Sprott

# Monthly Report

February 4, 2020

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## 2020 Top 10 Watch List

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In this report, we follow our January recap with a discussion of our Top 10 List of things for gold investors to watch in 2020.

### Gold Climbs 4.7% in January…after Gaining 18.31% in 2019

In January, gold bullion rallied 4.74% or $72/oz to close at $1,589, reaching its highest level since early 2013. It is also at the critical resistance level before a breakout above the $1,600 level. Gold equities (SGDM)[1] declined about 0.83% lagging gold bullion's performance, most likely as the December performance was so strong. With yields probably heading lower until the coronavirus panic ceases, gold remains well supported by lower yields and a flight to safety.

### Month of January 2020

| *Indicator* | 1/31/2020 | 12/31/2019 | Change | % Change | *Analysis* |
|---|---|---|---|---|---|
| **Gold Bullion** | **$1,589** | **$1,517** | **$71.89** | **4.74%** | **Highest close since 2013** |
| **Silver Bullion** | **$18.04** | **$17.85** | **$0.19** | **1.07%** | **Regaining $18 level** |
| **Gold Equities (SGDM)[1]** | **$24.94** | **$25.15** | **($0.21)** | **(0.83)%** | **Still building a bullish consolidation** |
| Gold Equities (GDX)[2] | **$28.99** | **$29.28** | **($0.29)** | **(0.99)%** | same as above |
| DXY US Dollar Index[3] | **97.39** | **96.39** | **1.00** | **-(1.04)%** | DXY Intermediate topping process |
| Total Negative Debt ($Trillion) | **$13.91** | **$11.24** | **$2.67** | **23.76%** | Bottomed and heading higher |
| CFTC Gold Non-Comm Net Position[4] and ETFs (Millions of Oz) | **118.14** | **113.65** | **4.50** | **3.96%** | New all-time high, buying reaccelerating |

**Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. Call 866.675.2639 for current month end performance. For standardized performance of the fund please see page 10.**

### January Ushers in China's Coronavirus

January started with a jolting geopolitical event (a U.S. missile strike against Iran) and ended with fear of a possible global pandemic. Gold spiked to an overnight high of $1,611 on January 8 but traded lower in the $1,550 to $1,560 range a few days later as the market priced in that no further military escalation was likely. Into the last week of January, news of the scale and severity of China's coronavirus outbreak emerged, and gold began to rally as yields started their trek back to near all-time lows. Yields were already struggling to rise to confirm the reflation trade before the virus outbreak. But with fears of the coronavirus spreading, yields have broken lower and have likely removed the reflation narrative for the next few months. Since the epicenter of the coronavirus outbreak is in China, and China has been one of the primary drivers of global growth, these fears are well placed. However, the speed of the drop in yields would suggest convexity flows (i.e., buying bonds to readjust their risk exposure to yields) are back again, similar to the action we saw in August 2019. Bond yields could drop further despite the already quick drop. The U.S. 2-10 year Treasury yield curve is reflecting this as it continues to flatten. Inflation breakevens are also rolling over, and 10-year TIPS (Treasury Inflation Protected Securities) yields closed negative at (0.14)%, a new low this cycle. (TIPS are designed to offer investors a way to insulate a bond against inflation; "inflation breakevens" are the level of inflation the TIPS market is pricing in over the life of the bond.)

## 2019 Recap

2019 was one of the best years for gold in recent history. Gold bullion rose from $1,282 to close at $1,517, increasing $235/oz, or 18.31%, while gold equities returned 43.49%.[1] Silver bullion closed at $17.85, an increase of $2.35 or 15.23% (Figure 1). As 2019 concluded, we ended up experiencing one of the sharpest declines in interest rates (measured by year-over-year percentage change; Figure 2), one of the largest number of central bank rate cuts outside of the 2008 financial crisis, and the expansion of the U.S. Federal Reserve ("Fed") balance sheet at a monthly rate surpassing even QE3 (the Fed's third round of quantitative easing, which began in 2012). All without being even close to a recession or any signs of financial stress. This dramatic turnaround in outlook for interest rates and rate structures propelled gold bullion to break out of its multi-year base pattern.

