	Since Inception
AMOM	Graft AI-Enhanced U.S. Large Cap Momentum ETF	Market Return	7.16%	-18.48%	53.42%
MIUS ⁱⁱ	MSCI USA Momentum Index*	Index Return	5.20%	-11.84%	43.92%

(Source: S&P Compustat; Data available as of April 12, 2022; Subject to change)

Since AMOM inception: May 19, 2019

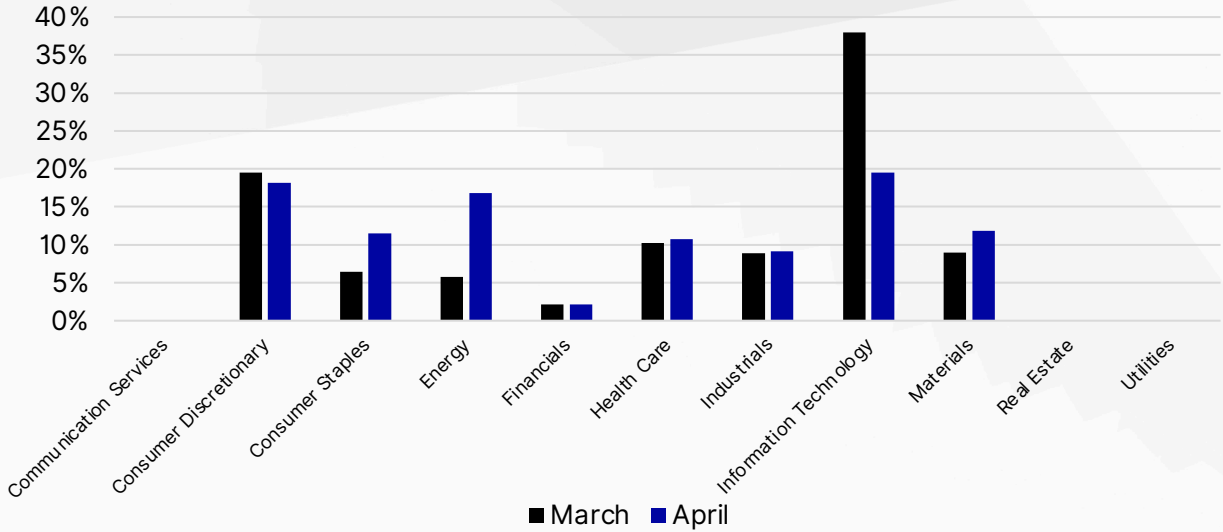
*Investors cannot directly invest in an index

Performance data quoted represents past performance and is no guarantee of future results. Current performance may be lower or higher than the performance data quoted. Investment return and principal value will fluctuate so that an investor's shares, when redeemed, may be worth more or less than original cost. Returns less than one year are not annualized. For current standard performance and expenses, visit www.graftaietf.com/amom

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AMOM Sector Change



Sector	March	April	Change
Communication Services	-	-	-
Consumer Discretionary	19.53%	18.17%	-1.35%
Consumer Staples	6.41%	11.54%	5.13%
Energy	5.81%	16.85%	11.05%
Financials	2.13%	2.16%	0.03%
Health Care	10.28%	10.75%	0.47%
Industrials	8.92%	9.12%	0.20%
Information Technology	38.00%	19.54%	-18.46%
Materials	8.93%	11.86%	2.93%
Real Estate	-	-	-
Utilities	-	-	-

(Source: Company data; Data available as of April 4, 2022)

