

# Emerging Markets Dividend Strategy Portfolio, Series 38

## Investment Objective

The Emerging Markets Dividend Strategy Portfolio, Series 38 (Trust) seeks to provide dividend income, with a secondary objective of capital gains.

## Key Considerations

- **High Income Potential:** Guggenheim feels opportunities for higher income may be found in emerging markets, as the dividend yield for emerging market equities is nearly 60% higher than U.S. equities.<sup>1</sup>
- **Enhance Diversification:** Emerging markets offer diversification benefits due to their lower correlation to the U.S.<sup>2</sup>
- **Quality Advantage:** Guggenheim believes companies that exhibit strong fundamentals and that distribute significant dividends on a consistent basis generally demonstrate financial strength and positive performance relative to their peers.

<sup>1</sup>Bloomberg, 6.30.2021. Emerging market equities are measured by the FTSE Emerging Index. U.S. equities are measured by the Russell 3000® Index. <sup>2</sup>Morningstar, 6.30.2021. Diversification neither assures a profit nor eliminates the risk of experiencing investment losses.

## PORTFOLIO SUMMARY

|  |  |
|--|--|
| <b>Inception Date</b>                                      | 7.6.2021   |
| <b>Termination Date</b>                                    | 7.6.2023   |
| <b>Initial Offer Price</b>                                 | \$10.00  |
| <b>Number of Issues</b>                                    | 30   |
| <b>Historical Annual Dividend Distribution<sup>3</sup></b> | \$0.4156   |
| <b>Distributions</b>                                       | 25th day of each month commencing on 7.25.2021, if any |

## TICKETING INFORMATION

|                                      |           |
|--------------------------------------|-----------|
| <b>CUSIP (cash payment)</b>          | 40177A225 |
| <b>CUSIP (reinvestment accounts)</b> | 40177A233 |
| <b>CUSIP (fee-cash)</b>              | 40177A241 |
| <b>CUSIP (fee-reinvest)</b>          | 40177A258 |
| <b>Ticker</b>                        | CGEMMX    |

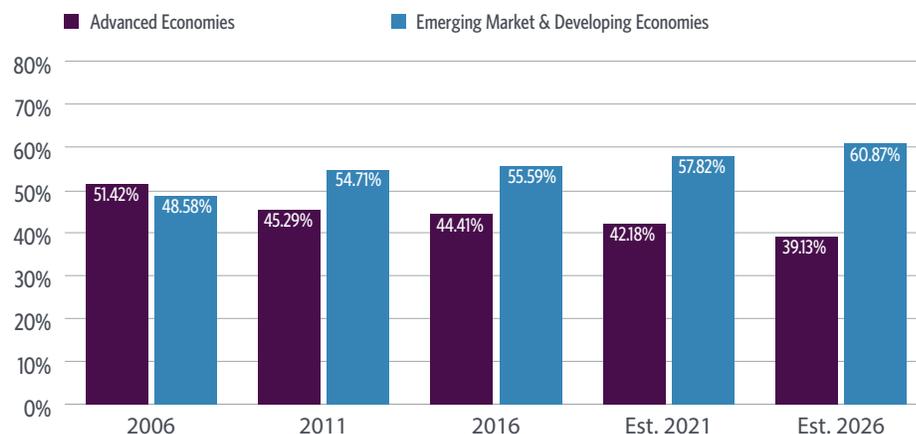
The Emerging Markets Dividend Strategy Portfolio, Series 38 is a Unit Investment Trust.

**RISK CONSIDERATIONS:** As with all investments, you may lose some or all of your investment in the trust. No assurance can be given that the trust's investment objective will be achieved. The trust also might not perform as well as you expect. This can happen for reasons such as these: • Securities prices can be volatile. The value of your investment may fall over time. Market value fluctuates in response to various factors. Changes in legal, political, regulatory, tax and economic conditions may cause fluctuations in markets and securities prices, which could negatively impact the value of the Trust. Events such as war, terrorism, natural and environmental (continued on next page)

## Tap into the Growth Potential of Emerging Markets

As seen in the chart below, emerging markets have been a significant driver of global growth and this trend is expected to continue. The emerging market and developing economies are projected to grow at 6.7% in 2021.<sup>3</sup> To provide exposure to the emerging market growth potential, Guggenheim Funds Distributors, LLC created the Emerging Markets Dividend Strategy Portfolio.

