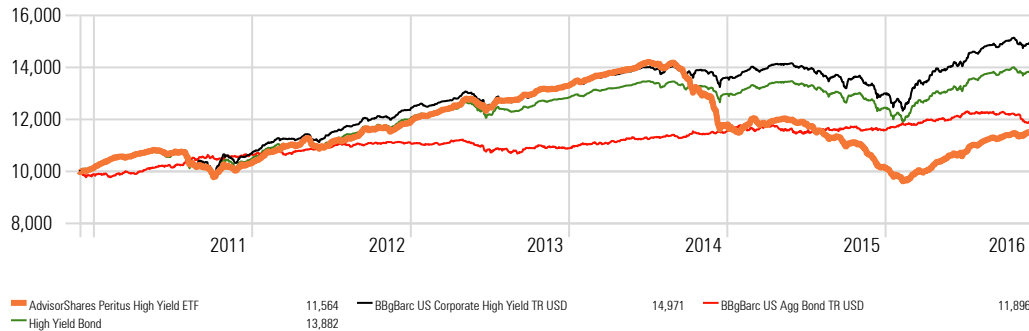


### Investment Strategy

The investment seeks high current income with a secondary goal of capital appreciation. The Sub-Advisor seeks to achieve the fund's investment objective by selecting a focused portfolio of high-yield debt securities, which include senior and subordinated corporate debt obligations (such as loans, bonds, debentures, notes and commercial paper). The fund does not have any portfolio maturity limitation and may invest its assets in instruments with short-term, medium-term or long-term maturities. It invests at least 80% of its net assets (plus any borrowings for investment purposes) in high-yield debt securities.

### Investment Growth

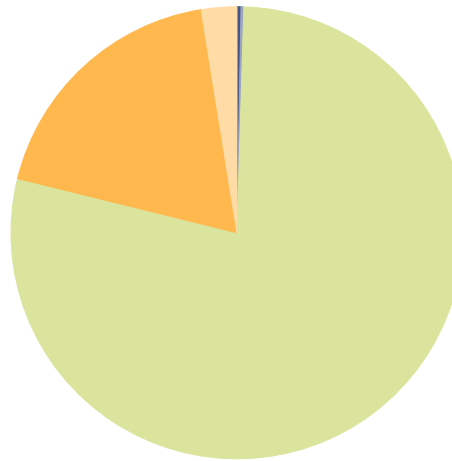
Time Period: 12/1/2010 to 11/30/2016



### Snapshot

Ticker	HYLD
Morningstar Rating 3 Yr	★
Morningstar Rating 5 Yr	★
Morningstar Rating Overall	★
Morningstar Risk Rating Overall	High
Category	High Yield Bond
# in Category	605
Inception Date	11/30/2010
Management Fee	1.10
Asset Under Management	198,621,604

### Asset Allocation



● Cash	0.28
● US Equity	0.20
● US Bond	78.53
● Non-US Bond	18.65
● Other	2.54
<b>Total</b>	<b>100.20</b>

Overall Morningstar rating is derived from a weighted average of the fund's 3-, 5-, and 10-year (if applicable) risk-adjusted returns as of the date of this report. Category consists of 605 funds in 3 year, 469 in 5 year, and 311 in 10 year.

30 Day Unsubsidized SEC Yield	8.98	Prospectus Net Expense Ratio	1.28	Average Eff Duration	3.23
30 Day Subsidized SEC Yield	8.98	Prospectus Gross Expense Ratio	1.28	Modified Duration	3.05

### Trailing Returns Month-End (Annualized over 1 year)

As of Date: 11/30/2016

	1 Year	3 Year	5 Year	Since Inception
AdvisorShares Peritus High Yield ETF (NAV)	8.72	-4.29	2.72	2.45
AdvisorShares Peritus High Yield ETF (Market)	6.95	-5.06	1.95	2.05
BBgBarc US Corporate High Yield TR USD	12.11	4.21	7.53	6.96
BBgBarc US Agg Bond TR USD	2.17	2.79	2.43	2.94
High Yield Bond	8.76	2.79	6.25	5.62

### Trailing Returns Quarter-End (Annualized over 1 year)

As of Date: 9/30/2016

	1 Year	3 Year	5 Year	Since Inception
AdvisorShares Peritus High Yield ETF (NAV)	2.67	-4.27	2.66	2.21
AdvisorShares Peritus High Yield ETF (Market)	3.75	-4.62	2.42	2.00
BBgBarc US Corporate High Yield TR USD	12.73	5.28	8.34	7.18
BBgBarc US Agg Bond TR USD	5.19	4.02	3.08	3.58
High Yield Bond	9.23	3.68	6.94	5.79

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 the Fund's most recent month end performance, please visit [www.advisorshares.com](http://www.advisorshares.com). The Advisor has contractually agreed to keep net expenses from exceeding 1.35% of the Fund's daily net assets for at least a year from the date of the Prospectus and for an indefinite period thereafter subject to annual reapproval of the agreement by the Board of Trustees.

Duration is the change of a fixed income security that will result from a 1% change in interest rates, and is based on the yield to worst date; this measure only represents the fixed income portion of the portfolio and assumes a .25 duration for loans. 30-Day SEC Yield (Standardized Yield) is an annualized yield that is calculated by dividing the investment income earned by the Fund less expenses over the most recent 30-day period by the current maximum offering price. The Subsidized Yield reflects fee waivers and/or expense reimbursements recorded by the Fund during the period. Without waivers and/or reimbursements, yields would be reduced. The Unsubsidized Yield does not adjust for any fee waivers and/or expense reimbursements in effect. If the Fund does not incur any fee waivers and/or expense reimbursements during the period, the 30-Day Subsidized Yield and 30-Day Unsubsidized Yield will be identical.