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QRFT Key Takeaways

Increase in Momentum, Size, & Low Risk factors

- Increase of Momentum factor by 2.38%, Size by 0.25%, Low Risk by 2.55%

Decrease in Value and Quality factors

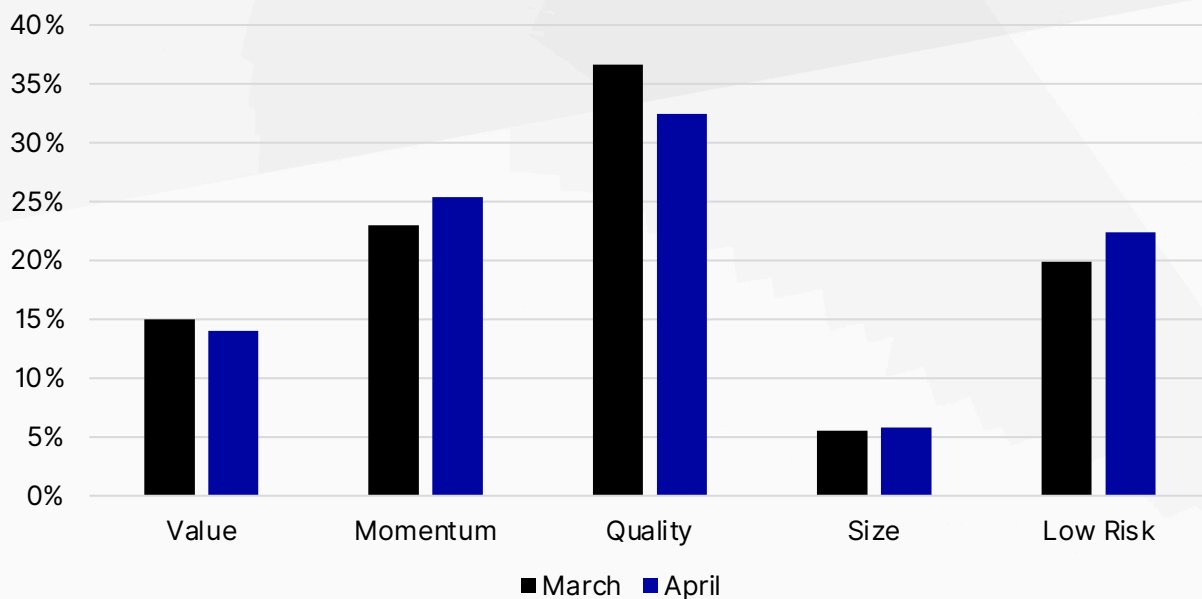
- Decrease in Quality factor by 2.08% and Low-Risk factor by 1.88%

Significant increase in Financials and decrease in Industrials & Consumer Discretionary sectors

- Financial sector holdings increases by 7.64%, representing a 3-month consecutive increase
- Industrial holdings decrease by 2.34%
- Consumer Discretionary sector decrease by 4.03%

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QRFT Factor Change

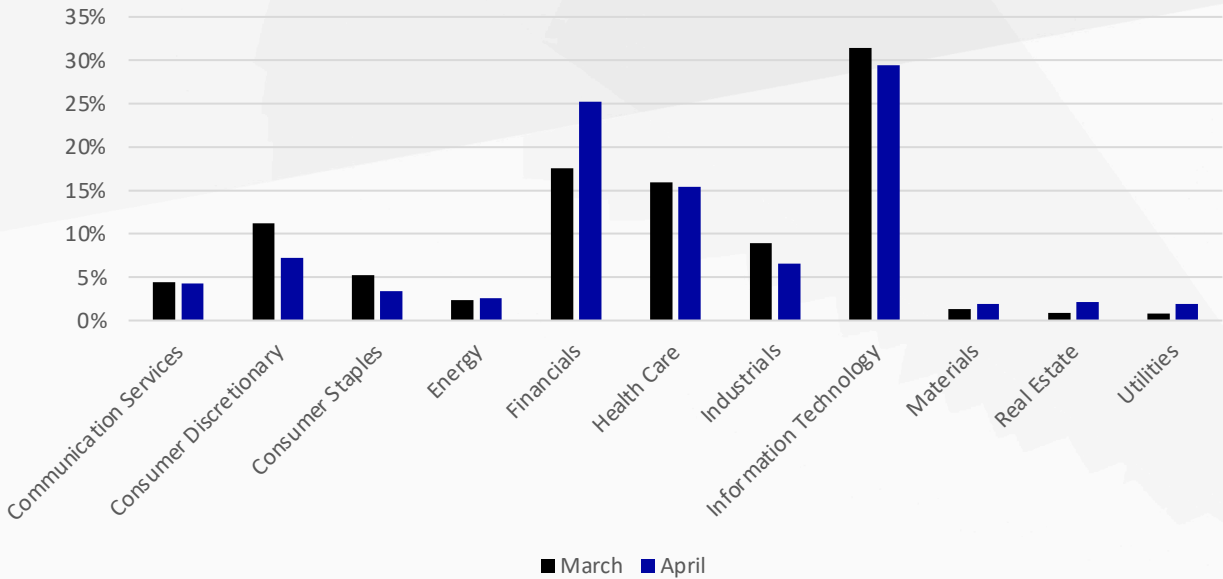
Factors	March	April	Change
Value	15.01%	14.00%	-1.01%
Momentum	22.98%	25.37%	2.38%
Quality	36.61%	32.44%	-4.17%
Size	5.53%	5.78%	0.25%
Low Risk	19.86%	22.41%	2.55%