**Figure 1. Gold/Silver Bullion and Gold Equities Soar in 2019**


Source: Bloomberg. Data as of 12/31/2019.

**Figure 2. U.S. Yields Plummet and Real Yields Near 0% in 2019**


Source: Bloomberg. Data as of 12/31/2019.

## 2020 Top 10 Watch List

Our *2020 Top 10 Watch List* is informed by the events of 2018 and 2019. We are in the very late-cycle phase of the longest economic expansion in U.S. history. Debt has exploded and with it, the deficit. Growth has peaked, and central banks are stimulating at levels usually associated with recessions and financial crises. Generally, as an economic cycle grows and matures, debt levels are brought down as government revenues expand relative to spending. Not this time, and not by a long shot.

The view we see in the long term is that nominal interest rates are likely to remain in a prolonged period of low yields. Real interest rates are likely to be zero to negative as a way of monetizing debt and keeping interest payments manageable. If a recession were to start, or a financial crisis was to emerge, the ability of governments and central banks to cushion these events are limited, given that interest rates are already at record lows and debt is at record highs. The next crisis will likely occur when debt servicing obligations become stressed. The path of least resistance to address this will be to bring real interest rates further into very negative levels. **And extreme negative real interest rates erode the value of almost all assets except one: gold.**

### The top 10 things for gold investors to watch in 2020:

#1. Gold Bullion Breaking Above $1,600
#2. Gold Stocks Should Continue to Rally with Gold Bullion
#3. U.S. Dollar Weakness
#4. U.S. 10-Year Real Yields
#5. Mean Reversion in Volatility
#6. The Cost of Credit Default Insurance
#7. Nominal Yields Rangebound at the Lower End
#8. Global Liquidity
#9. Gold Equity to Gold Bullion Ratio
#10. Heightened Geopolitical Risk and a Pandemic

### #1. Gold Bullion Breaking Above $1,600

We highlighted this chart in our December commentary, but the importance of surpassing the last significant chart resistance level is critical. Once exceeded, the $1,600 to $1,800 trading range opens up, and after that, if macro conditions continue as we expect, new highs are likely within a few years.

**Figure 3. Gold Bullion Reaches Last Major Resistance Level**


Source: Bloomberg. Data as of 2/03/2020.

### #2. Gold Stocks Should Continue to Rally with Gold Bullion

We highlighted this in December as well. Breaking through GDX's $31.32 highs of August 2016 is likely to put in place a very bullish multi-year base pattern and will target the next significant resistance at $39.50. We have discussed before how, as the price of gold bullion rises, gold companies' earnings rise even more. Also, we emphasized several broad market valuation metrics; gold companies compare quite favorably to the general equity market. When the general equity market is at peak earnings power, gold mining companies are just starting their upcycle. One undeniable factor remains investor sentiment. After several years in a bear market and only now emerging into the bullish phase, gold equity sentiment is improving. A multi-year base bullish breakout will help lift sentiment.

**Figure 4. Gold Equities Approach Major Resistance Level**

A successful breakout will put in place a multi-year bullish base pattern.

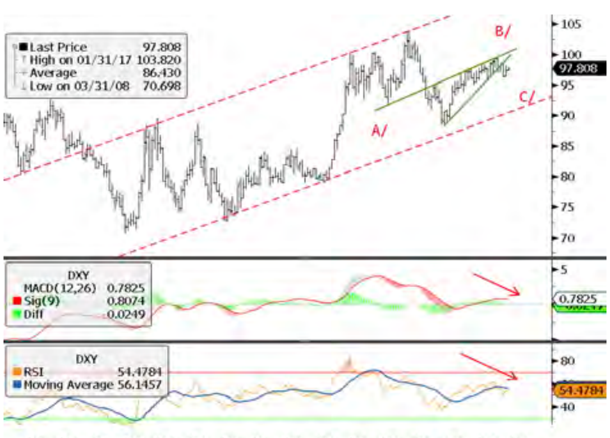

Source: Bloomberg. Data as of 2/03/2020.