### GDP OF EMERGING MARKETS & ADVANCED ECONOMIES AS A SHARE OF TOTAL WORLD GDP\*



<sup>3</sup>Source: International Monetary Fund (IMF), April 2021. The IMF classifies countries into advanced economies and emerging market and developing economies based on per capita income level, export diversification and degree of integration into the global financial system. \*GDP weights are based on Purchasing Power Parity (PPP) weights, which are individual countries' share of total world GDP at purchasing power parities. PPP relates changes in the nominal exchange rate between two countries' currencies to changes in the countries' price levels.

**Past performance is no guarantee of future results.** There is no guarantee that the trends and projections noted above will continue or come to fruition and they are subject to change. The chart is for illustrative purposes only and it is not meant to forecast, imply, or guarantee the future performance of any Guggenheim Investments product.

## Security Selection

### Starting Universe

Dividend-paying stocks in the Morningstar Emerging Markets Index.\*\*

### Multi-Factor Quality Evaluation

Exclude securities that have a less favorable combination of fundamental criteria of profitability, growth, and valuation to leave more attractive businesses that tend to have better price appreciation potential.

### Risk Filter

Exclude securities with the worst price momentum—whose risk profiles outweigh return potential over time.

### Final Portfolio

Emerging Markets Dividend Strategy Portfolio

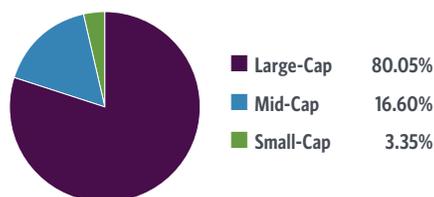
\*\* **INDEX DEFINITION:** The Morningstar Emerging Markets Index captures the performance of the stocks located in the emerging countries across the world. Stocks in the index are weighted by their float capital, which removes corporate cross ownership, government holdings and other locked-in shares. The index is unmanaged and it is not possible to invest directly in the index.

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## Portfolio Allocation

Breakdown and weightings are as of 7.2.2021 and subject to change.

### CAPITALIZATION BREAKDOWN



### TOP 5 COUNTRY (HEADQUARTERS) WEIGHTINGS

|              |        |
|--------------|--------|
| China        | 23.16% |
| Brazil       | 13.35% |
| Russia       | 10.05% |
| South Africa | 10.02% |
| Taiwan       | 10.01% |

### SALES CHARGES

Sales Charge (S/C) is based on a \$10 per unit offering price.

| Standard Accounts                  | Amount Per Unit | Percentage of Public Offering Price |
|------------------------------------|-----------------|-------------------------------------|
| Deferred S/C <sup>6</sup>          | \$0.225         | 2.25%                               |
| Creation and Development (C&D) Fee | \$0.050         | 0.50%                               |
| <b>Total S/C</b>                   | <b>\$0.275</b>  | <b>2.75%</b>                        |
| Fee/Wrap Accounts <sup>7</sup>     |                 |                                     |
| Creation and Development (C&D) Fee | \$0.050         | 0.50%                               |
| <b>Total S/C</b>                   | <b>\$0.050</b>  | <b>0.50%</b>                        |