(Source: Company data; Data available as of April 4, 2022)

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QRFT Sector Change



Sector	March	April	Change
Communication Services	4.40%	4.25%	-0.15%
Consumer Discretionary	11.23%	7.20%	-4.03%
Consumer Staples	5.21%	3.42%	-1.79%
Energy	2.38%	2.54%	0.16%
Financials	17.58%	25.23%	7.64%
Health Care	15.93%	15.40%	-0.53%
Industrials	8.92%	6.58%	-2.34%
Information Technology	31.41%	29.44%	-1.97%
Materials	1.29%	1.92%	0.64%
Real Estate	0.85%	2.13%	1.29%
Utilities	0.81%	1.88%	1.08%

(Source: Company data; Data available as of April 4, 2022)

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QRFT Rebalance Tables

March Top 10		April Top 10	
MSFT	3.29%	MSFT	3.35%
AAPL	3.21%	AAPL	3.19%
EPAM	2.18%	KLAC	1.94%
BAH	1.99%	GOOGL	1.92%
GOOGL	1.94%	AMZN	1.86%
AMZN	1.86%	MKTX	1.63%
COST	1.84%	LULU	1.53%
LULU	1.60%	BRK.B	1.46%
UNH	1.57%	LMT	1.45%
SPGI	1.50%	CACC	1.39%

Significant Removals		Significant Additions	
DHI	0.85%	ENTG	0.86%
TSCO	0.81%	MPWR	0.75%
HII	0.71%	EGP	0.65%
POOL	0.70%	RE	0.64%
WAT	0.64%	FDS	0.58%

(Source: Company data; Data available as of April 4, 2022)

Table showing key QRFT metrics

Ticker	Product	Return type	1 Month	YTD	Since Inception
QRFT	Qraft AI-Enhanced Large Cap ETF	Market Return	4.90%	-11.36%	74.68%
SPXTR ⁱⁱⁱ	S&P 500 Total Return Index	Index Return	4.70%	-7.37%	61.15%

(Source: S&P Compustat; Data available as of April 12, 2022; Subject to change)

Since QRFT inception: May 19, 2019

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NVQ

Key Takeaways

Significant holdings increases in Health Care, IT, and Consumer Staples sectors

- Health Care sector holdings increases by 6.87%
- IT sector holdings increases 3.30%
- Consumer Staples sector weight increases by 2.35%

Significant decreases in Consumer Discretionary, Energy, and Financials sectors

- Consumer Discretionary holdings continues decrease by 2.67% after 9.49% decrease in March
- Energy sector holdings decreases by 4.11% after the sector saw significant growth in March due to the conflict in Ukraine
- Financials sector decreases 5.54%

NVQ continues to strong performance year-to-date over its peers as value remains one of the top performing factors for 2022

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NVQ Rebalance Tables

March Top 10		April Top 10	
CI	5.86%	CVS	8.00%
EOG	4.74%	CI	5.15%
TFC	4.47%	TFC	4.64%
MET	4.17%	EOG	4.37%
COF	4.15%	COF	3.84%
CNC	3.66%	MET	3.75%
MPC	3.63%	CNC	3.28%
ADM	3.28%	VMW	3.08%
VLO	3.09%	MPC	2.98%
PRU	3.04%	KR	2.97%

Significant Removals		Significant Additions	
ADM	3.28%	CVS	8.00%
PRU	3.04%	VMW	3.08%
PSX	2.62%	KR	2.97%
CCL	1.50%	WBA	2.42%
WRK	0.83%	CNA	0.83%

(Source: Company data; Data available as of April 4, 2022)