## #3. U.S. Dollar Weakness

We are seeing signs of an intermediate peak in the U.S. dollar ("$USD"), as we highlighted in December. We see $USD weakness as the next driver for higher gold prices. Historically, the correlation of gold to a weaker $USD is very significant. Gold as a store of value will increase as the base denominated currency weakens.

**Figure 5. The U.S. Dollar Poised to Head Lower?**

The DXY appears to have completed its Wave B and is setting up for the Wave C lower to the lower channel range of 90. Note the negative divergence on MACD and RSI rolling over.*




Source: Bloomberg. Data as of 2/03/2020.

*Moving Average Convergence Divergence ("MACD") is a trend-following momentum indicator that shows the relationship between two moving averages of a security's price. Relative Strength Index ("RSI") is a technical indicator used to measure the current and historical strength or weakness of a security.

## #4. U.S. 10-Year Real Yields

Since the September 2019 peak in gold, real interest rates as measured by the 10-year TIPS yield, traded flat while nominal yields, breakevens and 5Y/5Y inflations swaps staged at least some measure of a rebound. The 10-year TIPS yield is already close to rolling over into deeper negative territory. The Fed has previously stated that even if inflation were to surpass its 2% inflation target, it would keep rates low, the definition of a negative real yield policy. During the next stress event or crisis, we expect the 10-year TIPS yield to plunge.

**Figure 6. Real Interest Rates and Gold Bullion**


Source: Bloomberg. Data as of 2/03/2020.

## #5. Mean Reversion in Volatility

At the beginning of 2019, volatility was very high, and since then it has compressed to record low levels, mainly due to central bank easings and liquidity injections. There has been a clear and stunning decoupling of the economic outlook and market volatility. Whether you are looking at currency, bond or equity volatility measures, they have collapsed in unison. One example that stands out is the significant short position in VIX[5] futures. CFTC VIX Futures have recently posted a record short position. It appears a considerable counter-position to this short is a long VIX future two months or more out. In other words, there is a large long VIX +two months position, short one month position trade, which has set up a feedback loop as the VIX decreases, the S&P 500 Index[6] goes up. When the mean reversion arrives, the unwinding of this trade will impact the broad equity market.

**Figure 7. VIX Index and VIX CFTC Net Positioning**


Source: Bloomberg. Data as of 2/03/2020.

## #6. The Cost of Credit Default Insurance

Credit default swap ("CDS") spreads have fallen to their lowest level since the 2008 financial crisis, and reveals yet another disconnect that we see in the markets. The cost to insure a default is too low, given that we are at the late-cycle phase of the longest U.S. economic expansion in history with record debt and deficit levels, a slowing economy, heighten policy and political risk. Figure 8 shows an average of several prime brokers' CDS spreads. Prime broker CDS spreads are likely the most sensitive financial measure to the risk of credit default.

**Figure 8. Prime Broker CDS Spreads at a New Post-2008 Lows**


Source: Bloomberg. Data as of 2/03/2020.

## #7. Nominal Yields Rangebound at the Lower End

Using the U.S. Treasury 10-year as a reference, we see nominal yields mostly rangebound at the lower end with risk to the downside far outweighing the risk to the upside. We highlighted in our December commentary some of the arguments for this. If this proves correct, it will provide significant base support for gold bullion.

**Figure 9. U.S. 10-Year Yields**

We saw a similar setup the last time the Fed began an interest rate cut cycle. Growth has slowed as we enter the late cycle. Going forward, we see an asymmetrical path for interest rates, as the hurdle rate for the Fed to raise interest rates is likely impossibly high relative to decreasing rates.