<sup>5</sup>The Historical Annual Dividend Distribution (HADD) is as of the day prior to trust deposit and subject to change. There is no guarantee the issuers of the securities included in the Trust will declare dividends or distributions in the future. **Due to the negative economic impact across many industries caused by the recent COVID-19 outbreak, certain issuers of the securities included in the Trust may elect to reduce the amount of, or cancel entirely, dividends and/or distributions paid in the future. As a result, the HADD figure will likely be higher, and in some cases significantly higher, than the actual distribution rate achieved by the Trust.** The HADD of the securities included in the Trust is for illustrative purposes only and is not indicative of the Trust's distribution rate. The HADD is the weighted average of the trailing twelve-month distributions paid by the securities included in the portfolio and is reduced to account for the effects of fees and expenses, which will be incurred when investing in the Trust. The HADD will vary due to certain factors that may include, but are not limited to, a change in the dividends paid by issuers, a change in Trust expenses or the sale or maturity of securities in the portfolio. <sup>6</sup>The deferred sales charge (DSC) is a fixed amount and will be deducted in monthly installments on the last business day commencing February 2022 and ending April 2022 or upon early redemption. For unit prices other than \$10, percentages of C&D fees, and DSCs will vary but in no event will the maximum sales charge (S/C) exceed the total S/C. Early redemption of units will still cause payment of the DSC. However, an initial sales charge, which is equal to the difference between the maximum S/C and the sum of any remaining deferred S/C charges and C&D, will be charged if the price paid for units exceeds \$10 per unit. <sup>7</sup>For unit prices other than \$10, percentage of the C&D fee will vary.

## PORTFOLIO HOLDINGS

Holdings, breakdown, and weightings are as of 7.2.2021 and subject to change.

| Symbol                                 | Company Name                                  | Symbol                                 | Company Name                               |
|--|---|--|--|
| <b>Communication Services (20.05%)</b> |   | <b>Industrials (3.35%)</b>             |  |
| CHT                                    | Chunghwa Telecom Company Limited              | 3339 HK                                | Lonking Holdings Limited                   |
| MBT                                    | Mobile TeleSystems PJSC                       | <b>Information Technology (10.01%)</b> |  |
| PHI                                    | PLDT, Inc.                                    | ASX                                    | ASE Technology Holding Company Limited     |
| SKM                                    | SK Telecom Company Limited                    | HNHPF                                  | Hon Hai Precision Industry Company Limited |
| VIV                                    | Telefonica Brasil SA                          | INFY                                   | Infosys Limited                            |
| TLK                                    | Telkom Indonesia Persero Tbk PT               | <b>Materials (26.74%)</b>              |  |
| <b>Consumer Discretionary (3.34%)</b>  |   | ALPEKMM                                | Alpek SAB de CV                            |
| SHZHY                                  | Shenzhou International Group Holdings Limited | GGB                                    | Gerdau SA                                  |
| <b>Consumer Staples (6.67%)</b>        |   | IMPUY                                  | Impala Platinum Holdings Limited           |
| FMX                                    | Fomento Economico Mexicano SAB de CV          | NILSY                                  | MMC Norilsk Nickel PJSC                    |
| 220 HK                                 | Uni-President China Holdings Limited          | SVST LI                                | Severstal PAO                              |
| <b>Energy (10.01%)</b>                 |   | SBSW                                   | Sibanye Stillwater Limited                 |
| EXX SJ                                 | Exxaro Resources Limited                      | SQM                                    | Sociedad Quimica y Minera de Chile SA      |
| PTR                                    | PetroChina Company Limited                    | VEDL                                   | Vedanta Limited                            |
| PBR                                    | Petroleo Brasileiro SA                        | <b>Real Estate (3.21%)</b>             |  |
| <b>Financials (6.66%)</b>              |   | 2777 HK                                | Guangzhou R&F Properties Company Limited   |
| BSAC                                   | Banco Santander Chile                         | <b>Utilities (6.63%)</b>               |  |
| KB                                     | KB Financial Group, Inc.                      | CIG                                    | Cia Energetica de Minas Gerais             |
| <b>Health Care (3.33%)</b>             |   | XNGSY                                  | ENN Energy Holdings Limited                |
| 1513 HK                                | Livzon Pharmaceutical Group, Inc.             |  |  |