Table showing key NVQ metrics

Ticker	Product	Return type	1 Month	YTD	Since Inception
NVQ	Graft AI-Enhanced Next Value ETF	Market Return	2.97%	1.16%	31.87%
SPXVTR ^{iv}	S&P 500 Value Total Return Index*	Index Return	5.03%	-0.47%	26.70%

(Source: S&P Compustat; Data available as of April 12, 2022; Subject to change)

Since NVQ inception: December 3, 2020

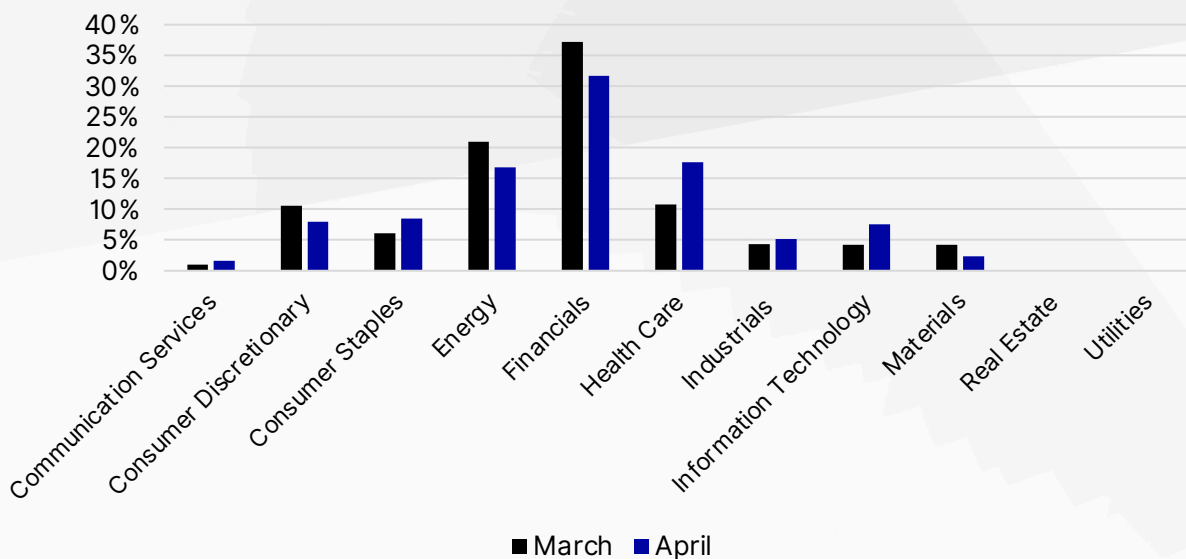
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NVQ Sector Change



Sector	March	April	Change
Communication Services	1.05%	1.63%	0.58%
Consumer Discretionary	10.58%	7.92%	-2.67%
Consumer Staples	6.09%	8.44%	2.35%
Energy	20.94%	16.83%	-4.11%
Financials	37.25%	31.71%	-5.54%
Health Care	10.81%	17.68%	6.87%
Industrials	4.34%	5.20%	0.87%
Information Technology	4.26%	7.56%	3.30%
Materials	4.19%	2.33%	-1.86%
Real Estate	0.00%	0.00%	0.00%
Utilities	0.00%	0.00%	0.00%

(Source: S&P Compustat; Data available as of April 4, 2022)

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HDIV

Key Takeaways

Significant decreases in Consumer Discretionary, Consumer Staples, and IT sectors

- Consumer Discretionary sector sees decrease of holdings by 9.74%
- Consumer Staples sector holdings decreases by 7.46%
- IT sector decreases by 5.67%

Large increases in Consumer Services, Energy, Financials, and Health Care sectors

- Consumer Services sector holdings increases by 4.92%
- Energy sees increases of 5.87%
- Financials sector increases by 5.68%
- Health Care continues month-over-month sector growth with increase of 3.90, representing largest sector by holdings weight

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HDIV Rebalance Tables

January Top 10		April Top 10	
UNH	6.95%	JNJ	8.00%
JNJ	6.69%	WMT	7.83%
WMT	5.92%	ABBV	5.43%
PG	5.29%	LLY	5.17%
HD	4.56%	PEP	4.39%
ABBV	4.10%	VZ	4.06%
AVGO	3.68%	MRK	3.93%
COST	3.61%	INTC	3.83%
CSCO	3.35%	TXN	3.22%
PEP	3.29%	T	3.20%