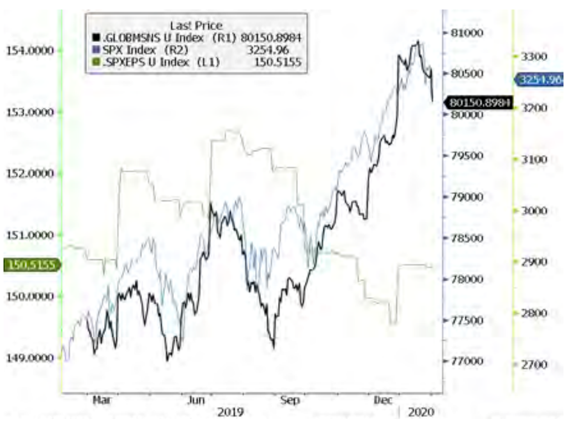

Source: Bloomberg. Data as of 2/03/2020.

## #8. Global Liquidity

The incredible expansion of the Fed's balance sheet in the last few months of 2019 was and continues to be the main driver for the unrelenting equity market advance. The balance sheet was expanded via short-term Treasury bills to address reserve bank imbalances. Since the end of August, the monthly average balance sheet growth has been $101 billion, well surpassing the $85 billion per month rate of QE3.

This expansion in liquidity has been responsible for all the stock market advance since the summer. The trailing 12-month S&P 500 earnings rolled over in August. Since then, the S&P 500 has diverged from earnings and is trading almost lockstep with liquidity (measured here with a proxy for Global Money Supply). Without earnings support, the market is more vulnerable to any factor or event that would cause a multiple contraction.

**Figure 10. S&P 500 Overlayed with Global Money Supply ($USD Billions), and S&P 500 12-Mo. Trailing Earnings**
Since August, the entire advance in the S&P 500 has been by P/E (price-earnings) expansion.




Source: Bloomberg. Data as of 2/03/2020.

## #9. Gold Equity to Gold Bullion Ratio

This ratio broke out of its multi-year downtrend last year and continues to base build in a bullish manner. When this ratio breaks out past this previous significant resistance level, it will mark a decisive turn in investor sentiment. We have discussed the improving valuation metrics of gold equities in prior commentaries.

**Figure 11. GDM Index to Gold Bullion Ratio**
This ratio has broken out of a 12-year bearish down channel. As gold bullion advances and bullish price support firms, we see gold mining equities eventually outperforming bullion given their operating and financial leverage.


Source: Bloomberg. Data as of 2/03/2020.

### #10. Heightened Geopolitical Risk and a Pandemic

It is difficult to monitor and foresee the risks of geopolitical events, as they tend to be short-lived and spike volatility before fading. Still, there is always the risk that events spiral out of control — the same with a viral outbreak. The market data which we have listed above will reflect the impact of geopolitical uncertainty and viral epidemics. The consequences of a geopolitical risk event or a pandemic spiraling out of control will be dire, especially when we consider the current background. Stock markets are at record peaks with very high valuation multiples and high expectations. Global economies are slowing in the very late stages of a very long prolonged economic cycle. There are record debt and deficits, and central banks already pushing the limits of monetary policy.

All this bodes well for gold bullion and gold equities in 2020.

[1] Sprott Gold Miners Exchange Traded Fund (NYSE Arca: SGDM) seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index, the Solactive Gold Miners Custom Factors Index (Index Ticker: SOLGMCFT). The Index aims to track the performance of larger-sized gold companies whose stocks are listed on Canadian and major U.S. exchanges.

[2] VanEck Vectors® Gold Miners ETF (GDX®) seeks to replicate as closely as possible, before fees and expenses, the price and yield performance of the NYSE Arca Gold Miners Index (GDMNTR), which is intended to track the overall performance of companies involved in the gold mining industry.

[3] The U.S. Dollar Index (USDX, DXY, DX) is an index (or measure) of the value of the United States dollar relative to a basket of foreign currencies, often referred to as a basket of U.S. trade partners' currencies.