**RISK CONSIDERATIONS (continued)** disasters and the spread of infectious illnesses or other public health emergencies may adversely affect the economy, various markets and issuers. Recently, the outbreak of a novel and highly contagious form of coronavirus ("COVID-19") has adversely impacted global commercial activity and contributed to significant volatility in certain markets. Many governments and businesses have instituted quarantines and closures, which has resulted in significant disruption in manufacturing, supply chains, consumer demand and economic activity. The potential impacts are increasingly uncertain, difficult to assess and impossible to predict, and may result in significant losses. Any adverse event could materially and negatively impact the value and performance of trust and the Trust's ability to achieve its investment objectives. Securities selected according to this strategy may not perform as intended. The Trust is exposed to additional risk due to its policy of investing in accordance with an investment strategy. Although the Trust's investment strategy is designed to achieve the Trust's investment objective, the strategy may not prove to be successful. The Trust is concentrated in securities issued by Asian companies. Political, economic or social developments in Asia may have a significant impact on the securities included in the Trust. Certain Asian economies have experienced rapid growth and industrialization, while other Asian economies have experienced high inflation, high unemployment, currency devaluations and restrictions, and over-extension of credit. Many Asian countries are subject to political risk, and social and labor risks associated with demands for improved political, economic and social conditions. The Trust invests in ADRs, GDRs, and foreign securities listed on a foreign exchange, which presents additional risk beyond those of domestic securities. Foreign risk is the risk that foreign securities will be more volatile than U.S. securities due to such factors as adverse economic, currency, political, social or regulatory developments in a country. The Trust includes securities issued by companies headquartered in countries considered to be emerging markets, which may be exposed to greater volatility and market risk, including the possibility of investment and trading limitations, liquidity concerns, delays and disruptions in settlement transactions, political uncertainties and dependence on international trade and development assistance. The Trust includes securities whose value may be dependent on currency exchange rates. The U.S. dollar value of these securities may vary with fluctuations in foreign exchange rates. Most foreign currencies have fluctuated widely in value against the U.S. dollar for various economic and political reasons. The Trust is concentrated in the materials sector. As a result, the factors that impact the materials sector will likely have a greater effect on this Trust than on a more broadly diversified trust. General risks of companies in the materials sector include the general state of the economy, consolidation, domestic and international politics and excess capacity. In addition, materials companies may also be significantly affected by volatility of commodity prices, import controls, worldwide competition, liability for environmental damage, depletion of resources and mandated expenditures for safety and pollution control devices. The Trust invests significantly in the communication services sector. As a result,

the factors that impact the communication services sector will likely have a greater effect on this Trust than on a more broadly diversified trust. General risks of companies in the communication services sector include the impacts of existing and changing government regulations, intense competitive pressures and rapid technological advances. Additionally, product obsolescence and changing consumer preferences affect communication services companies. The Trust invests in securities issued by small- and mid-cap companies, which may have limited product lines, markets or financial resources and may be more vulnerable to adverse general market or economic developments. These securities customarily involve more investment risk than securities of large-capitalization companies. The Trust may be susceptible to potential risks through breaches in cybersecurity. The Trust is subject to risks arising from various operational factors and their service providers. Although the Trust seeks to reduce operational risks through controls and procedures, there is no way to completely protect against such risks. Share prices or dividend rates on the securities in the Trust may decline during the life of the Trust and there is no guarantee that the issuers of the securities will declare dividends in the future and, if declared, whether they will remain at current levels or increase over time. Inflation may lead to a decrease in the value of assets or income from investments. **Please see the Trust prospectus for more complete risk information.**

Unit Investment Trusts are fixed, not actively managed and should be considered as part of a long-term strategy. Investors should consider their ability to invest in successive portfolios, if available, at the applicable sales charge. UITs are subject to annual fund operating expenses in addition to the sales charge. Investors should consult an attorney or tax advisor regarding tax consequences associated with an investment from one series to the next, if available, and with the purchase or sale of units. Guggenheim Funds Distributors, LLC does not offer tax advice.

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**Read the Trust's prospectus carefully before investing. It contains the Trust's investment objectives, risks, charges, expenses and other information, which should be considered carefully before investing. Obtain a prospectus at [GuggenheimInvestments.com](http://GuggenheimInvestments.com).**

Guggenheim Funds Distributors, LLC

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