Significant Removals		Significant Additions	
UNH	6.95%	LLY	5.17%
PG	5.29%	TXN	3.22%
HD	4.56%	T	3.20%
AVGO	3.68%	IBM	2.22%
COST	3.61%	BX	1.69%

(Source: Company data; Data available as of April 4, 2022)

Table showing key HDIV metrics

Ticker	Product	Return type	1 Month	YTD	Since Inception
HDIV	Graft AI-Enhanced U.S. High Dividend ETF	Market Return	5.71%	0.23%	40.18%
MDYFT ^{IV}	Morningstar Dividend Yield Focus TR	Index Return	4.68%	7.97%	37.57%

(Source: S&P Compustat; Data available as of April 12, 2021; Subject to change)

Since HDIV inception: February 27, 2020

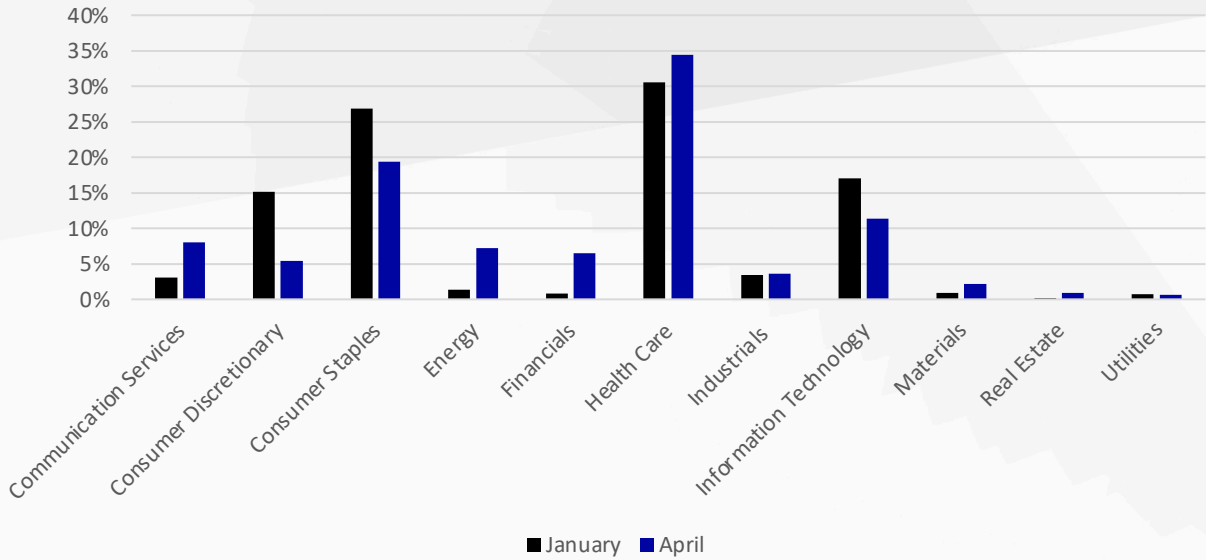
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HDIV Sector Change



Sector	January	April	Change
Communication Services	3.07%	7.99%	4.92%
Consumer Discretionary	15.12%	5.38%	-9.74%
Consumer Staples	26.83%	19.37%	-7.46%
Energy	1.37%	7.24%	5.87%
Financials	0.84%	6.51%	5.68%
Health Care	30.53%	34.43%	3.90%
Industrials	3.40%	3.58%	0.17%
Information Technology	17.01%	11.34%	-5.67%
Materials	0.90%	2.18%	1.28%
Real Estate	0.21%	0.88%	0.67%

(Source: S&P Compustat; Data available as of April 4, 2022)

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Endnotes

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Definitions

- i. Alpha describes an investment strategy's ability to beat the market
- ii. Based on MSCI USA Index, its parent index, which captures large and mid cap stocks of the US market. It is designed to reflect the performance of an equity momentum strategy by emphasizing stocks with high price momentum, while maintaining reasonably high trading liquidity, investment capacity and moderate index turnover.
- iii. The index includes 500 leading companies and covers approximately 80% of available market capitalization.
- iv. Measures value stocks using three factors: the ratios of book value, earnings, and sales to price. Constituents are drawn from the S&P 500
- v. The index tracks high-yielding, dividend-paying, U.S.-backed securities screened for superior company quality and financial health

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Important Information

Portfolio holdings are subject to change and should not be considered investment advice.