[4] Commodity Futures Trading Commission's (CFTC) Gold Non-Commercial Net Positions weekly report reflects the difference between the total volume of long and short gold positions existing in the market and opened by non-commercial (speculative) traders. The report only includes U.S. futures markets (Chicago and New York Exchanges). The indicator is a net volume of long gold positions in the United States.

[5] The Volatility Index, or VIX, is a real-time market index that represents the market's expectation of 30-day forward-looking volatility. Derived from the price inputs of the S&P 500 index options, it provides a measure of market risk and investors' sentiments.

[6] The S&P 500 or Standard & Poor's 500 Index is a market-capitalization-weighted index of the 500 largest U.S. publicly traded companies.

## Two Unique ETFs to Invest in Gold Stocks

Sprott ETFs provide investors with access to innovative and unique indexes that are designed to outperform passive market cap-weighted offerings.

**Sprott Gold Miners Exchange Traded Fund (NYSE: SGDM)** seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index, the Solactive Gold Miners Custom Factors Index (Index Ticker: SOLGMCFT). The Index aims to track the performance of larger-sized gold companies whose stocks are listed on Canadian and major U.S. exchanges.

**Sprott Junior Gold Miners Exchange Traded Fund (NYSE: SGDJ)** seeks investment results that correspond (before fees and expenses) generally to the performance of its underlying index, the Solactive Junior Gold Miners Custom Factors Index (Ticker: SOLJGMFT). The Index aims to track the performance of small-capitalization gold companies whose stocks are listed on regulated exchanges.

## Two Unique Indexes

Each Index is designed using specific Factors that Matter™ for a particular strategy. These customized factors are selected because they have historically proven to be strong predictors of stock performance.

**Each Index:**

- Seeks to outperform purely passive representations of the gold and silver mining industry.
- Uses transparent, rules-based methodology designed to overweight gold stocks with attractive investment merits relative to the other stocks in the Index.
- The stock selection and index weighting criteria were co-developed by Sprott Asset Management LP, a leading, long-time gold sector investor, and Solactive AG.

**SGDM**
NYSE ARCA

**Sprott Gold Miners ETF**

- Stocks weighted in the Index based on quarterly revenue growth and long-term debt to equity.
- Index is reconstituted quarterly.

**SGDJ**
NYSE ARCA

**Sprott Junior Gold Miners ETF**

- Stocks weighted in the Index based on revenue growth and price momentum.
- Index is reconstituted semi-annually.

# Sprott Monthly Report

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## Sprott Gold Miners Exchange Traded Fund

### Performance: Average Annual Total Returns* (%)

| MONTH END AS OF 1/31/2020 | 1 MO | 3 MO | YTD | 1 YR | 3 YR | 5 YR | S.I.[2] |
|---|---|---|---|---|---|---|---|
| Sprott Gold Miners ETF (Net Asset Value) | -0.40 | 3.66 | -0.40 | 30.51 | 5.06 | 4.31 | 0.54 |
| Sprott Gold Miners ETF (Market Price)[1] | -0.67 | 3.95 | -0.67 | 31.26 | 5.13 | 4.34 | 0.57 |
| Solactive Gold Miners Custom Factors Index TR (Benchmark)[3] | -0.32 | 3.89 | -0.32 | - | - | - | - |
| Sprott Zacks Gold Miners Index (Legacy Index)[3] | -3.40 | 2.86 | -3.40 | 38.22 | 7.58 | 6.14 | 2.19 |
| S&P 500® Total Return Index | -0.04 | 6.72 | -0.04 | 21.68 | 14.54 | 12.37 | 11.47 |
| **QUARTER END AS OF 12/31/2019** | **1 MO** | **3 MO** | **YTD** | **1 YR** | **3 YR** | **5 YR** | **S.I.[2]** |
| Sprott Gold Miners ETF (Net Asset Value) | 7.59 | 9.56 | 43.44 | 43.44 | 10.61 | 8.02 | 0.62 |
| Sprott Gold Miners ETF (Market Price)[1] | 8.11 | 10.28 | 44.39 | 44.39 | 10.68 | 8.11 | 0.70 |
| Solactive Gold Miners Custom Factors Index TR (Benchmark)[3] | 7.64 | 9.74 | - | - | - | - | - |
| Sprott Zacks Gold Miners Index (Legacy Index)[3] | 10.79 | 17.06 | 56.67 | 56.67 | 14.45 | 10.60 | 2.87 |
| S&P 500® Total Return Index | 3.02 | 9.07 | 31.49 | 31.49 | 15.27 | 11.70 | 11.67 |

