Key Takeaways

- Global demographic changes and massive innovations in technology have created a new sector – the gig economy – where startups are rapidly growing and surpassing well-established firms, and “work” no longer necessarily means working for someone else.

- Nearly half – 47% – of the U.S. adult workforce is either currently working as an independent or has at some point during their career.¹

- Now, there is a new way to tap into innovation and growth that has added $1.4 trillion annually to the US economy – as an investor.²

- GIGE is one of the first ETFs to seek long-term capital appreciation concentrating on the gig economy. Actively managed, the fund’s holdings represent the broadest definition of the gig economy to tap its high-growth potential.

What is the Gig Economy?

The “gig economy” refers to the group of companies that embrace, support or otherwise benefit from a workforce where independent consultants, contractors, temporary or on-call workers are empowered to create their own freelance business by leveraging recent developments in technology platforms that enable individuals to offer their services directly to retail and commercial customers.

Size and Growth Potential

Growing Gig Workforce: Independent workers are a significant part of today’s workforce. In the U.S., independents are nearly 42 million adults.³ Gig workers represent all ages, income levels and skills across sectors. Their demographics closely resemble the U.S. workforce as a whole. According to the Freelancing in America study by Upwork and the Freelancers Union, the freelance workforce grew at a rate three times faster than the U.S. workforce overall since 2014. At its current rate, the majority of the U.S. workforce will be freelancing by 2027.⁴

³ MBO Partners.
⁴ Upwork and Freelancers Union.
Outside the U.S., an estimated 4.8 million people in the U.K. and up to 162 million across the European Union (EU) work in the gig economy. Freelancers are the fastest-growing labor group in the EU with their number doubling between 2000-2014.

While the tech industry has the most freelancers, there are also gig workers in finance; agriculture and forestry; transportation; education; healthcare; retail; construction; and many varied services from running errands, cleaning and dog walking.

Growing Number of Gig Companies: The more that people work in and interact with the gig economy, the more gig companies will be created and rapidly grow. While startups may experience volatility, consider their high-growth potential. For example, Grubhub’s revenue for the quarter ending March 31, 2019, was a 39.21% increase year-over-year and DocuSign’s revenue for the quarter ending April 30, 2019, was a 37.32% increase year-over-year. More established firms such as Amazon, PayPal and Twitter had first quarter revenue growth increases year over year of 16.96%, 12.02% and 18.35%, respectively.

Why Invest in the Gig Economy?
More investors and their financial advisors are considering the gig economy as a potential high-growth investment and an effective way to have their portfolios benefit from long-term, global labor and technology trends.

Declining Workforce: Many countries around the world are seeing declining birth rates, which is reducing their labor pool and therefore forcing companies to find an alternative workforce. 45% of companies worldwide surveyed by Deloitte said they are having trouble filling positions, the largest percentage since 2006. Among companies with more than 250 employees, the percentage to find qualified candidates rose to 67%.

Technology Advancements: Rapidly accelerating technological changes in processing power and connectivity has created a data revolution, which is placing unprecedented amounts of information in the hands of consumers and businesses. In emerging countries, technology offers economic progress for billions of people at a speed that would have been unimaginable without the mobile Internet.

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5 https://sifted.eu/articles/fintech-gig-workers/
7 Deloitte.
8 https://macrotrends.net
9 Deloitte
The furious pace of technological innovation is shortening the lifecycle of companies\textsuperscript{10}, enabling rapid introduction and adoption of gig-related tools and platforms. Equally, it is changing the economies of scale equation, allowing small companies to compete in a global marketplace. Businesses such as WhatsApp can start and gain scale very quickly and enjoy advantages over large, established businesses.

**GIGE**

GIGE is the first ETF to seek long-term capital appreciation concentrating specifically on the gig economy. At an attractive share price, GIGE offers a compelling investment option for investors and financial advisors to position portfolios to benefit from global demographic changes and technology innovations. Investors are already engaging with the rapidly growing gig companies and now they can more readily invest in them.

The fund is actively managed by Toroso Investments to keep on top of emerging companies and market trends and conditions. The fund is structured so most companies that IPO and fit GIGE’s criteria can be included in the portfolio after one month of trading, as opposed to traditional passive funds that typically wait 60 to 90 days to include a new IPO.

GIGE’s breadth of holdings represents the broadest definition of the gig economy to tap into its high-growth potential. GIGE’s holding are approximately 40\% outside the U.S, and include large-, mid- and small-cap securities.

**GIGE companies include four categories:**

**Platform Businesses:** This is likely what most people think of when they hear gig economy. This category includes: app-based platforms, web-based stores, auction sites, and other commission-based platforms such as Alibaba, eBay and Etsy.

**Services and Transactions Businesses:** This includes companies that facilitate transactions and support the operations of the gig economy such as DocuSign, PayPal and Square.

**Marketing Businesses:** Traditional marketing is expensive and doesn’t work in the gig economy. However, social media and messaging companies work well and therefore make up a large portion of this segment. Examples include Eventbrite, Facebook, Tencent and Twitter.

**Ancillary Businesses:** This category includes non-traditional companies, such as HealthEquity, that are not directly related to the gig economy but that support and/or benefit from the gig economy.

\textsuperscript{10} McKinsey, “Four Global Forces Breaking All the Trends,” April 2015.
About SoFi

SoFi helps people achieve financial independence to realize their ambitions. Our products for 
borrowing, saving, spending, investing and protecting give our more than 700,000 members fast access 
to tools to get their money right. For more information, go to http://sofi.com.

About Toroso Investments

Toroso Investments is an innovative partnership between financial thought leaders in the ETF space 
that have developed a suite of solutions for financial advisors, ETF issuers and other players in the 
industry. Through our three core business units – consulting, asset management and wealth advisor – 
we help our clients grow, prosper and succeed. For more information, go to http://torosoinv.com

Before investing you should carefully consider the Fund's investment objectives, risks, 
charges, and expenses. This and other information is in the prospectus. A prospectus may be 
obtained by visiting www.sofi.com/invest/etfs/. Please read the prospectus carefully before you 
invest.

There is no guarantee that the Fund's investment strategy will be successful. Shares may trade at a 
premium or discount to their NAV in the secondary market, and a fund's holdings and returns may 
deviate from those of its index. These variations may be greater when markets are volatile or subject to 
unusual conditions. A high portfolio turnover rate increases transaction costs, which may increase the 
Fund's expenses. The Fund is new and has a limited operating history. You can lose money on your 
investment in the Fund. Diversification does not ensure profit or protect against loss in declining 
markets. Investments in foreign securities may involve risks such as social and political instability, 
market illiquidity, exchange-rate fluctuations, a high level of volatility and limited regulation. Investing in 
emerging markets involves different and greater risks, as these countries are substantially smaller, less 
liquid and more volatile than securities markets in more developed markets. Because the Fund may 
invest in a single sector, country or industry, its shares do not represent a complete investment 
program. As a non-diversified fund, the value of the shares may fluctuate more than shares invested in 
a broader range of industries and companies because of concentration in a specific sector, country or 
industry. Since the Fund is actively managed it does not seek to replicate the performance of a 
specified index. The Fund may frequently trade all or a significant portion of its portfolio; and have 
higher portfolio turnover than funds that do seek to replicate the performance of an index.

SoFi ETFs are distributed by Foreside Fund Services, LLC. 
For the Funds top ten holdings please click here.