Investing involves risk including possible loss of principal. Diversification does not ensure profits or prevent losses.

Artificial intelligence selection models are reliant upon data and information supplied by third parties that are utilized by such models. To the extent the models do not perform as designed or as intended, the strategy may not be successfully implemented. If the model or data are incorrect or incomplete, any decisions made in reliance thereon may lead to the inclusion or exclusion of securities that would have been excluded or included had the model or data been correct and complete. Service providers may experience disruptions that arise from human error, processing and communications error, counterparty or third-party errors, technology or systems failures, any of which may have an adverse impact. While it is anticipated the Adviser, Exchange Traded Concepts LLC, will purchase and sell securities based on recommendations of QRAFT AI, the Adviser has full discretion over investment decisions for the Fund.

Investors should consider the investment objectives, risks, charges, and expenses carefully before investing. For a prospectus or summary prospectus with this and other information about the Qraft ETFs, please call (855) 973-7880 or visit our website at www.graftaietf.com. Read the prospectus or summary prospectus carefully before investing.

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Investing involves risk, including loss of principal. The Funds are subject to numerous risks including but not limited to: Equity Risk, Sector Risk, Large Cap Risk, Management Risk, and Trading Risk. The Funds rely heavily on a proprietary artificial intelligence selection model as well as data and information supplied by third parties that are utilized by such model. To the extent the model does not perform as designed or as intended, the Fund's strategy may not be successfully implemented, and the Funds may lose value. Additionally, the funds are non-diversified, which means that they may invest more of their assets in the securities of a single issuer or a smaller number of issuers than if they were a diversified fund. As a result, each Fund may be more exposed to the risks associated with and developments affecting an individual issuer or a smaller number of issuers than a fund that invests more widely. A new or smaller fund's performance may not represent how the fund is expected to or may perform in the long term if and when it becomes larger and has fully implemented its investment strategies. Read the prospectus for additional details regarding risks.

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Important Information

QRAFT AI-Enhanced U.S. Large Cap ETF (QRFT): Companies in the health care sector are subject to extensive government regulation and their profitability can be significantly affected by restrictions on government reimbursement for medical expenses, rising costs of medical products and services, pricing pressure (including price discounting), limited product lines and an increased emphasis on the delivery of health care through outpatient services.

QRAFT AI-Enhanced U.S. Large Cap Momentum ETF (AMOM): The Fund is subject to the risk that market or economic factors impacting technology companies and companies that rely heavily on technology advances could have a major effect on the value of the Fund's investments. The value of stocks of technology companies and companies that rely heavily on technology is particularly vulnerable to rapid changes in technology product cycles, rapid product obsolescence, the loss of patent, copyright and trademark protections, government regulation and competition, both domestically and internationally, including competition from foreign competitors with lower production costs. Technology companies and companies that rely heavily on technology, especially those of smaller, less-seasoned companies, tend to be more volatile than the overall market.

QRAFT AI-Enhanced US High Dividend ETF (HDIV): Securities that pay dividends, as a group, may be out of favor with the market and underperform the overall equity market or stocks of companies that do not pay dividends. In addition, changes in the dividend policies of the companies held by the Fund or the capital resources available for such company's dividend payments may adversely affect the Fund. In the event a company reduces or eliminates its dividend, the Fund may not only lose the dividend payout but the stock price of the company may also fall.

QRAFT AI-Enhanced U.S. Next Value ETF (NVQ): The value approach to investing involves the risk that stocks may remain undervalued, undervaluation may become more severe, or perceived undervaluation may actually represent intrinsic value. Value stocks may underperform the overall equity market while the market concentrates on growth stocks. The small- and mid-capitalization companies in which the Fund invests may be more vulnerable to adverse business or economic events than larger, more established companies, and may underperform other segments of the market or the equity market as a whole. Securities of small- and mid-capitalization companies generally trade in lower volumes, are often more vulnerable to market volatility, and are subject to greater and more unpredictable price changes than larger capitalization stocks or the stock market as a whole.

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