

## A Letter From The President

– Joe M. Thomson

As we wrap up our “birthday” celebrations here in Paoli this week, I can’t help but be grateful as I reflect on the accomplishments and recognition we’ve had during our infancy as an exchange traded fund (ETF) provider. The success we’ve achieved was hard earned and well deserved, but it would not have happened without the support and encouragement of so many people.

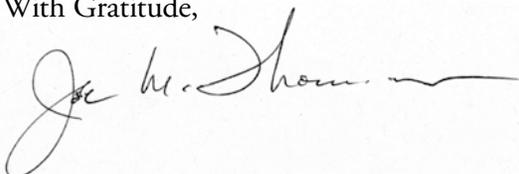
I’d like to extend the sincerest thank you to all of the financial advisors who gave a new ETF provider some time and learned about our strategies. To those who reached outside their normal repertoire of investments and used our strategy driven solutions to address their clients’ needs, we at Pacer are very appreciative of your business. To the advisors who decided that the current offerings of Pacer ETFs are not a right fit for their clients at this point, thank you for taking time to hear our story and for keeping your client’s best interest in mind. We hope you will give our ETFs another look in the near future. As we work to develop more strategy driven solutions, we hope to share our success with you in year two and beyond.

I would like to thank our partners who supported us since the beginning and continue to provide support every step of the way. Without strong relationships with quality people at BATS, Wilshire, NASDAQ, FTSE Russell, US Bank and Knight Capital Group, this year would have been more difficult and less successful. I value these relationships and look forward to their long standing tenure.

Complementing mutual funds as long-term investment strategies, ETFs have seen exceptional growth. As the ETF industry expands, we remain right in the mix. Since the very first ETF’s inception, the exchange traded fund arena has grown to 6,146 products and nearly \$3 trillion globally through 2015. The industry is taking a turn towards more passive investing with 272 exchange traded products launched since our inception last year.

In less than a year, we raised \$653 million (as of 6/9/16) and earned 7 awards from various ETF publications. We doubled our ETF offering by expanding the Trendpilot™ family to include Europe and added two more strategies to the lineup. We grew our sales force and looking ahead to next year, we are better equipped to serve advisors and their clients. As we continue to grow and look to expand our arsenal of ETFs, our mission is to provide strategy driven investments as solutions for investor concerns. I am excited to see what the next year holds and I hope you are too.

With Gratitude,



Joe M. Thomson

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