### Expenses (%) as of 07/19/2019

| | |
|---|---|
| Management Fee | 0.35 |
| Other Expenses[4] | 0.28 |
| **Total Annual Fund Operating Expenses** | **0.63** |
| Fee Waiver/Expense Reimbursement | 0.13 |
| Net Total Expense Ratio[7] | 0.50 |

## Sprott Junior Gold Miners Exchange Traded Fund

### Performance: Average Annual Total Returns* (%)

| MONTH END AS OF 1/31/2020 | 1 MO | 3 MO | YTD | 1 YR | 3 YR | S.I.[5] |
|---|---|---|---|---|---|---|
| Sprott Junior Gold Miners ETF (Net Asset Value) | -2.48 | 3.08 | -2.48 | 20.49 | -3.34 | 7.38 |
| Sprott Junior Gold Miners ETF (Market Price)[1] | -2.85 | 2.53 | -2.85 | 20.78 | -3.39 | 7.40 |
| Solactive Junior Gold Miners Custom Factors Index TR (Benchmark)[6] | -2.48 | 3.26 | -2.48 | - | - | - |
| Sprott Zacks Junior Gold Miners Index – TR (Legacy Index)[6] | -5.77 | 4.22 | -5.77 | 32.59 | 0.22 | 10.25 |
| S&P 500® Total Return Index | -0.04 | 6.72 | -0.04 | 21.68 | 14.54 | 11.67 |
| **QUARTER END AS OF 12/31/2019** | **1 MO** | **3 MO** | **YTD** | **1 YR** | **3 YR** | **S.I.[5]** |
| Sprott Junior Gold Miners ETF (Net Asset Value) | 12.61 | 10.60 | 37.01 | 37.01 | 2.43 | 8.09 |
| Sprott Junior Gold Miners ETF (Market Price)[1] | 12.92 | 11.89 | 37.50 | 37.50 | 2.50 | 8.19 |
| Solactive Junior Gold Miners Custom Factors Index TR (Benchmark)[6] | 12.65 | 10.82 | - | - | - | - |
| Sprott Zacks Junior Gold Miners Index – TR (Legacy Index)[6] | 13.56 | 18.57 | 56.08 | 56.08 | 7.43 | 11.83 |
| S&P 500® Total Return Index | 3.02 | 9.07 | 31.49 | 31.49 | 15.27 | 11.90 |

### Expenses (%) as of 07/19/2019

| | |
|---|---|
| Management Fee | 0.35 |
| Other Expenses[4] | 0.46 |
| **Total Annual Fund Operating Expenses** | **0.81** |
| Fee Waiver/Expense Reimbursement | 0.31 |
| Net Total Expense Ratio[7] | 0.50 |

**See following page for footnotes.**

**Performance data quoted represents past performance. Past performance is no guarantee of future results so that shares, when redeemed may be worth more or less than their original cost. The investment return and principal value will fluctuate. Current performance may be higher or lower than the performance quoted. Call 888.622.1813 for current month end performance.**