## AdvisorShares Peritus High Yield ETF

As of 11/30/2016

### Calendar Year Returns

	12/1/2010 - 12/31/2010	2011	2012	2013	2014	2015	YTD
AdvisorShares Peritus High Yield ETF (NAV)	1.25	1.91	15.10	12.12	-11.62	-13.88	14.08
AdvisorShares Peritus High Yield ETF (Market)	1.18	2.92	14.32	11.96	-13.52	-13.30	12.99
BBgBarc US Corporate High Yield TR USD	1.81	4.98	15.81	7.44	2.45	-4.47	15.01
BBgBarc US Agg Bond TR USD	-1.08	7.84	4.21	-2.02	5.97	0.55	2.50
High Yield Bond	1.98	2.75	14.71	6.93	1.10	-4.06	11.36

### Risk

	HYLD	Barclay US Corp HY
Alpha	-2.33	0.00
Beta	0.70	1.00
Std Dev	4.62	4.86
Information Ratio (arith)	-1.96	
Sortino Ratio (arith)	0.78	2.33
Sharpe Ratio (arith)	0.74	2.08
Down Capture Ratio	85.52	100.00
Correlation	0.74	1.00
Tracking Error	3.41	0.00
R2	55.10	100.00

### Top 10 Holdings

Holdings are subject to change.	Value (mil)	Weight %
Isola 11/29/2018	3.74	1.91
Osum Production 07/31/20	3.48	1.78
Speedy Cash Inter Hldgs 144A 10.75%	3.41	1.74
Quad / Graphics 7%	3.29	1.68
Greenway Medical 11/04/21	3.12	1.60
Global Ship Lease 144A 10%	3.12	1.59
Windstream 7.75%	3.11	1.59
Harland Clarke Hldgs 144A 9.25%	3.09	1.58
Artesyn Escrow 144A 9.75%	3.05	1.56
Amag Pharmaceuticals 144A 7.875%	3.04	1.55

*Before investing you should carefully consider the Fund's investment objectives, risks, charges and expenses. This and other information is in the prospectus, a copy of which may be obtained by visiting the Fund's website at [www.AdvisorShares.com](http://www.AdvisorShares.com). Please read the prospectus carefully before you invest. Foreside Fund Services, LLC, distributor.*

An investment in the Fund is subject to risk, including the possible loss of principal amount invested. Non-diversification exposes the Fund to greater market risk than if its assets were diversified among a greater number of issuers and/or sectors. High yield, lower rated bonds involve a greater degree of risk than investment grade bonds in return for higher yield potential. As such, securities rated below investment grade generally entail greater credit, market, issuer and liquidity risk than investment grade securities. Interest rate risk occurs when interest rates rise as bond prices usually fall. This Fund may not be suitable for all investors.

Shares are bought and sold at market price (closing price) not net asset value (NAV) and are not individually redeemed from the Fund. Market price returns are based on the midpoint of the bid/ask spread at 4:00 pm Eastern Time (when NAV is normally determined) and do not represent the return you would receive if you traded at other times.

The Morningstar Rating™ is provided for those exchange-traded funds ("ETFs") with at least a three-year history. Ratings are based on the ETF's Morningstar Risk-Adjusted Return measure which accounts for variation in monthly performance, placing more emphasis on downward variations and rewarding consistent performance. An ETF's risk-adjusted return includes a brokerage commission estimate. This estimate is intended to reflect what an average investor would pay when buying or selling an ETF. PLEASE NOTE, this estimate is subject to change and the actual brokerage commission an investor pays may be higher or lower than this estimate. Morningstar compares each ETF's risk-adjusted return to the open end mutual fund rating breakpoints for that category. Consistent with the open-end mutual fund ratings, the top 10% of ETFs in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. The overall rating for an ETF is based on a weighted average of the time-period ratings (e.g., the ETF's 3, 5, and 10 year rating). The determination of an ETF's rating does not affect the retail open end mutual fund data published by Morningstar. Past performance is no guarantee of future results.

The Barclays U.S. Corp High Yield TR USD Index is an unmanaged index considered representative of the universe of U.S. fixed rate, non investment grade debt. The Barclays U.S. Agg Bond TR USD Index is an unmanaged index considered representative of the performance of the U.S. investment grade bond market. One cannot invest directly in an index. The High Yield Bond Category represents portfolios primarily invested in U.S. high-income debt securities where at least 65% or more of bond assets are not rated or are rated by a major agency such as Standard & Poor's or Moody's at the level of BB (considered speculative for taxable bonds) and below. Alpha measures the risk-adjusted premium an investment earns above its benchmark. Beta measures the volatility of a security or a portfolio in comparison to the entire market. Standard Deviation measures the dispersion of a set of data from its mean and is calculated as the square root of variance. Information Ratio measures the active return of the manager's portfolio divided by the amount of risk that the manager takes relative to the benchmark. Sortino Ratio measures the excess return over the risk-free rate divided by the downside semi-variance, and so it measures the return to "bad" volatility. Sharpe Ratio measures the average return minus the risk-free return divided by the standard deviation of return on an investment. Down Capture Ratio measures an investment manager's overall performance in down-markets. Correlation measures how two securities move in relation to each other. Tracking Error measures how closely a portfolio follows the index to which it is benchmarked. R2 measures the percentage of a fund or security's movements that can be explained by movements in a benchmark index.