* Returns less than one year are not annualized.
[1] Market Price is based on the midpoint of the bid/ask spread at 4 p.m. ET and does not represent the returns an investor would receive if shares were traded at other times.
[2] Inception date of 07/15/2014.
[3] Effective 7/22/2019, SGDM began tracking the Solactive Gold Miners Custom Factors Index (SOLGMCFT). Historical Index data prior to 7/22/2019 is for the Sprott Zacks Gold Miners Index (ZAXSGDM). Index data on or after 7/22/2019 is the Solactive Gold Miners Custom Factors Index (SOLGMCFT), which was created by Solactive AG ("Index Provider") to provide a means of generally tracking the performance of gold mining companies whose stocks are traded on Canadian and major U.S. exchanges. An investor cannot invest directly in the Index. SGDM was reorganized from ALPS ETF Trust into Sprott ETF Trust on or about 7/19/19. SGDM is a continuation of the prior fund and, therefore, the performance information shown includes the prior fund's performance.
[4] Other expenses are based on estimated amounts for the current fiscal year and are calculated as a percentage of the Fund's net assets.
[5] Inception date of 03/31/2015.
[6] Effective 7/22/2019, SGDJ began tracking the Solactive Junior Gold Miners Custom Factors Index (SOLJGMFT). Historical Index data prior to 7/22/2019 is for the Sprott Zacks Junior Gold Miners Index (ZAXSGDJ). Index data on or after 7/22/2019 is the Solactive Junior Gold Miners Custom Factors Index (SOLJGMFT), which was created by Solactive AG ("Index Provider") to provide a means of generally tracking the performance of junior gold mining companies whose stocks are traded on Canadian and major U.S. exchanges. An investor cannot invest directly in the Index. SGDJ was reorganized from ALPS ETF Trust into Sprott ETF Trust on or about 7/19/19. SGDJ is a continuation of the prior fund and, therefore, the performance information shown includes the prior fund's performance.
[7] Sprott Asset Management LP, the investment adviser to the Fund, has contractually agreed to waive the management fee, and/or reimburse expenses so that Total Net Expense Ratio After Fee Waiver/Expense Reimbursements (not including distribution (12b-1) fees, shareholder service fees, acquired fund fees and expenses, taxes, brokerage commissions and extraordinary expenses) do not exceed a maximum of 0.50% of the shares average daily net assets through June 30, 2021.

IMPORTANT DISCLOSURES & DEFINITIONS

**An investor should consider the investment objectives, risks, charges and expenses carefully before investing. This must be accompanied or preceded by a Prospectus. Read the Statutory Prospectus carefully before investing.**

**Sprott Gold Miners ETF and Sprott Junior Gold Miners ETF shares are not individually redeemable. Investors buy and sell shares of the Sprott Gold Miners ETF on a secondary market. Only market makers or "authorized participants" may trade directly with the Fund, typically in blocks of 50,000 shares.**

**The Funds are not suitable for all investors. There are risks involved with investing in ETFs including the loss of money. The Funds are considered nondiversified and can invest a greater portion of assets in securities of individual issuers than diversified funds. As a result, changes in the market value of a single investment could cause greater fluctuations in share price than would occur in diversified funds.**

Micro-cap stocks involve substantially greater risks of loss and price fluctuations because their earnings and revenues tend to be less predictable. These companies may be newly formed or in the early stages of development, with limited product lines, markets or financial resources and may lack management depth.

The Funds will be concentrated in the gold and silver mining industry. As a result, the Funds will be sensitive to changes in, and its performance will depend to a greater extent on, the overall condition of the gold and silver mining industry. Also, gold and silver mining companies are highly dependent on the price of gold and silver bullion. These prices may fluctuate substantially over short periods of time so the Fund's Share price may be more volatile than other types of investments.

Funds that emphasize investments in small/mid cap companies will generally experience greater price volatility.

Funds investing in foreign and emerging markets will also generally experience greater price volatility.

There are risks involved with investing in ETFs including the loss of money.

Diversification does not eliminate the risk of experiencing investment losses.

ETFs are considered to have continuous liquidity because they allow for an individual to trade throughout the day.

ALPS Portfolio Solutions Distributor, Inc. is the Distributor for the Sprott Gold Miners ETF and the Sprott Junior Gold Miners ETF.

ALPS Portfolio Solutions Distributor, Inc. is not affiliated with Sprott Asset Management LP.

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